

HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker:	Executive Member for Adult Social Care and Public Health
Date:	27 January 2015
Title:	Capital programme for 2015/16 to 2017/18
Reference:	6337
Report From:	Director of Corporate Resources – Corporate Services and Director of Adult Services

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1. Executive Summary

- 1.1. This report seeks approval for submission to the Leader and Cabinet of the proposed capital programme for 2015/16 to 2017/18.
- 1.2. The report has been prepared in consultation with the Executive Member and will be reviewed by the Health and Adult Social Care Select Committee. It will be reported to the Leader and Cabinet on 6 February 2015 to make final recommendations to County Council on 19 February 2015.
- 1.3. The report considers the schemes which it is proposed to include in the capital programmes for 2015/16, 2016/17 and 2017/18.
- 1.4. The proposals contained in this report are derived from the departmental service plans which have been developed to support the priorities of the Corporate Strategy.

2. Background

- 2.1. Executive Members have been asked to prepare proposals for:
 - a locally-resourced capital programme for the three-year period from 2015/16 to 2017/18 within the guidelines used for the current capital programme including the third year, 2017/18, at a similar level to 2016/17
 - a programme of capital schemes in 2015/16 to 2017/18 supported by Government grants as announced by the Government.
- 2.2. The medium term financial and efficiency strategy is closely linked to the Corporate Strategy and the Corporate Business Plan to ensure that priorities

are affordable and provide value for money and that resources follow priorities.

3. Locally resourced capital programme

- 3.1. The cash limit guidelines for the locally resourced capital programme for the Adult Services service set by Cabinet are as follows.

	£000
2015/16	14,481
2016/17	481
2017/18	481

- 3.2. Executive Members may propose supplementing their capital guidelines under the 'prudential framework' agreed by Cabinet at its meeting on 24 November 2003, as amended by Cabinet in February 2006, thereby integrating more closely decisions on revenue and capital spending in support of corporate priorities. The additions may include virements from the Executive Member's revenue budget or use of temporary unsupported borrowing, to provide bridging finance in advance of capital receipts or other contributions. No virements are proposed between revenue and capital budgets in this report.

4. Proposed capital programme 2015/16 to 2017/18 – locally resourced schemes

- 4.1. The Adult services capital programme for locally resourced schemes reflects the corporate aims of maximising wellbeing, Hampshire safer and more secure for all and enhancing our quality of place. It includes contributions towards the costs of the following:
- Extension of the development of the Extra-Care Programme in accordance with the strategy approved by Cabinet at its meeting on the 24 October 2011
 - Priority works on residential and nursing care premises to meet the needs of residents and service users to satisfy the requirements of regulators including the Care Quality Commission, The Fire Service and the Health and Safety Executive

- 4.2. The detailed programme in Appendix 1 and expenditure for 2015/16 is summarised in the table below:

	£000
Project Extra-Care	14,000
Operational building, including residential and nursing care, improvements	481
Total	<u>14,481</u>

Revised 2014/15 capital programme

- 4.3. The revised 2014/15 capital programme for Adults is shown in Appendix 2 and totals £19.2 million. The changes since the capital programme was approved in January 2014 are summarised below:

	2014/15 £000
Approved Programme	7,081
Carry Forward from 2013/14	22,068
Project Extra-Care	(16,000)
Project Extra-Care for Young Adults	6,000
Autism Grant	<u>19</u>
Total	19,168

- 4.4. The schemes carried forward from previous years of £22.1m were agreed by Cabinet on 23 June 2014.
- 4.5. On the 21 July 2014 Cabinet agreed to extend the Extra-Care programme to 700 units at an estimated cost of £26m. Cabinet also agreed to extend the programme to Young Adults at a cost of £6m. There is a £10m remaining uncommitted balance for further review, within the 'Transformation to 2015' programme, to develop wider options, working with the Health sector, on community health provision.
- 4.6. The Autism grant of £19,000 is a new, one off, grant for 2014/15 that has been added to the programme. The grant is to support work around helping people with autism in line with 'Think Autism', which forms part of the Department of Health's 2010 Adult Autism Strategy for England.
- 4.7. A project is being developed to install new sprinkler systems at Green Meadows and Solent Mead Residential Homes at a cost of £0.5m including fees. It is recommended that this project is funded from the 2014/15 capital programme.
- 4.8. Two significant capital projects in progress are the Extra-Care Housing and the Transformation of Adult Learning Disability Services. The following paragraphs provide further information on these schemes. Further reports,

will continue, to be presented to the Executive Member or Cabinet at future decision meetings (as appropriate) to seek any necessary approvals that are required.

