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Shiraz Sheikh

From: Shiraz Sheikh **Sent:** Mon 22/03/2010 22:22
To: Tandra Forster
Cc: June Graves; David Holling; Mel Brain; Leigh Hogan; Andy Walker
Subject: RE: The Priory - Corporate Board Report
Attachments:  [2010 03 22 Corporate Board Report.doc\(131KB\)](#)

Tandra,

Please find attached the draft report to the Corporate with legal implications section completed. I have also amended 2.3 only.

This report will need to be rewritten before it is considered by the management board and the Executive to reflect the deal in terms of the agreement and that in my opinion would require an executive sign off (unless of course the external auditors advise otherwise) together with an appropriate resolution. I am aware that Andy has referred this to the external auditors and is awaiting their comments.

Thanks
 Shiraz

From: Tandra Forster
Sent: 15 March 2010 11:42
To: Shiraz Sheikh; Andy Walker; Leigh Hogan
Cc: June Graves; David Holling; Mel Brain
Subject: The Priory - Corporate Board Report, version 4
Importance: High

Hi to all

See attached latest draft which has been revised to reflect comments received already.

Just a reminder that I need your comments by this Friday 19th March to ensure I make the deadline for Corporate Board.

Many thanks

Tandra Forster
 Contracts & Commissioning Manager
 (Supporting People/Adult Social Care)
 Project Manager Supported Living Development Programme
 West Berkshire Council
 Tel: 01635 519248
 Mob: 07786 277451

We have moved to a new address wef 1st December 2009:

West Berkshire Council
 West Street House
 West Street
 Newbury
 RG14 1BD

Telephone number and exts will remain the same

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PART II

The report on the following item is **not for publication** by virtue of exempt information of the description contained in Paragraph * of Part 1 of Schedule 12A of the Local Government Act 1972, as amended by the Local Government (Access to Information)(Variation) Order 2006. Rule 9.10.4 of the Constitution also refers.

The Priory* Please delete the paragraphs that do not apply		Item *
Title of Report:	(Paragraph 6 – information relating to proposed action to be taken by the Local Authority)	
Report to be considered by:	Corporate Board	
Date of Meeting:	30 March 2010	
Forward Plan Ref:		

Purpose of Report:

To seek agreement to the principle of a risk sharing agreement, in the context of partnership working to deliver a key Supported Living Development project, as part of the Putting People First Programme of work.

Recommended Action:

Members to agree the principle of developing a risk sharing agreement that will enable the Council to bring forward an extra care housing development in partnership with Sovereign Housing Association.

Reason for decision to be taken:

The requirement for the development of extra care housing, to offer more appropriate care options for older people has been identified in both the Council's Older Peoples Commissioning Strategy and the Putting People First Strategy for Adult Social Care. At a national level the initiation of the 'Single Conversation' by the Homes and Communities Agency means that now, more than ever, Local Authorities are expected to provide leadership in negotiations to ensure the delivery of a full range of housing to ensure better outcomes for local people. The initiation of these developments requires considerable upfront investment and commitment from our partners; achieving planning consent can result in costs in excess of £500k. Whilst the Council is committed to support these developments planning constraints mean that there is increased risk of a protracted process, that it will require additional investment to ensure plans are acceptable and even then there is the real possibility that consent will not be achieved. The current economic climate means that

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West Berkshire Council

name of decision body

date of meeting

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concerns around these risks have heightened and RSLs require stronger assurances. It is proposed therefore that consent is given to the principle of a risk sharing agreement, which would be negotiated to minimise the risk of its being enacted.

Statutory: ☐

Non-Statutory: ☐

Other:

Other options considered:

**Key background
documentation:**

Older Peoples Commissioning Strategy
Putting People First - Adult Social Care Strategy
'Single Conversation' - Homes and Communities Agency

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The proposals contained in this report will help to achieve the following Council Plan Priority(ies):

- ☐ **CPP1 – Support our communities through the economic recession** – to alleviate the impact on different communities and individuals who find themselves out of work and/or disadvantaged
- ☐ **CPP2 – Raise levels of educational achievement** – improving school performance levels
- ☐ **CPP3 – Reduce West Berkshire's carbon footprint** – to reduce CO₂ emissions in West Berkshire and contribute to waste management, green travel, transportation and energy efficiency

The proposals will also help achieve the following Council Plan Theme(s):

- ☐ **CPT1 - Better Roads and Transport**
- ☐ **CPT2 - Thriving Town Centres**
- ☒ **CPT3 - Affordable Housing**
- ☐ **CPT4 - High Quality Planning**
- ☐ **CPT5 - Cleaner and Greener**
- ☐ **CPT6 - Vibrant Villages**
- ☒ **CPT7 - Safer and Stronger Communities**
- ☐ **CPT8 - A Healthier Life**
- ☐ **CPT9 - Successful Schools and Learning**
- ☒ **CPT10 - Promoting Independence**
- ☒ **CPT11 - Protecting Vulnerable People**
- ☐ **CPT12 - Including Everyone**
- ☒ **CPT13 - Value for Money**
- ☐ **CPT14 - Effective People**
- ☐ **CPT15 - Putting Customers First**
- ☐ **CPT16 - Excellent Performance Management**

The proposals contained in this report will help to achieve the above Council Plan Priorities and Themes by:

Delivery of 46 units of affordable housing, creating more appropriate support and care opportunities for older people to enable them to remain living independently in the community in a secure and safe environment. Enable the Council to commission care services that offer greater value for money than alternative residential care services.

