

Report Title:	Transforming Care Partnership Capital Project
Contains Confidential or Exempt Information	No - Part I
Member reporting:	Councillor David Coppinger - Lead Member for Adults , Health and Sustainability
Meeting and Date:	Council 21February 2017
Responsible Officer(s):	Alison Alexander - Managing Director/Strategic Director Adult, Children and Health Services.
Wards affected:	All

REPORT SUMMARY

1. The Royal Borough has been successful in securing a capital grant of £997,841 from NHS England. The capital stems from the NHS Transforming Care Partnerships funding stream. The fund is to be used to ensure that people with a complex Learning Disability are not kept in hospital settings due to a lack of appropriate housing with support to enable them to live independently.
2. The report outlines: the conditions of the grant; including the arrangements the Borough will make with to purchase a property, lease the property to a housing association and to provide supported housing to three Royal Borough residents with a learning disability who are currently in hospital settings.

1. DETAILS OF RECOMMENDATION(S)

RECOMMENDATION: That Council notes the report and agrees:

- i) **To enter into an NHS England Capital Grant Agreement.**
- ii) **To enter into a house purchase contract.**
- iii) **To delegate authority to the Managing Director/Strategic Director Adult, Children and Health Services and Lead Member of Adult, Health and Sustainability to negotiate and enter into a lease agreement and property development contract with a Housing Association following competitive selection.**

2. REASON(S) FOR RECOMMENDATION(S) AND OPTIONS CONSIDERED

- 2.1 The Royal Borough of Windsor and Maidenhead (RBWM) is part of the Berkshire Transformation Care (TCP) Partnership Board. The Board operates across East Berkshire and aims to provide a range of independent housing options for people with learning disabilities. This scheme will meet the needs of three current borough residents, increasing their independence reducing their dependence on local services. .

- 2.2 NHS England (NHSE) South region prioritised capital funding in 2016-17, to support the discharge of inpatients, or support those at risk of being admitted. It expects the funding to be used for the acquisition and adaptation of homes for people with learning disabilities. The Royal Borough made a successful grant application for the acquisition and adaptation of a four bedroom detached residential property within easy traveling distance of Maidenhead. The primary objective of purchasing the property is to provide a personally adapted shared 'own home' environment specifically for three Royal Borough residents with learning disabilities and or autism needs with challenging behaviours currently in hospital settings.
- 2.3 The opportunity to take up the capital funding is time limited, requiring grant payment to the Royal Borough by the end of March 2017 with a plan for its immediate use. The property must be purchased and adaptations works completed by the end of March 2017 or the grant returned to NHSE.
- 2.4 The grant needs to cover the full costs of acquisition including legal and surveys and adaptations to make suitable for individuals to a maximum of value of £997,841. To accept the capital grant the Council needs to enter into a NHSE standard Capital Grant agreement. The contract includes a restriction on title to control any resale. The main conditions of the grant are to ensure that a Local Authority suitably protects the investment ensuring appropriate maintenance and insurances are in place. If the property ceases to be used for the purpose identified in the original grant application there will be a requirement to repay the original grant. Repayment will be according to the property market value at the time as determined by the District Valuer.
- 2.5 It is the Royal Borough's intention to enter into a 10 year full repairing and insuring property management lease agreement with specialist Housing Association partner selected following a competitive process. The Housing Association will manage the property, arrange rent collection from the residents, manage any planned or reactive maintenance and the future adaptation of the property to suit changing needs of residents.
- 2.6 The Housing Association will be obligated to operate, maintain and manage the property in its entirety with no cost claims back to the Royal Borough. This will be achieved by the Housing Association maximising the rental income and managing all property related works within this funding envelope. Any loss of income or dips in income are at the Housing Association's risk but can be recovered from any excess income generated. Any early or large lifecycle claims that the fund cannot immediately cover will be met by either the Housing Association's property insurance or from their own funds which can be repaid from future income.
- 2.7 It is intended that the property adaptations will be managed via the Housing Association under a separate property agreement prior to entering into the lease but will ensure full risk transfer for the adaptation works within the lease agreement.
- 2.8 In addition to a housing provider to manage the property a care provider has been selected separately to provide support to the residence on standard

'spot' contracts. This is to ensure that the care services can move with the tenant.