Extra-Care Housing

- 4.9. On the 24 October 2011 Cabinet approved the strategy to extend the development of Extra-Care Housing. This included approval of an indicative maximum financial envelope of £45m of capital investment to deliver the programme of work, including transition cost.
- 4.10. Capital funding for the extensions to Westholme, Winchester and Oakridge, Basingstoke of £3m was formally approved by the Executive Member for Policy and Resources on 24 January, 2013.
- 4.11. Capital funding for future Extra-Care developments will be subject to the development of individual business cases.
- 4.12. On the 21 July 2014 Cabinet approved £26m to be allocated from the original £45m capital envelope to deliver up to 700 units and secure accelerated delivery of the original 500 unit target by 2017.
- 4.13. In addition, Cabinet approved funding of £6m to extend the Extra-Care programme for young adults.

Transformation of Adult Learning Disability Services

- 4.14. On the 27 October 2011, the Executive Member for Policy and Resources approved the Adult Learning Disability (LD) Business Case for the early implementation phase of LD transformation and the broader programme. The business case links to the consultation of the transformation proposals reported to the Executive Member for Adult Social Care on 16 May 2011.
- 4.15. The Executive Member for Policy and Resources Decision Day on 21 July 2011 approved that 100% of LD capital receipts to be reinvested in LD service re-provision.
- 4.16. The Executive member for Policy and Resources on 25 June 2014 approved the revised Business case plan. The financial position has evolved since October 2011 largely as a result of the value likely to be secured by selling surplus property and the consequent impact on prudential borrowing. The business case has been improved with the use of the Community Grant funding of up to £3.4m. It is envisaged that the transformation will be completed by the end of May 2017.

Improvements to Nursing and Residential Accommodation

- 4.17. On the 20 February 2014 Cabinet approved an additional £1m for improvements to Nursing and Residential accommodation. A project has been developed for the replacement of flooring at 14 nursing and residential homes at a cost of £0.830m. The balance has been allocated for refurbishments at 4 homes.

5. Capital programme supported by Government allocations

- 5.1. The locally resourced capital programme is supported by Government grant received from the Department of Health and held corporately. In 2014/15 the amount of Department of Health capital funding to Adult Services was £2.608m.
- 5.2. From 2015/16 this Government grant has been incorporated into the Better Care Fund to provide a means for joint investment in integrated care. This fund will be overseen by the Hampshire Health and Wellbeing Board.

6. Capital programme summary

- 6.1. On the basis of the position outlined above, the total value of the capital programmes submitted for consideration for the three years to 2017/18 are:

	Schemes within locally resourced guidelines	Additional schemes funded within the prudential framework	Schemes supported by Government allocations	Total
	£000	£000	£000	£000
2015/16	14,481	-	-	14,481
2016/17	481	-	-	481
2017/18	481	-	-	481

Note: the above figures are net of developers' contributions and exclude the costs of land for programme schemes which are dealt with outside the guidelines.

7. Revenue implications

7.1. The revenue implications of the proposed capital programme are as follows:

	Full Year Cost	
	Current Expenditure £000	Capital Charges £000
Schemes within the guidelines		
2015/16	-	306
2016/17	-	26
2017/18	-	26
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Total	-	358
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7.2. The total revenue implications for the three years of the starts programme, including capital charges, represent a real term increase of 0.1% over the 2014/15 original budget of Adult Social Care Service.

8. Conclusion

8.1. The capital programme has been prepared within the resource guidelines and reflects the priorities of the service.

9. Recommendation

9.1. To approve submission to the Leader and Cabinet the capital programme for 2015/16 to 2017/18 as set out in Appendix 1 and the revised capital programme for 2014/15 as set out in Appendix 2.

9.2. It is recommended that the following schemes, which are being funded from the 2014/15 Capital Programme, be approved

- a) provision of £0.5m to fund new sprinkler systems at Green Meadows and Solent Mead
- b) provision of £0.830m for the replacement flooring at 14 residential homes.

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

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

Other Significant Links

Links to previous Member decisions:		
<u>Title</u>	<u>Reference</u>	<u>Date</u>
Transformation of Adult Learning Disabilities Services- Property Issues	2897	21 July 2011
Outcome of the Consultation on the proposed closure of four Residential Care Homes and One Day Centre	5258	9 December 2013
Capital programme 2014/15 to 2016/17	5478	7 February 2014
2013/14 End of Year Financial Report	5840	23 June 2014
Transformation of Adult Learning Disabilities Services- Programme Update & Revised Business Plan	5844	25 June 2014
Cabinet Capital Programme Review	5893	21 July 2014
Project Extra-Care: approval of Business Case for part of the development of Queensgate, Farnborough	5743	24 July 2014
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. Equalities Impact Assessments outcomes will be carried out on the schemes within the capital programme in order to comply with the requirements of the Equality Act 2010.