Portfolio Member Details

Name & Telephone No.:	Councillor Joe Mooney - Tel (0118) 9412649
E-mail Address:	jmooney@westberks.gov.uk
Date Portfolio Member agreed report:	

Contact Officer Details

Name:	
Job Title:	
Tel. No.:	01635
E-mail Address:	@westberks.gov.uk

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West Berkshire Council

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Implications

Policy:

Financial:

If there are any financial implications contained within this report this section **must** be signed off by a West Berkshire Group Accountant. Please note that the report cannot be accepted by Policy and Communication unless this action has been undertaken.

Personnel:

Legal/Procurement:

1. It is recommended that an external Auditor advice is sought before entering into this agreement.
2. Subject to 1, any contribution paid by the Council should be on an equal share basis. The draft agreement would need amendments to reflect an acceptable level of risk and a maximum limit for each head of expenditure needs to be defined. The negotiated final agreement will require approval by the Management Board and the Executive.

Property:

Risk Management:

Equalities Impact Assessment:

This project supports age equality and non-agreement could jeopardise this if it is not able to go ahead.
For advice please contact Principal Policy Officer (Equalities) on Ext. 2441.

Corporate Board's View:

to be completed after Corporate Board meeting

NOTE: This section does not need to be completed if your report will not progress beyond Corporate or Management Board.

Is this item subject to call-in?	Yes: <input type="checkbox"/>	No: <input checked="" type="checkbox"/>
If not subject to call-in please put a cross in the appropriate box:		
The item is due to be referred to Council for final approval		<input checked="" type="checkbox"/>
Delays in implementation could have serious financial implications for the Council		<input checked="" type="checkbox"/>
Delays in implementation could compromise the Council's position		<input type="checkbox"/>
Considered or reviewed by Overview & Scrutiny Commission or associated Task Groups within preceding six months		<input type="checkbox"/>
Item is Urgent Key Decision		<input type="checkbox"/>

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Executive Summary

1. Introduction

- 1.1 The requirement for the development of extra care housing, to offer more appropriate care options for older people, has been identified in both the Council's Older Peoples Commissioning Strategy and the Putting People First Strategy for Adult Social Care.
- 1.2 The Priory Court project, a 46 unit extra care housing development for people aged 55+, forms part of a range of projects within the Supported Living Development Programme, the aim of which is to promote choice and independence for vulnerable people in West Berkshire. This project is to be delivered by Sovereign Housing Association (SHA), on previously developed land within their ownership, in Hungerford.
- 1.3 As part of the negotiation to bring this project forward Sovereign Housing Association have indicated that their Board have concerns that achievement of planning consent could lead to costs in excess of £500k.
- 1.4 Given the levels of investment, and recent experience of failed planning applications, SHA's Board are concerned that they will be financially disadvantaged if they fail to achieve planning consent for a Project that has been developed in response to Council priorities.
- 1.5 For the Council the development of the Priory project is a key part of expanding the provision of extra care housing in the district which is essential if it is to be considered a viable option for older people with care and support needs. There is currently only one purpose built service offering 36 units.*

2. Proposals

- 2.1 Given the level of importance of this development it is proposed that we jointly develop a Risk Sharing Agreement to enable the project to proceed.
- 2.2 The agreement would formalise the roles and responsibilities of each party and enable the Council to have a greater say in how the development is planned. To minimise the risk to the Council any agreement would specify precisely what the costs, conditions and the governance would have to be for it to be enacted. *

3. Conclusion

- 3.1 Development of extra care housing is a clear Council priority as set out in the Older Peoples Commissioning Strategy and the Putting People First Strategy. The Priory project will offer more choice and control in the way older people receive care, creating better outcomes and improved well-being.
- 3.2 It is recommended therefore that Members agree the principle of developing a risk sharing agreement that will enable the Council to bring forward this extra care housing development in partnership with Sovereign Housing Association.*