Table 1: Options

Option	Comments
To enter into an NHSE Capital Grant Agreement and a house purchase agreement. The option recommended	Funding is available and there is a plan for the way in which the grant can be deployed for the good of Royal Borough residents

3. KEY IMPLICATIONS

3.1

Table 2: Project Outcomes

Outcome	Unmet	Met	Exceeded	Significantly Exceeded	Date of delivery
Three borough residents are able to live independently in an adapted property with support services.	Property not available residents remain in hospital settings	Property available and residents move in under tenancies by June 2017	Property available and residents move in under tenancies by May 2017	Property available and residents move in under tenancies by April 2017	May 2017

4. FINANCIAL DETAILS / VALUE FOR MONEY

- 4.1 The grant will be paid in full to RBWM once the Grant Agreement has been signed. The grant conditions stipulate that any underspend being is returned to NHSE in 2017.

	£
Property Acquisition	833,000 inc. SDLT
Adaptation Works	105,045
Professional Fees	35,000
Equipment	19,796
Project contingency	5,000
Total scheme cost	997,841

- 4.2 The three residents occupying the accommodation will pay rent to the housing association, funded by housing benefit. Over time the rental income received by the Housing Association is expected to exceed their outgoing in respect of maintenance. Under the lease agreement the excess will be ring-fenced for use as required by the Council to support additional accommodation needs for its eligible social care residents.

Table 3: Capital

	2016/17	2017/18	2018/19
Addition	£997,814	£0	£0
Reduction	£0	£0	£0
Net impact	£997,814	£0	£0

5. LEGAL IMPLICATIONS

- 5.1 In order to select a Housing Association provider to partner with, expressions of interest were sent to six Housing Associations that operate within the county and two expressed an interest. The other four declined citing the fast track nature of the project or concerned they were unable to resource the demands of the project. Both providers attended selection interviews and provided detailed presentations. Both parties were able to demonstrate an excellent implementation plan with significant knowledge and experience in this sector. One identified that their offer was based on being selected for both the care and housing contracts and required a minimum of 15 year agreements for both. The other confirmed that they were very happy for the housing and care services to be totally independent and that the minimum housing agreement would be five years with no minimum term on the care contract.
- 5.2 The successful provider offered the Royal Borough an excellent level of services that fully met the TCP and council's aims of ensuring that the care package was 'attached' to the individual and not the property to ensure full flexibility.
- 5.3 To deliver best value, the provider have agreed that within the lease they will commit to ensuring value for money by all subcontract works being tendered, these will be reported to the Royal Borough to demonstrate compliance.

6. RISK MANAGEMENT

- 6.1 The project has operated a formal risk register throughout the project development stages, see table 4.

Table 4: Project risks

Risks	Uncontrolled Risk	Controls	Controlled Risk
Grant needs to be paid back to NHSE because deadlines cannot be met.	Medium	Expert project management in place. Shared risk of costs already incurred in Better Care Fund with CCG.	Low
Grant approval delayed not allowing time for adaption works.	Medium	Housing association to fund the adaptation works and recover the costs from the rental income.	Low
If grant repayment triggered, then sale costs will need to be borne by the Royal Borough.	Medium	Any costs for sale can be offset against potential property value increase as housing market very strong.	Low

7. POTENTIAL IMPACTS

- 7.1 The report has described the accommodation, property and asset implications of the project.

8. CONSULTATION

- 8.1 N/A

9. TIMETABLE FOR IMPLEMENTATION

- 9.1 The timetable for the next steps is detailed in Table 5.

Table 5: Capital funding timetable

Date	Details
10 February 2017	Grant and property legal documents agreed
10 February 2017	Housing Association submits adaptation proposal
21 February 2017	The Royal Borough agrees to the contract with NHSE
22 February 2017	Contract signed
24 February 2017	Grant payment to the Royal Borough
27 February 2017	Exchange contracts on property
13 March 2017	Complete on sale and adaptation contract

10. APPENDICES

- 10.1 N/A

11. BACKGROUND DOCUMENTS

- 11.1 N/A

12. CONSULTATION (MANDATORY)

Name of consultee	Post held	Date sent	Commented & returned
Cllr Coppinger	Lead Member	09/02/17	
Alison Alexander	Managing Director	08/02/17	08/02/17
Russell O'Keefe	Strategic Director	08/02/17	
Andy Jeffs	Strategic Director	08/02/17	
Rob Stubbs	Section 151 Officer	08/02/17	
Terry Baldwin	Head of HR	08/02/17	
Shared Legal Solutions	Other e.g. external	8/2/17	9/2/17

REPORT HISTORY

Decision type: Key decision	Urgency item? Yes
Report Author: Nick Davies , Service Lead Commissioning Adults	