

TRAFFORD COUNCIL

Report to: Executive
Date: 24th March 2014
Report for: Decision
Report of: Executive Member for Adult Social Services
Executive Member for Economic Growth & Prosperity

Report Title

Old Trafford Extra Care Scheme and Community Hub

Summary

The report provides an update on progress of the development of an integrated extra care scheme, health facility and community hub (including library) on Shrewsbury Street, Old Trafford.

Recommendation(s)

The Executive are recommended to:

- 1) Note the progress to date in developing proposals for an extra care scheme and associated development in Old Trafford;**
- 2) Approve the Council's contribution of land to support the development which will be conditional on reaching agreement on the overall financing for the construction and running costs of the new facility;**
- 3) Delegate the Corporate Director for Economic Growth and Prosperity, in consultation with the Director of Finance and Director of Legal to approve final terms for:**
 - a. The disposal of the land;**
 - b. The lease and costs for the library and Sure Start Centre; and**
 - c. The provision of a community centre.**

Contact person for access to background papers and further information:

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Extension: 1890; 4265

Background Papers: None.

Implications:

<p>Relationship to Policy Framework/Corporate Priorities</p>	<p>This report relates to the corporate priorities economic growth and development and services focused on the most vulnerable people.</p> <p>The proposed scheme will support the successful implementation of the Old Trafford Masterplan and support the delivery of the adopted Trafford Local Plan: Core Strategy which identifies Old Trafford as a Priority Regeneration Area.</p>										
<p>Financial</p>	<p>Addition to the Capital Investment Programme to be financed from the capital receipt from the disposal of the site to Trafford Housing Trust. The fit out costs of £58,100 will be a charge to the Capital Investment Programme Scheme Ref 2582.</p> <p>The premise costs of the current site for the Library, Sure Start and Community Centre is £126,000. The proposal is to transfer the Community Centre asset to Trafford Housing Trust (THT) and replace Library and Sure Start facilities. Indicative costs for the Library/Sure Start facility given by THT are:</p> <table border="1" data-bbox="735 1077 1366 1339"> <thead> <tr> <th></th> <th>£</th> </tr> </thead> <tbody> <tr> <td>Lease per annum</td> <td>48,000</td> </tr> <tr> <td>Service charge</td> <td>25,785</td> </tr> <tr> <td>Total per annum</td> <td>73,785</td> </tr> <tr> <td colspan="2">Plus utility bills, NNDR, third party support, proportion of "back office space" and cost of transitional arrangements</td> </tr> </tbody> </table> <p>These are draft costs and are subject to further review and acceptance by the Council and acceptance of the final business case..</p> <p>The provision of an 80 bed extra care facility may potentially delay or divert individuals from entering local authority funded residential care. Average gross costs of residential care are in the range of £22,000 to £26,000 per annum.</p> <p>The new units of accommodation will generate additional New Homes Bonus.</p>		£	Lease per annum	48,000	Service charge	25,785	Total per annum	73,785	Plus utility bills, NNDR, third party support, proportion of "back office space" and cost of transitional arrangements	
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<p>Legal Implications:</p>	<p>The disposal of the Council's land to Trafford Housing Trust will require the Department of Community and Local Government's consent under section 123 of the Local Government Act 1972.</p> <p>There are not thought to be any European Union</p>										

	<p>procurement implications to the proposed scheme.</p> <p>There are not thought to be any State Aid implications to the proposed scheme.</p>
Equality/Diversity Implications	<p>The latest reliable statistics with regard to BME population at small geographic areas (2001 census) indicated that for the four wards that comprise the North of the Borough, the proportion of non-white ethnicity was 23%, with one ward recording 54%. Developing an Extra Care facility in this area offers an opportunity to tailor services to the specific needs of this large population, particularly important given the lack of alternative provision within the area.</p>
Sustainability Implications	<p>The proposed development will provide modern, fit for purpose facilities to meet the current and future needs of older people and the wider community.</p> <p>The scheme will support a sustainable community and provided a number of beneficial economic, environmental and social impacts</p>
Staffing/E-Government/Asset Management Implications	<p>Creates new replacement facility within wider scheme. Will reduce overall costs by eliminating repairs/maintenance liabilities for current buildings and reduce/eliminate revenue outgoings. Loss of physical assets and land ownership.</p>
Risk Management Implications	<p>There is an existing risk register for the delivery of the scheme that will continue to be monitored and updated as required</p>
Health and Safety Implications	<p>None at this stage.</p>

1.0 Background

- 1.1 Trafford has been moving away from providing “traditional” services towards those that promote independence, choice and control over a number of years: increasing personalisation via direct payments; supporting a preventative agenda through increasing the amount and range of services that are provided to people to help them live at home, supporting a wide range of organisations to support people to stay healthier and fitter for longer and so do not require health and social care services until later in their lives. The development of Extra Care has been a key element of this overall approach.
- 1.2 Extra Care housing can take a number of different forms, but is generally defined as self-contained housing which has been designed to facilitate the care and support need that its tenants/owners may have now or in the future, with access to care and support 24 hours a day, either on site or on call. Extra Care housing schemes generally also include a range of other on-site facilities, such as a restaurant and shop.

