

AGENDA ITEM: 10 Page nos. 28 – 35

Meeting	Cabinet Resources Committee
Date	23rd September 2004
Subject	Goodwin Court, Church Hill Road, East Barnet – freehold transfer and redevelopment proposals.
Report of	Cabinet Member for Resources Cabinet Member for Performance, Partnerships and Best Value Cabinet Member for Housing, Neighbourhoods & Community Safety Cabinet Member for Social Care & Health
Summary	This report recommends the disposal of the freehold interest in Goodwin Court to Sanctuary Housing Association at nil value for re-development to provide extra care sheltered housing units and elderly persons flats for sale.

Officer Contributors	Judith Ellis, Principal Valuer, Economic and Community Development
Status (public or exempt)	Public – with a separate exempt report
Wards affected	East Barnet Ward
For decision by	Committee
Enclosures	Plan and Appendix 1 – Extra Care Housing
Function of	Executive
Reason for urgency / exemption from call-in (if appropriate)	N/A

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1. RECOMMENDATIONS

1.1 That, subject to:

- i. the grant of planning permission for the proposed development of 52 extra care sheltered housing units for rent and 18 homes for the elderly for sale;**
- ii. the approval of the ODPM to the nominations agreement for the extra care sheltered housing units; and**
- iii. to the Head of Community Care being satisfied as to the provisions of the domiciliary care contract to be entered into with Sanctuary Housing Association and reporting the terms agreed under Delegated powers;**

the sale of the freehold interest in Goodwin Court, Church Hill Road ,East Barnet, shown edged black on attached plan No.1, subject to the existing long leasehold interest of some flats, to Sanctuary Housing Association for redevelopment upon the basis set out in the report be approved and the Borough Solicitor be instructed to complete the transactions in forms to his approval.

- 1.2 Subject to 1.1 above proceeding, the Head of Housing be instructed to arrange for the tenants of the rented accommodation at Goodwin Court to be re-accommodated, meeting the costs of home loss and disturbance payments from the Housing Revenue Account pending reimbursement by Sanctuary Housing Association.**

2 RELEVANT PREVIOUS DECISIONS

- 2.1 Social Affairs Policy and Development Committee – 18 October 2000 – considered an Independent Consultants Report into the size and shape of sheltered housing in Barnet and agreed actions which included increasing the number of Extra Care sheltered homes by 140.**
- 2.2 Social Affairs Policy Development Committee – Housing Strategy for Older People – 25 January 2001- endorsed the reshaping of the sheltered housing stock.**
- 2.3 Cabinet – Social Affairs Bill Modernising Supported Housing Services for Vulnerable People – 16 July 2001 – agreed plans to reshape and modernise housing for older people.**

3. CORPORATE PRIORITIES AND POLICY CONSIDERATIONS

- 3.1 The Corporate Plan commits the Council to “plan and manage land use and development in Barnet to enhance quality of life and provide tangible benefits for the community”. The proposals in this report do this by providing housing units to decent homes standards for sale and for rent, with the Council having nomination rights to the extra care sheltered housing.**
- 3.2 The Council’s Older Persons Strategy includes a commitment to develop around 140 units of Extra Care Sheltered Housing. This commitment was approved at Council Policy Conference on 12 July 2001 and at Cabinet on 16 July 2001.**
- 3.3 The Council’s Housing Strategy 2003-2010 identifies as a priority to commission two further Extra Care Sheltered Schemes and the need for leasehold schemes for older people as well as our commitment to bring all social housing up to the Decent Homes Standard by 2010.**

- 3.4 Extra Care Housing is a modernised way of providing 24hour care to vulnerable older people on site whilst allowing them to maintain their independence and own tenancies. The Department of Health is encouraging the development of such schemes across the country. This is a key target for Barnet, one that has been reported as being on course to the Department of Health.
- 3.5 The Corporate Plan 2004/5 – 2007/8 priority of Supporting the Vulnerable in our Community lists the following – (i) provide homes in balanced communities; (ii) improve the quality of housing and achieve decent homes standard; (iii) provide an appropriate mix of housing to meet the needs of older people; (iv) provide first class care for vulnerable adults; and promote independence through improved services to enable vulnerable people to stay at home.