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 proven impact on the prevention of crime.

3. Climate Change:

How does what is being proposed impact on our carbon footprint / energy consumption?

All relevant developments within the capital programme are subject to specific, detailed assessments. Energy conservation, and where applicable enhancing biodiversity, are priorities for all major building schemes.

How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts?

Where appropriate capital schemes are planned with adaptation to climate change in mind, such as the inclusion of passive cooling through building design, rain-water and grey-water harvesting, drought resistant planting etc,

Adult Services

Ref	Project	Construct- ion Works	Fees	Furniture Equipment Vehicles	Total Cost (excluding sites)	Revenue Effect in Full Year	
						Running Costs	Capital Charges
		£'000	£'000	£'000	£'000	£'000	£'000
2015/16 Schemes							
Schemes Supported from Local Resources							
1	Maintaining Operational Buildings including Residential and Nursing Care	241	40	200	481	-	26
2	Extra-Care Housing Transformation Project known as Project Extra-Care +	12,000	2,000	-	14,000	-	280
Total Programme		12,241	2,040	200	14,481	-	306

Capital Programme - 2015/16

Site Position	Contract Start		Remarks	Ref
	Date	Duration		
	Qtr	Months		
All schemes support the Corporate Priority of maximising wellbeing				
N/A	1	12	Continuation of programme for the provision / replacement of furniture and equipment in residential / day care establishments, and to upgrade establishments to contemporary standards.	1
N/A	1	12	Extending the development of the Council's programme of Extra Care Housing for older people, stimulating the market to provide additional units of Extra Care Housing across Hampshire.	2
+ Projects to be partly funded from external contributions.				

Adult Services

Ref	Project	Construct- ion Works	Fees	Furniture Equipment Vehicles	Total Cost (excluding sites)	Revenue Effect in Full Year	
						Running Costs	Capital Charges
		£'000	£'000	£'000	£'000	£'000	£'000
	2016/17 Schemes						
	Schemes Supported from Local Resources						
3	Maintaining Operational Buildings including Residential and Nursing Care	241	40	200	481	-	26
	Total Programme	241	40	200	481	-	26

Capital Programme - 2016/17

Site Position	Contract Start		Remarks	Ref
	Date	Duration		
	Qtr	Months		
N/A	1	12	<p>All schemes support the Corporate Priority of maximising wellbeing</p> <p>Continuation of programme for the provision / replacement of furniture and equipment in residential / day care establishments, and to upgrade establishments to contemporary standards.</p> <p>+ Projects to be partly funded from external contributions.</p>	3

Adult Services

Ref	Project	Construct- ion Works	Fees	Furniture Equipment Vehicles	Total Cost (excluding sites)	Revenue Effect in Full Year	
						Running Costs	Capital Charges
		£'000	£'000	£'000	£'000	£'000	£'000
	2017/18 Schemes						
	Schemes Supported from Local Resources						
4	Maintaining Operational Buildings including Residential and Nursing Care	241	40	200	481	-	26
	Total Programme	241	40	200	481	-	26

Capital Programme - 2017/18

Site Position	Contract Start		Remarks	Ref
	Date	Duration		
	Qtr	Months		
N/A	1	12	<p>All schemes support the Corporate Priority of maximising wellbeing</p> <p>Continuation of programme for the provision / replacement of furniture and equipment in residential / day care establishments, and to upgrade establishments to contemporary standards.</p> <p>+ Projects to be partly funded from external contributions.</p>	4 -

Adult Social Care 2014/15 capital programme

1.	Latest programme limit:	£000
	Total programme as per budget book	7,081
	Carry forward schemes from 2012/13	22,068
	Project Extra-Care	(16,000)
	Project Extra-Care for Young Adults	6,000
	Autism Grant	19
		<u>19,168</u>
2.	Analysis of 2014/15 programme including carry forwards from 2013/14:	
	Project Extra-care Housing transformation project	10,115
	Maintaining Operational Buildings including Residential and Nursing Care	560
	Information Technology	119
	Extra-Care Housing	59
	Learning Disability (LD) Integration/Transformation (F&E)	247
	MH Grants	549
	Project Extra-Care for Young Adults	6,000
	Autism Grant	19
	Green Meadows and Solent Mead Sprinkler System incl fees	500
	Improvements to Residential and Nursing Accommodation:	
	Replacement Flooring	830
	Other Improvements	170
	Schemes controlled on a starts basis	<u>19,168</u>