- 1.3 The development of Extra Care housing and its whole systems approach to meeting needs, is transforming care for older people in Trafford. The strategy to date has delivered two state of the art Extra Care Facilities in Partington (West), and Timperley (South), with a third due to open in summer 2014 in Sale (Central). The next strategic development proposed for Old Trafford, would ensure that this provision is extended to, and available in, all 4 areas of the Borough.
- 1.4 As reported in the Joint Strategic Needs Assessment (JSNA), within Trafford there are significant health, lifestyle and social inequalities that exist between the North and South of the Borough. The difference in life expectancy between the least and most deprived areas is 11 years for men and 6 years for women. Developing an Extra Care facility in the Old Trafford area is seen as pivotal in addressing these inequalities.
- 1.5 The Shrewsbury Street site forms part of the Old Trafford Masterplan which provides a comprehensive regeneration strategy for the area, including the redevelopment of underused land to deliver new homes, improvement of current housing stock, improved community facilities, environmental enhancements and strengthened connections to jobs and amenities in both Manchester City Centre and Trafford Park. The delivery of the masterplan also targets the high levels of worklessness and income deprivation within the area. The masterplan also identified the need for a stronger community hub and focal point for the Old Trafford area which could be based around a new community facility. To date the masterplan has supported the delivery of 62 new affordable homes on Essex Way, the refurbishment of two tower blocks on the Hullard estate, and the demolition of three tower blocks on the Tamworth estate to enable the redevelopment of the site. The proposed development of the Shrewsbury Street site supports the aspirations of the masterplan for both the physical regeneration of Old Trafford and reducing health and economic inequalities.
- 1.6 The Home and Communities Agency (HCA) were allocated responsibility by the Department of Health to distribute £200 million of additional investment in Extra Care housing nationally. The main aim of the fund was to support and accelerate the development of the specialised housing market, particularly at a time when the wider economic factors may place limitations on the growth of the market. Trafford Housing Trust, supported by the Council, Central Manchester Foundation Trust and the Clinical Commissioning Group submitted a bid for funding for an extra care scheme to the HCA in 2013 and were allocated a grant of £3.04 million.

2.0 Proposed Scheme

- 2.1 The proposed site for the Extra Care and Community Hub is on Shrewsbury Street, Old Trafford. The site currently encompasses Isobel Baillie Lodge (owned by Trafford Housing Trust), the Council community centre and library and St Brides Church (see site plan attached, appendix A).
- 2.2 The proposed development would deliver a state of the art health facility, incorporating an initial 5 person GP facility, a pharmacy, and a number of clinical services. In addition, there would be 80 apartments of Extra Care housing based on shared ownership and rented tenure for vulnerable adults, including older people with dementia and supporting adults with a learning disability. The development would also encompass a vibrant intergenerational Community Hub, including a new

library facility, Sure Start centre and community group usage with a focus on wellbeing, enterprise, technology and advice.

- 2.3 The current St Brides church will also be replaced to facilitate the development. The Church currently occupies the central part of the overall site and so needs to be replaced to enable a comprehensive scheme to be developed, bringing together the land owned by the Council and THT. A new church will be built within the current site boundary and will be handed over to the Manchester Diocese on completion.
- 2.4 The total headline development costs for the scheme have been initially estimated (including VAT) at £16 million. Trafford Housing Trust is responsible for raising all the necessary finance for the scheme.
- 2.5 The Council and THT are working with the local community to explore their aspirations for facilities on the site, and THT have commissioned architects to develop the detailed design for the scheme. THT anticipate submitting a planning application by May 2014 and starting on site by the end of the year.
- 2.6 Once complete, Trafford Housing Trust will take on full responsibility for the provision of the community centre service, including all income, costs and liabilities. There will be appropriate legal agreements in place to ensure service provision is maintained. The Council will enter into a lease for the library and Sure Start centre. Provisional costs and terms for this lease are set out in paragraph four below.