4. **RISK MANAGEMENT ISSUES**

4.1 If Sanctuary Housing Association (Sanctuary) is unsuccessful in acquiring all 7 of the flats previously sold on long leases under the Right to Buy scheme the redevelopment proposals cannot proceed. Because it is a 'not for profit' organisation, Sanctuary requires some reassurance that an acceptable exit strategy can be put in place. The options available are:

- a. To convert the whole of the existing sheltered housing block into general needs housing in partnership with Sanctuary Housing Association and to secure grant funding to facilitate this from the Housing Corporation or from the Council's housing capital programme. If the Council's freehold interest is contributed at nil value (as is proposed for the substantive project) and the Council puts in some capital funding, then a Housing Corporation grant is a good possibility.
- b. To carry out a smaller extra care scheme (of not less than 40 units) on the site of the existing sheltered block only, in partnership with Sanctuary Housing Association, and secure funding from the Housing Corporation or the Council's Housing Capital Programme to facilitate this. The purchase costs of the leasehold flats would be incorporated into the scheme costs and these homes would become affordable rented homes for general needs use. As the accommodation exists at present, the sheltered flats are in a separate block from the blocks accommodating the leaseholders and general needs flats.
- c. To provide grant funding to Sanctuary Housing Association through the Council's Housing Capital Programme for the properties acquired to become affordable homes but this is unlikely to attract Housing Corporation funding.
- d. The development mix could be reconsidered to provide more private sale housing to cross-subsidise the affordable housing.

4.2 If any of the options detailed above are pursued, the costs of decanting which are incurred as part of this scheme will be included as a capital cost. The cost implications of the options outlined in 4.1 will require a new scheme being prepared and would therefore be the subject of a further report to a future meeting of the Committee if the current proposal does not proceed.

4.3 The sheltered housing in Goodwin Court does not meet the decent homes standards. Consequently there is a need to do something. If the proposals from Sanctuary do not proceed then an alternative proposal must be considered. To do nothing is not an option.

5. **FINANCIAL, STAFFING, ICT AND PROPERTY IMPLICATIONS**The land values and other financial information are detailed in the exempt report.

- 5.1 Capital Funding of £3.6 million has been secured from the Housing Corporation for this scheme to develop the Extra Care Housing Scheme with the total scheme costs estimated at £8.4 million. This funding has been secured on the basis of transferring the land at nil value and also using the profits from the sale of elderly persons flats to cross-subsidise the extra care sheltered units. The costs of decanting Goodwin Court and acquiring the 7 properties bought under the Right to Buy have been incorporated into the capital costs of the scheme. Whilst these latter costs will initially be met from the Housing Revenue account they will be reimbursed by Sanctuary.
- 5.3 The property has not been offered for sale on the open market, but the value identified in the exempt report reflects its value for residential re-development. Because the whole of this value is being invested in the affordable housing scheme there will be no need to 'pool' part of what would otherwise have been a capital receipt.
- 5.4 The transfer of land will be under the provisions of Section 32 of the Housing Act 1985 and Section 25 of the Local Government Act 1988 and there is a general consent to cover transactions at less than best consideration to a Housing Association for affordable housing schemes such as this. If the scheme does not proceed for any reason the land will revert to the Council.
- 5.5 The care and support contract for the people nominated to the extra care sheltered housing units will be funded from Home Care and Residential Care revenue budgets and Supporting People budgets. This will arise from a combination of growth and a switch in the use of placement monies although it is anticipated that there may need to be some 'invest to save' as the costs of extra care sheltered housing are less than registered residential care.
- 6. COMMENTS, IF ANY, OF THE COUNCIL'S STATUTORY OFFICERS (HEAD OF PAID SERVICE, CHIEF FINANCE OFFICER, MONITORING OFFICER)**

6.1 None

7. BACKGROUND INFORMATION

PROPOSAL SOURCE

- 7.1 This proposal for the redevelopment of Goodwin Court in 'partnership' with Sanctuary Housing Association based on the needs identified in an independent report on the Housing Needs of Older People in Barnet published in August 2000. Relevant challenges identified in the report as needing to be addressed were the increased numbers of older people with mobility problems, responding to the needs of dementia and meeting the needs of people with learning disabilities who are moving to old age. It was noted that much of the sheltered accommodation owned by the council did not meet acceptable standards, that the numbers of unsuitable stock should be reduced, and with a recommendation to increase the numbers of units of very sheltered accommodation for older residents with higher care needs by 140 units, to provide 60 units for older people with dementia and to increase the leasehold housing for older people whose tenure preference is home ownership. These recommendations were agreed by Cabinet in July 2001.

THE PROPOSAL

- 7.2 Goodwin Court is a development of three, 3 storey residential blocks providing 31 sheltered housing units in one block and 17 general needs flats in the other blocks. Of the general needs units, 7 have been sold on long leases under the right to buy scheme. Goodwin Court has been identified as being poorly designed. In particular, the sheltered housing tenants have to share bathroom facilities and therefore do not meet the decent homes standards. Goodwin Court, as shown edged black on attached drawing No.1, has a site area of 0.58 hectares approximately (1.4 acres).

