

HAMPSHIRE COUNTY COUNCIL**Decision Report**

Decision Maker:	Executive Member for Policy and Resources
Date:	24 July 2014
Title:	Project Extra-Care: approval of Business Case for development at Queensgate, Farnborough
Reference:	5743
Report From:	Director of Culture, Communities and Business Services Director of Adult Services

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1. Executive Summary

1.1 The purpose of this paper is to provide an update on the progress on Project Extra-Care and in particular to seek approval to the Business Case for the scheme to be developed on the Queensgate site in Farnborough by Sentinel Housing Association.

1.2 This paper seeks to:

- summarise the background to Project Extra-Care
- identify the progress made to date including emerging development opportunities
- secure approval to the Business Case for the development in Farnborough to release the required funding contribution from the County Council towards the cost of the project.

2. Contextual information

2.1. In October 2011 Cabinet agreed to stimulate the transformation of the provision of accommodation based services for older people through developing Extra-Care housing schemes that would deliver a minimum of 500 affordable Extra-Care apartments by 2019. An indicative capital allocation of up to £45m was allocated for this purpose, and associated nursing home expansions. .

2.2. This decision built on the success of four new build Extra-Care housing schemes already developed in Andover, Gosport, Fleet and Basingstoke as

part of the initial Extra-Care programme (phase 1) agreed in September 2007, which together provide a total of 240 one and two bed apartments, of which 210 are available for social rent and 30 for shared ownership.

- 2.3. In establishing the original business case it was agreed that use of the approved capital funding would require a formal Business Case to be submitted for EMPR approval setting out the capital costs of the proposed project and the payback period.
- 2.4. In considering the *Capital Programme Review* at its Meeting of 21st July 2014, Cabinet recognised that the original target set of delivering 500 extra-care apartments by 2019 was now anticipated to be met two years early by 2017, and that 700 new apartments with an indicative capital requirement of £26m would be delivered by 2019.

3. Project Extra-Care - Progress Update

- 3.1. As part of Phase 1 Consolidation, around £3 million was approved to support the delivery of extensions to the Westholme and Oakridge House Nursing Homes in Winchester and Basingstoke respectively. Work is now nearing completion on both developments, with practical completion and handover to operational teams planned for later this summer.
- 3.2. Authority to procure an OJEU compliant Partner Framework was secured at the July 2012 EMPR meeting and work has progressed since then establishing an appropriate framework arrangement, culminating in July 2013, in the appointment of partner organisations. This framework, which will be operative until 2019, will enable the development of Extra-Care schemes on both sites owned by HCC and those brought forward by framework partner organisations. It offers partners the opportunity to be responsible for all aspects of the development from the design stage through to the provision of the care and support services for the initial three years. The first two opportunities to develop at New Milton, and Romsey are currently on offer to Framework partners.
- 3.3. Alongside the development of the Framework, an Extra-Care Capital Grants Programme has also been established to maximise the potential for delivery of Extra-Care schemes. This enables wider development opportunities to be considered, where a procurement under the Framework is not currently ongoing, but a need has been identified, the County Council has no suitable site, and the proposed site is in the ownership of the applicant organisation.
- 3.4. At its meeting of October 2012, the Executive Member for Policy & Resources (EMPR) approved the first Phase 2 Business Case for the Surrey Court scheme in Eastleigh. This scheme is being developed by First Wessex in two phases, adding in total a further 70 apartments. Phase 1 opened in April 2014 and offers 42 socially rented apartments. Phase 2 due for completion in Autumn 2015 will offer an additional 28 apartments, 8 of which

will be socially rented with the remaining 20 being offered for shared ownership.

- 3.5. In June the EMPR approved the undertaking of a stand alone procurement exercise for the joint provision of an Extra-Care scheme and a Nursing Home on the Oak Park site in Havant. The successful outcome of this procurement exercise to deliver a 102 apartment Extra-Care scheme and an 80 bed nursing home was reported to the EMPR meeting in June 2014, when authority to appoint the successful contractor was agreed. The current programme is for construction to commence in mid 2015 and for the development to be complete and ready for occupation in early 2017.
- 3.6. At the meeting in December 2013 the EMPR approved the Business Case for the development of an Extra-Care scheme at Chesil Street in Winchester. This will be developed by Winchester City Council, and is planned to provide a total of 50 apartments of which 44 will be socially rented, and 6 offered for sale on a shared ownership basis. The scheme will also include provision of enhanced communal facilities which will provide a new more central base for the Winchester Older Persons Day Services facility currently still operating from the former Cornerways Care Home at Kingsworthy in Winchester. Its relocation to this site will enable the proposed sale of the Cornerways site to be progressed as approved.
- 3.7. A suitable site for the development of an Extra-Care scheme in Leigh Park Havant was identified as becoming available earlier this year, and at the April 2014 meeting of the EMPR approval was given to the purchase of this site at Dunsbury Way, Leigh Park to enable the future development of an Extra-Care scheme. A Business Case seeking approval to proceed with this development will be presented to the EMPR once a development partner has been selected.
- 3.8. The remainder of this report and the Business Case contained in the attached confidential appendix 2 relates to the proposed development of an Extra-Care scheme in Farnborough.

4. Farnborough Extra-Care Scheme

- 4.1. Based on the objective of meeting the need identified by the demographic data, and ensuring that Extra-Care Housing becomes a realistic option for older people across the County, with population forecasts within the Rushmoor district indicating an increase of 12.5% in the over 75 population between 2011 and 2017 and 85% by 2030, there is a demonstrable need for such provision in the Rushmoor area.
- 4.2. Despite a careful review of County Council owned sites arising from existing and emerging transformation programmes, together with the existing Capital Receipts programme, it has not been possible to identify a site of a suitable size to develop for Extra-Care housing purposes in the Farnborough area. An opportunity for another site in the wider Rushmoor area for an Extra-Care

housing scheme has been secured within the proposed Aldershot Urban Expansion development in Rushmoor. This however is unlikely to come forward for another 5 years or more.