Executive Report

1. Introduction

- 1.1 The requirement for the development of extra care housing, to offer more appropriate care options for older people, has been identified in both the Council's Older Peoples Commissioning Strategy and the Putting People First Strategy for Adult Social Care.
- 1.2 The Priory Court project, an extra care housing development, forms part of a range of projects within the Supported Living Development Programme, the aim of which is to promote choice and independence for vulnerable people in West Berkshire
- 1.3 This programme is a key part of Putting People First which is the Council's overarching strategy for transforming adult social care in West Berkshire. The Priory project involves the development of extra care housing for people aged 55+ to offer an appropriate alternative to more traditional residential services.
- 1.4 This project is to be delivered by Sovereign Housing Association (SHA), on previously developed land within their ownership, in Hungerford. The development, subject to planning consent, aims to deliver 46 units of extra care housing for people aged 55+. The project will also include the development of a 29 unit sheltered scheme for older people with support needs.
- 1.5 Sovereign Housing Association has estimated that the site will cost £8.9m to develop of which they will contribute £6.6m to the cost of the development. It is estimated that the Homes and Communities Agency (HCA) will make a grant allocation of £1.3m and it is proposed that the Council contributes around £1 m S106 funding.
- 1.6 The project plan developed by SHA estimates that the development would take at least 27 months from agreeing designs in May 2010, to practical completion. This would mean that the build could be completed by summer 2012, subject to achieving planning permission in August 2010 and no other delays.
- 1.7 As part of the negotiation to bring this project forward Sovereign Housing Association have indicated that their Board have concerns that achievement of planning consent could lead to costs in excess of £500k.
- 1.8 These costs reflect both the nature of the development, site topography and build constraints created by the need to prevent damage to a large number of trees.
- 1.9 Given the levels of investment, and recent experience of failed planning applications, SHA's Board are concerned that they will be financially disadvantaged if they fail to achieve planning consent for a Project that has been developed in response to Council priorities.
- 1.10 For the Council the development of the Priory project is a key part of expanding the provision of extra care housing in the district which is essential if it is to be considered a viable option for older people with care and support needs. There is currently only one purpose built service offering 36 units.

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2. Proposal

- 2.1 Given the level of importance of this development it has been suggested that we jointly develop a Risk Sharing Agreement to enable the project to proceed.
- 2.2 The agreement would formalise the roles and responsibilities of each party and enable the Council to have a greater say in how the development is planned and delivered from the start. This would include design, planning approach, development of any local resources as part of the process, consultation and so on.
- 2.3 To minimise the risk to the Council a risk sharing agreement would need to be balanced, identify level of contribution from the Council and specify upper limits on various triggers for a contribution. Head of Legal & Electoral Services will be instructed by the Head of Housing and Performance to conduct the negotiations with SHA's legal team on terms and conditions.
- 2.4 It is recognised that this is new ground for the Council however it does reflect pressures created by the current economic climate and anxiety expressed by a number of RSLs about bringing forward new projects.
- 2.5 The establishment of this principle also fits with the expectation the HCA set out in the 'Single Conversation, a new framework introduced in June 2009 to secure the delivery of a full range of housing, infrastructure and community activities.
- 2.6 The purpose of this framework is to create greater transparency in HCA dealings with Local Authorities as a way of ensuring that grant funding follows local priorities such as the Priory Project.
- 2.7 Although the development of this type of agreement is new to this Council, there is precedent with similar agreements in place with other local authority areas, this includesdetails to follow

3. Conclusion

- 3.1 The requirement for the development of extra care housing, to offer more appropriate care options for older people has been identified in both the Council's Older Peoples Commissioning Strategy and the Putting People First Strategy for Adult Social Care.
- 3.2 The Priory Court project, an extra care housing development, forms part of a range of projects within the Supported Living Development Programme, the aim of which is to promote choice and independence for vulnerable people in West Berkshire.
- 3.3 The project aims to deliver 46 units, a mix of 1 & 2 beds, for people with care needs aged 55+.
- 3.4 The initiation of these developments requires considerable up-front investment and commitment from our partners; achieving planning consent can result in costs in excess of £500k. Whilst the Council is committed to support these developments planning constraints mean that there is increased risk of a protracted process, that it will require additional investment to ensure plans are acceptable and even then there is the real possibility that consent will not be achieved. The current economic

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climate means that concerns around these risks have heightened and RSLs require stronger assurances.

- 3.5 At a national level the initiation of the 'Single Conversation' by the Homes and Communities Agency means that now, more than ever, Local Authorities are expected to provide leadership in negotiations to ensure the delivery of a full range of housing to ensure better outcomes for local people. The development of this type of agreement would give confidence to both the RSL and the HCA about the importance of this project.
- 3.6 It is recommended, therefore, that consent is given to establishing the principle of a risk sharing agreement. This to be negotiated to minimise the risk of its having to be enacted. *

Appendices

Appendix A - *
Appendix B - *

Consultees

Local Stakeholders: *

Officers Consulted: June Graves
Mel Brain
David Holling
Shiraz Sheikh
Andy Walker

*

Trade Union: *