3.0 Transitional Arrangements

- 3.1 The redevelopment of the site is being planned to minimise disruption to local residents and service provision. However, the current community centre and library will need to close in late 2014 to enable the current building to be demolished and the new development commence.
- 3.2 Alternate provision for the community centre users is currently being explored along with an alternate location for the library. Costs associated with these moves are currently being assessed but will be met from existing budgets.
- 3.3 A Programme Board has been established to govern and oversee the delivery of the scheme, led by the Deputy Corporate Director CFW/Director of Service Development, Adult and community Services, who is the Council lead for the proposed development. The Board consists of internal Council representation from Finance, Legal, Planning, Asset Management, Highways, Housing, Economic Growth and Communications/Libraries. The external partners represented on the Board are Trafford Housing Trust as the lead housing partner, Central Manchester Foundation Trust and the Clinical Commissioning Group.

4.0 Financial Implications

- 4.1 The scheme detailed in Section 2 above is estimated to cost in the region of £16 million (excluding land) and will be financed by THT from HCA funding of £3.04million and £12.96 million from THT. The current financial appraisals indicate that the project would be unviable without a contribution from the Council equivalent to the Council's land value. The site plan attached at Appendix A shows the ownership of the land involved in the scheme, detailed below:

Owning Organisation	Square Meters	%
TMBC	4,610	32
Adopted Highway	3,500	24
Trafford Housing Trust	3,700	26
Manchester Diocesan Board	2,570	18
Total Land Area	14,380	100

4.2 The current estimate of the market value for the Council land is set out in the related Part II report on this agenda. This is not included in the current land sales programme projections. The Executive are asked to approve that the Council contribute this land at less than best consideration to support this development. This represents the Council's total investment in the development. The Council will also generate savings through reductions in residential care costs, income through New Homes Bonus from the development (potentially in the region of £100,000 per annum for six years) and new facilities with lower running costs..

4.3 **Capital Implications**

The proposed scheme will include the Community Hub/Library (including the Children's Centre) in the development. The existing facility was built in 1975 and no capital receipt is assumed in the current capital programme for this site. The current asset management plan has no major maintenance costs scheduled.

The Children's Centre was the beneficiary of £190,000 of Sure Start capital investment in 2010. The grant conditions indicate that given suitable replacement facilities are provided no repayment of this money would be have to be made.

4.4 **Revenue Implications**

Community Hub/Library

The revenue running costs of the current facility are £126,000 per annum, excluding staffing costs.

The draft terms proposed by THT (subject to final scheme development costs, further negotiation and acceptance by the Council) are:

- Leasing space within the development in order to accommodate a Library and Sure Start centre (450sqm) at a cost of £48,000 per annum, increasing by RPI annually. This will be on a 125 year lease with a break clause after 15 years and every 5 years after the initial 15 has passed.
- Covering the cost of the organisations that are taking accommodation within the development currently subsidised by the Council, where there is a desire to retain their services. If any of these organisations require dedicated space, for example, the Credit Union, the Council will also be responsible for paying fit out costs for this space (these costs to be confirmed).
- Paying the Council's proportion of service charges associated with the completed facilities - current projected cost to the Council of £25,785 per annum (increasing by RPI annually).

- Paying the Council’s proportion of both rent and service charges for any ‘back office’ space. This amount will be determined once the number of staff and size of space has been determined.
- Paying for the fit out of the library in either a lump sum of £58,100 or over a 5 year period at a rate of £11,620 per annum.
- Paying utility costs and business rates for the Library and Sure Start space. These will be metered separately.
- This is a total annual cost of £73,785 plus utility costs, business rates and costs to support third sector organisations

Extra Care Facility

The Extra Care facility would be owned and managed by Trafford Housing Trust. The development of an 80 bed facility could potentially divert individuals away from Council funded residential care, which generally costs in the region of £22,000 to £26,000 per year, aiding them to remain in their own homes at a much lower cost to the Council.

New Homes Bonus

The proposed development would attract to the Council New Homes Bonus.

Other Options

The Council could determine to seek full market value for its site. This would make the scheme financially unviable and the Council would not get the benefit of the investment in new facilities, the direct financial savings through diversion from residential care and reduced running costs and the indirect savings through the improved health facilities and quality of life improvements in Old Trafford. Furthermore the opportunity to deliver a stronger community hub and focal point for the Old Trafford area, supporting the successful implementation of the Old Trafford masterplan, would be lost.

Consultation

All the partners have been actively involved in developing the proposals. The Old Trafford masterplan was prepared following extensive local consultation, and a range of consultation activities are currently underway with the local community and these will continue as the project develops.

Reasons for Recommendation

To support the development of a new extra care scheme and community hub at the heart of the Old Trafford Masterplan regeneration area.

Finance Officer Clearance *(type in initials)...JK/GB ...*

Legal Officer Clearance *(type in initials)... JW.....*

CORPORATE DIRECTORS' SIGNATURES *(electronic)*



DEBORAH BROWNLEE

HELEN JONES

To confirm that the Financial and Legal Implications have been considered and the Executive Members have cleared the report.

Appendix A: Site Plan