- 7.3 In August 2003, local authorities were invited to submit bids to the Department of Health for capital funding to develop Extra Care Housing. Goodwin Court was identified as a scheme suitable for an extra care scheme in both size and location. In connection with this bidding process, Sanctuary Housing Association was invited to draw up proposals in accordance with the guidelines given by the Department of Health. The outline proposals were submitted with the funding application. The Extra Care Housing Fund was cash limited and authorities working with a housing association partner were advised to submit bids to the Housing Corporation also. Sanctuary Housing Association was successful in securing funding from the Housing Corporation. Further details about Extra Care Housing are attached at Appendix 1
- 7.4 The proposal prepared by Sanctuary is to build 52 extra care sheltered units for rent and 18 two bedroom homes for sale to older people. The proposed extra care units include 10 specialist units for people with dementia and a 4 units scheme for older people with learning disabilities. It is a particularly good location for older people's housing being on a bus route, opposite a park, and in close proximity to shops and other facilities. Informal planning comments are that, in principle, the general proposal is one that could be suitable for this site – but this is subject to consideration of a detailed planning application. The proposals were discussed with tenants and leaseholders at a meeting in June 2004, chaired by Councillor Salinger and attended by a ward Councillor.
- 7.5 A plan of the scheme will be on display at the meeting. This is a higher density scheme than the current development, although part of this is accounted for by the increased size of the sheltered accommodation. A comparison of the new scheme and the existing housing is shown in the following table:

	EXISTING	PROPOSED
Total number of units	48	70
Number of sheltered (rented) units (percentage of total)	31 (64.6%)	52 (74.3%)
Number of general needs rented units (percentage of total)	10 (20.8%)	0
TOTAL OF RENTED UNITS	41 (85.4%)	52 (74.3%)
Number of private (leasehold) units (percentage of total)	7 (14.6%)	18 (25.7%)

Thus, whilst the total number of units on the site will be increasing by 22, the tenure mix will be changing to achieve a better balance.

- 7.6 There are currently 4 vacant sheltered housing flats. The proposals will require that all existing Goodwin Court tenants to be re-housed to suitable, alternative accommodation available to the Council – either current housing stock or Housing Association stock. The tenants are likely to be entitled to home loss and disturbance payments. The Council will undertake the tenant moves and make the home loss and disturbance payments, although it is proposed that these costs will be reimbursed by Sanctuary as part of its scheme costs. These costs are shown in the exempt report.
- 7.7 It will be the responsibility of Sanctuary to negotiate and acquire the leaseholds of the seven flats sold under the right to buy scheme. Sanctuary has already approached the leaseholders and it is anticipated that acquisition terms can be settled. These negotiations will take into account any amounts of 'discount' which the lessees may have to re-pay to the Council.

- 7.8 Once the redevelopment scheme is completed the Council will have nomination rights to the extra care sheltered housing units. It will have 100% nominations for the first 10 years with a minimum of 75% nominations thereafter (with first refusal on the balance) for a total period of 60 years. This arrangement needs the approval of the ODPM.
- 7.9 Because this is an extra care sheltered scheme it will be necessary for the Council to negotiate a care contract with Sanctuary. The details are still the subject of on going discussions between Sanctuary and the Head of Community Care. The final agreed terms will be reported by the Head of Community Care under Delegated Powers in consultation with the Lead Cabinet Member.

