

| REPORT TO | ON |
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| CABINET | Wednesday, 16 September 2020 |



| TITLE | PORTFOLIO | REPORT OF |
|--------------------------------|------------------------------------------------------------------|-----------------------------------|
| South Ribble Extra Care Scheme | Deputy Leader and Cabinet Member (Health, Wellbeing and Leisure) | Director of Planning and Property |

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| Is this report a KEY DECISION (i.e. more than £100,000 or impacting on more than 2 Borough wards?) | Yes |
| Is this report on the Statutory Cabinet Forward Plan ? | Yes |
| Is the request outside the policy and budgetary framework and therefore subject to confirmation at full Council? This should only be in exceptional circumstances. | No |
| Is this report confidential? | No |

PURPOSE OF THE REPORT

1. To provide Cabinet with an update on plans to bring forward an extra care scheme within South Ribble.
2. To identify and recommend a preferred site for the development of an extra care scheme.
3. To seek approval to procure and finance a consultant team to undertake a feasibility study and prepare a business case for the scheme.

PORTFOLIO RECOMMENDATIONS

4. To approve the recommended site West Paddock for the development of an extra care scheme.
5. To approve the procurement of a suitable consultant team to undertake a feasibility study and develop a business case into the scope and viability of an extra care scheme to be built on land at West Paddock including for financial and legal advice where required.
6. To approve a revenue budget figure of £50,000 to allow for the initial feasibility study, business case, financial and legal advice.

7. Cabinet request Officers to work with Homes England on the funding of an Extra Scheme in South Ribble Borough.
8. To bring back to Cabinet a report detailing the initial feasibility study and business case to progress an extra care scheme.

REASONS FOR THE DECISION

9. To meet a key Corporate Plan objective of supporting communities, through the provision of quality new affordable homes enabling elderly residents within the Borough to live healthier and independently for longer.
10. South Ribble has an ageing population with residents living longer and often presenting with more complex care and support needs. Extra Care housing enables residents to draw on care and support to meet their needs whilst retaining an independence not possible within the traditional residential care environment.
11. Lancashire County Council's Housing with Care and Support Strategy 2018-2025 sets a strategic aim to have at least 1 extra care scheme in each district by 2025 highlighting a need for at least 204 extra care homes in South Ribble by this time.
12. Before the Council can look to develop its extra care plans any further, a decision needs to be taken to identify the site location for a scheme. The chosen site must be of a suitable size and location to accommodate this type of development.
13. On confirmation of a chosen site, the Council can proceed with the first stage of the project which will involve the preparation of a feasibility study and business case. Once complete, this work will be reported back to Cabinet.

EXECUTIVE SUMMARY

14. This report provides Cabinet with an update on plans to bring forward the first purpose built extra care scheme within South Ribble and recommends a preferred site to be identified on which to develop a scheme.
15. Should Cabinet approve the recommendations, Officers will procure a consultant team in accordance with the Council's Contract Procedure Rules to develop a feasibility study and business case to understand the scope and viability of developing an extra care scheme and this shall be reported back to Cabinet once completed.

CORPORATE OUTCOMES

16. The report relates to the following corporate priorities:

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| Excellence, Investment and Financial Sustainability | ✓ |
| Health, Wellbeing and Safety | ✓ |
| Place, Homes and Environment | ✓ |

Projects relating to People in the Corporate Plan:

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|----------------------------|---|
| Our People and Communities | ✓ |
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BACKGROUND TO THE REPORT

17. South Ribble has an ageing population which includes a significant increase in the number of older people over the age of 85. Life expectancy in South Ribble is 80.1 years for men and 83.4 years for women. It is widely reported that people are living longer with more complex support needs impacting on the ability of people to live independently in their own homes. This includes an increase in the number of people living with some form of dementia.
18. Traditional residential care whilst important can restrict choice and take control away from people as to how they receive their care and support needs and lead independent lives. Projections suggest that there will be increased demand for long term care services in the Borough and a strong theme identified in the Corporate Plan is to develop a housing offer which enhances independent living.
19. On 22nd January 2020, Cabinet took the decision for South Ribble Borough Council to develop, own and manage its own extra care scheme. The report granted authority to establish an officer working group to drive forward the identification of a site for an Extra Care scheme, review procurement options and identify sources of funding to build and manage a scheme.
20. Lancashire County Council's Housing with Care and Support Strategy 2018-2025 sets to encourage new, quality housing to meet the care and support needs of older people, promoting health, wellbeing and independent living across Lancashire. The strategy has as a key objective for the development of at least 1 extra care scheme in each Local Authority area by the end of the strategy at 2025. South Ribble does not currently have a purpose-built extra care scheme in the borough.
21. Since adoption of the strategy, Lancashire County Council have committed to working with Eric Wright Group's Health and Care Division as Lancashire regeneration Property Partner to increase pace of delivery and bring forward developments in areas of demand where there is no activity.
22. The County Council have worked with the Housing Learning and Improvement Network (LIN) to help understand the level of need for extra care units across each of the Lancashire Local Authority areas. In South Ribble, it is estimated that there are 204 affordable rented units needed to meet current need. This is an indicative figure and is based on the need of 15 units per 1,000 people aged 75

