

BUSINESS CASE EVALUATION

Service: Adult Care Services **Project:** Lintons,
Hoddesdon
Project Sponsor: Sue Fox **Project Manager:** Aldwyck Housing Association
Project Status: Existing item (revised)

Statement of need and strategic context –

This project falls within the remit of the learning disability housing strategy. This strategy outlines the need to meet changing requirements for registered care and supported housing for people with learning disabilities in buildings that comply with all relevant legislation.

The project is to remodel existing accommodation for 24 service users i.e. residents at Lintons hostel which is home to 24 people with learning disabilities.

The accommodation is no longer fit for purpose and does not meet service or residents needs. It would score a red traffic light in the service property strategy

The property is not registerable (by statute if required) nor suitable by virtue of room sizes and layout. It has no lift and there are access issues for people with a physical disability (door widths, corridors, toilets and bathrooms. Some areas are only accessed via other peoples living space.

Government guidelines for valuing people reiterate this unsuitability.

Carers and residents have been involved in consultations, as have local residents. The local authority has been on the project team.

The new model will meet the following corporate promises :

- To support the building of affordable quality housing to meet the needs of local people; and
- to fight for the interests of elderly and disabled people and ensure they have access to our services so they can maintain their independence

Evidence of option appraisal –There is a project team set up.

Following option appraisal this scheme was tendered for procurement by a partner organisation, i.e. a housing association. Aldwyck were the successful tenderer.

HCC did not want to carry out the development, as it does not wish to be a housing provider per se, it needs to have access to good quality housing to meet the needs of its clients.

Housing associations can also lever in private funding by way of borrowing against rent streams and accessing social housing grant.

In this case the bid for social housing grant has failed and this bid is to fund the resultant gap.

If this is not funded then the accommodation will ultimately have to close resulting in accommodation needing to be found for 24 people at a cost of between £50-£100k each per annum.

There would be additional costs in terms of not meeting the housing strategy and non provision of respite places.

Officers have also explored redesigns e.g. to one site which are not feasible due to decant costs and implications. Also retender to an alternative housing partner, which may lever in slightly more private funding- however the time delay resulting in this would lead to cost increases likely to negate this effect, plus delay for the residents. There is a substantial amount of abortive costs (probably £200k) which would be payable again negating any

possible benefit.
Description of project – The project is to build 12 flats on the Essex rd site in Hoddesdon with appropriate communal space and 14 flats with appropriate communal space at Rye park in Hoddesdon.
<p>Earliest possible start date July 2004. All development work is complete Awaiting funding confirmation only, followed by legal transfer of land</p> <p>Required completion date (if any) As soon as possible. Each months delay will add approx. 0.5% to cost</p>
<p>Financial information: Capital- the scheme cost is £3.919m capital. This bid is for £2.57m, being the element that the housing association cannot fund via rental borrowing and an unsuccessful (3 attempts) bid for housing corporation (social housing grant) funding. HCC will also be contributing the pieces of land transferred at nil value and the estimated receipt of £630k from the sale of surplus land. The payment to be made 80% on start and 20% on completion.</p> <p>Revenue- all future revenue building costs will be met by the housing association</p> <p>Affordability and funding sources for the preferred option as above</p>
Outcomes – The project will provide 26 units of good quality suitable accommodation. This will enable the existing residents to receive an enhanced level of service in fit for purpose accommodation more suited to their needs
Project Management Arrangements – The project team is lead by the partner housing association with full representation of all appropriate HCC staff and district council. The project is run under the partnering ethos so all partners and professionals form part of the project team and its sub groups.
Risk analysis – The only outstanding risks to this project are lack of agreement on the funding package including land transfers