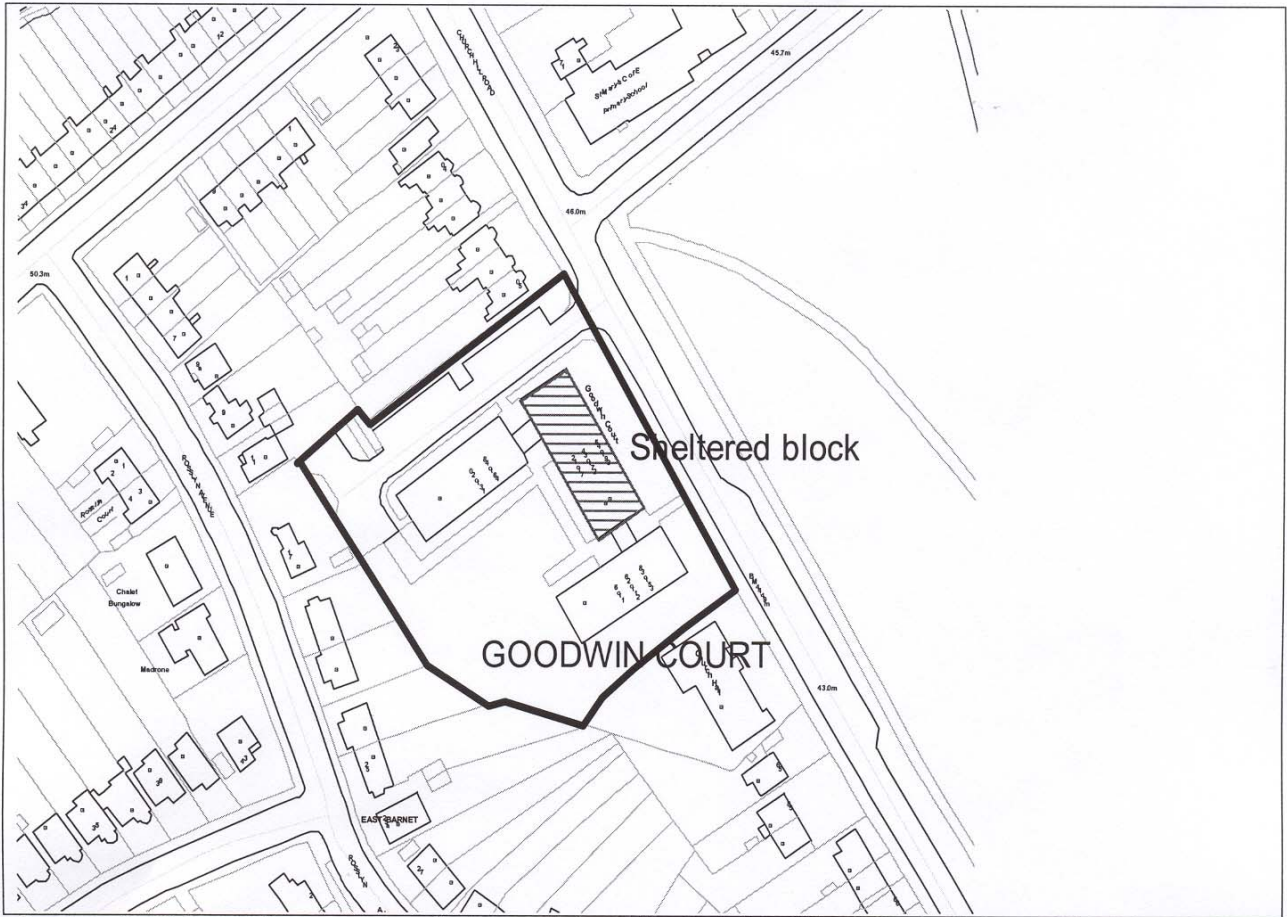
THE WAY FORWARD

- 7.10 If the proposals are agreed, it will be necessary for Sanctuary to obtain planning permission for its proposed re-development scheme. At the same time Officers will be seeking ODPM approval of the nominations agreement and continuing the negotiations with Sanctuary in respect of the care contract. The Head of Housing will start re-accommodating the existing tenants. In this regard there will be meetings with the residents to explain what is happening and their rights.

8. LIST OF BACKGROUND PAPERS

- 8.1 None

MO: RB
BT: MW/JO



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EXTRA CARE HOUSING FOR OLDER PEOPLE

Barnet Plans for Extra Care Housing

A Housing Needs survey on the needs of older people, was undertaken in Barnet in 1999. The survey identified that there was a lot of sheltered housing stock which was not fit for purpose for sheltered housing use. This included bedsits which are too small and shared bathroom facilities. A programme of decommissioning of stock is taking place. The need to commission 140 tenancies in extra care housing was also recommended and agreed by the council.

WHAT IS EXTRA CARE HOUSING

The term extra care housing has been used to describe care for older people that falls between sheltered housing and residential care homes.

Extra care housing has come to be seen as having the potential to be an important element in integrated approaches to the housing, health and social care needs of an ageing population.

All occupants of the scheme have their own tenancies and privacy whilst being able to benefit from company, communal facilities, an onsite staff team offering care, security and support. This model focuses on independence rather than encouraging potential dependence of an institution.

Allocations should be based on housing need as well as health & social care needs identified as a result of assessments.

DEFINING FEATURES OF EXTRA CARE HOUSING

Self contained accommodation.

Equipment for care provided (including assistive technology which monitors safety and movement to deal with risks e.g. falls).

Care staff on site including 24 hr care. Provision of appropriate personal care to level of need, help with domestic & shopping tasks.

Staff on site responsible for the building, management and co-ordination of care and support services.

Catering arranged.

Communal facilities and areas including day rooms, dining area.

Some wider activities and services included.

Design has access features including wheel chair access, lifts to all floors.

Staff facilities, office and sleep-over.

Guest facilities provided.

Good links to the local area.

Privacy for residents combined with services to the local area.

There is scope to develop specialist dementia care schemes in extra care housing.