or over by 2025.

23. Further work has been undertaken to understand need through the Central Lancashire Local Plan work and the production of the Central Lancashire Housing Study in March 2020. This study suggests using a figure of 45 units per 1,000 people aged 75 and over to calculate need. Based on this there is a need to create 1,652 additional units of housing with care and support by 2036, equivalent to 91 units per annum.
24. Evidence demonstrates a clear need for housing in South Ribble that can accommodate care and support needs for the older population that allow for independent living.
25. It is worth noting at this stage that Covid-19 has impacted on both sheltered housing and extra care schemes and in particular the use of community spaces and facilities that schemes are able to offer. This is something that the Council would need to monitor, however it would not stop the Council progressing which the initial phase of the project in seeking feasibility advice and developing a business case.

PROPOSALS

26. The Council has committed to providing a quality housing offer for its residents. The development of an extra care scheme presents an opportunity to deliver on this commitment.
27. The planned scheme will deliver a mix of 1- and 2-bedroom self-contained homes embracing the principles of the lifetime homes standard to ensure homes are accessible and adaptable. Good practice standards including Housing our Ageing Population: Panel for Innovation (HAPPI) principles will be embedded within the scheme to create a well-designed home and environment to support the health and wellbeing of residents to live independently whilst receiving the care they need. Environmental sustainability is a key driver for the Council and the scheme design will maximise ways to achieve this.

PREFERRED SITE

28. Work has been undertaken to identify a site. A number of site options were considered both within the Council's ownership and sites in private ownership. Each site was scored against the following criteria

- Size
- Suitability
- Location
- Sustainability
- Deliverability

See Appendix A for scoring chart. Upon scoring the sites based on the measures noted above, one site came out as top scoring which was land at West Paddock, Leyland (adjacent to the Civic Centre).

29. The West Paddock site is currently vacant as it is no longer the preferred site for a Leisure Centre, it is in the Council's ownership and offers the right size and

location to accommodate an extra care scheme. An extra care development on this site will be well located to a range of existing infrastructure provision including healthcare, leisure and retail facilities as well as offering existing transport facilities to the town centre and wider areas.

30. Lancashire County Council have further produced an Extra Care Needs Tool which has been designed to aid local planning and decision making around extra care. The tool identifies need by low, medium or high at local authority and ward level. South Ribble is identified as having 7 wards which fall into the high level of need and the Broadfield ward of which the preferred site sits is one of these 7 wards.
31. Although the site is located within a ward deemed to have a high need, it is important to note that a developed scheme would serve all wards of the borough.

FINANCE

32. The estimated cost of an Extra Care scheme at this early stage is circa. £10-£12million. A budget of £10million has been included in the Council's Capital Programme and assumes a prudent £3m grant funding from Homes England as well as £2m s106 contributions.
33. Lancashire County Council's Housing with Care and Support Strategy 2018-2025 is clear that the county council is not expecting to make any capital contribution to development costs or to pay for any vacancies within schemes. Capital contributions will only be considered by the County Council in exceptional circumstances where a scheme could not proceed without.
34. Homes England grant funding of £3m has been assumed, however it is important to note that this has not been confirmed and the Council would need to become an Investment Partner with Homes England and make a bid to a relevant funding programme to secure any funding.
35. Homes England's current relevant funding programmes come to an end in March 2021 with further detail to be announced in due course confirming future funding.
36. Whilst the Council can proceed with the initial stages of the project in feasibility, options and business case, it is important to understand as early as possible the availability of Homes England funding as it is unlikely that the Council could proceed with a scheme without the support of grant funding. As such this will be factored into the planning of the project to ensure the Council has a minimal cost expenditure before the commitment of funding is confirmed.
37. This report seeks approval for a revenue budget of £50,000 to progress with initial feasibility study, business case, financial and legal advice.