- 4.3. Sentinel Housing Association have submitted an application for capital funding under the terms of the Extra-Care Capital Grants Programme, for county council funding to support the development of a proposed Extra-Care scheme in south Farnborough.
- 4.4. The proposed Extra-Care scheme will be located within the wider Queensgate development in south Farnborough which consists of c.250 new dwellings. The Extra-Care scheme is proposed to have 104 apartments in total (49 1-bed, and 55 2-bed). All accommodation will be affordable housing, within this the tenure mix remains to be confirmed. In addition to these individual apartments the scheme will offer the full range of communal facilities required in Extra-Care developments of a catering kitchen and restaurant facilities allowing for provision of at least one hot meal a day, treatment and therapy rooms, assisted bathroom etc. Working in partnership with the County Council, the developer has undertaken to ensure that the development is in line with the criteria set out in the Council's Extra-Care Housing Design Guide.
- 4.5. A detailed planning application for the development is due to be submitted shortly, with construction of the scheme planned to commence early in 2015, with an anticipated completion date of summer 2016.
- 4.6. The funding requested from Hampshire County Council for this development will secure benefit for the wider community as a whole as the increased provision of communal amenities delivered will offer enhanced facilities and opportunities for both residents within the scheme and local older persons within the community. If a housing scheme for older people is built without a financial contribution from Hampshire County Council, these wider benefits to the community would not be realised. Overall the proposed Queensgate scheme is considered to fit with strategic objectives of Project Extra-Care in providing new capacity in an area of identified need, at a cost that represents value for money.

5. Finance

- 5.1. The Cabinet report in October 2011 approved up to £45 million towards Project Extra-Care, the first £3 million of which has been allocated to support the Consolidation Phase extension projects. The securing of this funding for specific developments being contingent of the approval of an individual business case. Further commitments totalling c.£8m have been incurred in respect of the developments listed at para 3 above.
- 5.2. This business case is for the proposed Queensgate scheme in Farnborough. The background to the scheme and funding requirement is summarised in Section 4 above and set out in more detail in confidential Appendix 2.

- 5.3. In terms of value for money, the scheme is considered to represent good value, both overall and in terms of the requested contribution of £1,250,000, to be paid on a phased basis linked to scheme commencement and completion.

6. Performance

- 6.1. Project Extra-Care will provide a modern alternative form of care and support for older people, promoting greater service user independence, wellbeing and choice. In this regard the project supports the Corporate Priorities to Maximise Wellbeing and Enhancing our Quality of Place.

7. Future Direction and Programme

- 7.1. This report has summarised the progress achieved to date on delivering the ambitious programme of new Extra-Care developments agreed by Cabinet in October 2011.
- 7.2. With the establishment of the Extra-Care Framework, and the publishing of the Extra-Care Capital Grants Programme, along with the opportunities to progress developments by utilising the provisions of the Local Government Act (1972), the full range of identified delivery mechanisms have been put in place. Subject to the approval of this business case, developments providing c.320 new Extra-Care apartments will have been approved.
- 7.3. With the purchase of the Dunsbury Way site, and the opportunities offered by the provision of County Council owned sites in New Milton, Romsey and Petersfield it is anticipated that the objective set in the Cabinet report of October 2011 to deliver 500 new extra care apartments by 2019, will be exceeded ahead of time and within budget.
- 7.4. The *Capital Programme Review* report presented to Cabinet in July 2014 approved the use of £26m of the £42m available to extend the original target of units to 700 in order to ensure the early delivery of 500 units by 2017. A further £6m was approved to be used to provide Extra-Care accommodation for younger adults, with the balance of £10m being held in the programme pending the outcome of the review of the Transformation to 2015 savings programme planned for September 2014.

8. Recommendations

- 8.1. That the progress made to date on achieving the objectives of Project Extra-Care be noted.
- 8.2. That approval be given to release of the required capital funding to support the proposed Extra-Care development at Queensgate, Farnborough on the basis set out in the report, and that the Director of ASC is authorised to work with Legal Services to complete the appropriate legal arrangements to make the grant award.

CORPORATE OR LEGAL INFORMATION:**Links to the Corporate Strategy**

Hampshire safer and more secure for all:	yes
Corporate Improvement plan link number (if appropriate):	
Maximising well-being:	yes
Corporate Improvement plan link number (if appropriate):	
Enhancing our quality of place:	yes
Corporate Improvement plan link number (if appropriate):	

Other Significant Links

Links to previous Member decisions:		
<u>Title</u> Modernisation of Adult Social Care – Project Extra-Care	<u>Reference</u> 3175	<u>Date</u> 24 October 2011
Direct links to specific legislation or Government Directives		
<u>Title</u>	<u>Date</u>	

Section 100 D - Local Government Act 1972 - background documents

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

<u>Document</u>	<u>Location</u>
None	

IMPACT ASSESSMENTS:

1. Equalities Impact Assessment

- 1.1. An equality impact assessment has been considered in the development of this report and no adverse impact has been identified.

2. Impact on Crime and Disorder

- 2.1. The County Council has a legal obligation under Section 17 of the Crime and Disorder Act 1998 to consider the impact of all the decisions it makes on the prevention of crime. The proposals in this report have no impact on the prevention of crime.

3. Climate Change

- 3.1. The potential impact of these proposals on climate change has been considered and no impact has been identified.