PROCUREMENT

38. Initially, the Council would need to procure a consultant team to undertake a feasibility study and prepare a business case for the proposed development of a scheme. At this stage the report seeks approval to go out to procure these

services alongside the procurement of the initial site investigations and preparatory work. All procurements will be in accordance with the Council's Contract Procedure Rules.

39. If the Council chooses to progress with the recommended site Land at West Paddock, then the information already held from previous work around the leisure proposals can be retained and utilised where it is appropriate and feasible to do so. This will be detailed within the tender brief and could present a cost saving for the Council.

HOUSING MANAGEMENT AND CARE SERVICES

40. The Council will need to consider its options for housing management arrangements of the scheme. This could be done directly by the Council, although it is acknowledged that the Council does not currently have the resources in-house to deliver this, or through a collaborative approach with a partner organisation which could offer a more cost-effective solution in the short to medium term.
41. Development of an extra care scheme will be delivered through a partnership approach with Lancashire County Council commissioning the care and support element of the scheme. Care and support will include a core service available to all residents and a personalised service dependent on care needs. Other care and support elements are typically featured within schemes including assistive technologies.

CONSULTATION CARRIED OUT AND OUTCOME OF CONSULTATION

42. Consultation has been undertaken with the relevant Cabinet Member in relation to the site identification and initial consultation has taken place with the Council's Planning and Legal departments in respect of the recommended site. The work of Lancashire County Council with the Housing Learning and Improvement Network and work on the Central local plan also represent consultation which has led to this report
43. Further consultation will be required with residents, communities, stakeholders, the voluntary sector and key stakeholder organisations as part of taking the scheme forward.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

44. Do nothing – the Council could choose not to develop an extra care scheme; however, this option has been rejected as it will not achieve this Council's priorities, the County Council's priorities and will not address the housing needs of the borough's ageing population.
45. Alternative site – an alternative site could be chosen to develop a scheme. This option has been rejected. A number of sites have been considered during the identification process, however these sites have been discounted due to site suitability, location and deliverability.

AIR QUALITY IMPLICATIONS

46. Development of the identified site at West Paddock has the potential to contribute to poor air quality in the area. This report seeks authority to progress to the initial feasibility study and business case for the development of a scheme. Air quality can be fully considered throughout the project and mitigations applied through the design where appropriate and required.

RISK MANAGEMENT

47. A full risk register will be developed through the feasibility stage of the project to understand the detail and level of risk to the Council.
48. At this early stage, it is recognised that the Council will be unlikely to proceed with the development without grant funding from Homes England. As the project develops, a key milestone will be identified to ensure that external funding is committed by a certain point which will enable the Council to proceed, identify alternative funding sources or abort at minimal cost deficit.

EQUALITY AND DIVERSITY IMPACT

49. Development of an extra care scheme would increase the number of homes available and increase the housing choice for the borough's older population and those with health and social care needs. Development will provide homes that are accessible and can be adapted to meet changing needs of residents.
50. A full Equality Impact Assessment would be undertaken as part of the scheme development, however, at this stage there are no adverse impacts envisaged through developing an Extra Care scheme.

COMMENTS OF THE STATUTORY FINANCE OFFICER

51. It is proposed that £50k of feasibility study, business case and other consultant costs are funded through general reserves. This is outlined in the quarter one revenue and capital budget report also on this Executive Cabinet agenda. As the future funding from Homes England is not yet confirmed it is prudent to charge these costs to revenue. These costs may be charged to capital in the future if it is clear they are directly linked to the final design and build of the new asset.

COMMENTS OF THE MONITORING OFFICER

52. This is an early stage in the proposed scheme. At this stage the proposal is to undergo a procurement exercise to appoint a consultant team. Contract Procedure Rules will be complied with and a contract subsequently entered into.
53. Obviously planning permission will need to be obtained in due course. There are no known impediments to prevent the development of the land as proposed.
54. Longer term the council will have to consider how it is going to manage the units. Various options are alluded to in the body of the report.

BACKGROUND DOCUMENTS

Cabinet report 20th January 2020

APPENDICES

Appendix A – Extra Care Site Appraisal

Jonathan Noad
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|-----------------------------------------------------|--------------|------------|
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