

**Theme and Overview: 4. Self-Sufficient Council: Better Use of Property
(Developing Extra Care and Supported Living for Young People and Adults)**

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Introduction:

In November 2015 Cabinet approved that self-sufficiency would be one of the key ways to tackle the financial challenge. This theme had 4 work streams, one of which was entitled "Maximising the value of our estate". This theme already has the following savings targets:

Workstream / Project		Year					Indicative Total
Ref	Description	2015/16	2016/17	2017/18	2018/19	2019/20	
1a	Optimise Council Tax	-	2.150	2.250	1.950	2.100	8.450
1b	Business Rates	-	-1.331	0.250	-	-	-1.081
2	Sales, Fees & Charges	-	0.050	-	-	-	0.050
3	Revolving Door	-	-	-	0.500	-	0.500
4	Estate / Balance Sheet	-	1.650	-	0.200	0.400	2.250
4	Commercial Income – West Mercia Energy	-	0.100	0.050	0.050	-	0.200
	Total	0	2.619	2.550	2.700	2.500	10.369

Integrated Housing Model

One aspect of the Maximising the Value of the Estate work stream was called Integrated Housing Model. This would take advantage of the existing work in Worcestershire to map all public sector land, identify a small number of opportunities where land or buildings can be developed, planning permission gained and construction of mixed use sites is undertaken by a partnership of public sector bodies to:

- Achieve a capital gain on the sale of a portion of the site for private residential use realising a planning gain
- Achieve an increase in Council tax yield from all units within a site
- Achieve an increase in business rates for any local business created in the development
- Sell part of the site for scaled extra care, supported living, Emotional and Behavioural Difficulties (EBD) units or other accommodation to a range of providers to meet commissioning objectives of the Council where currently that provision does not exist

This does mean consideration needs to be given to taking on construction risk and not displacing a market for house-building that is returning across the county. Investment may be significant here either to grow capacity to do this ourselves or buy in to capability already developed in the private or public sector.

What is the demand for Extra Care and Supported Living?

The demand for extra care (supporting people who otherwise could be living in care/nursing homes, to continue to live in their own homes) and supported living (accommodating people with learning disabilities as an alternative to residential care) housing is growing, with significant benefits for service users, but the supply side is lagging behind demand.

This is partly due to the forthcoming 1% annual reduction in social rents in England and the perceived impact of the Housing Cap, which when implemented makes Extra Care potentially not viable from a housing provider perspective for people on low-incomes (rented sector). In this time of uncertainty providers have largely suspended current and future development. Recent communications from central Government shows that no change will be implemented for supported housing before 2019. Although these positive messages were welcomed, housing providers still question long term investment in supported housing and we will be working closely with them over this period.

The Integrated Housing Model is an enabler in driving forward a programme of work to provide better value for money and deliver improved outcomes for residents. This can be achieved by being less reliant on the private sector to 'lead' and come to WCC with opportunities for investment and more proactive in meeting our own demand requirements.

Building extra care and supported living units will predominantly deliver additional savings to current programmes of work (the current Market Transformation Project in DAS).

Latest Status – WCC Assets as opportunities for Extra Care and Supported Living

We already have the demand requirements for extra care and supported living. A locality review is being undertaken by Place Partnership to understand the 'supply' available. Place Partnership will be tasked with providing a long list of no more than 10 sites within the current estate portfolio that we can explore as potential opportunities for development.

What additional savings/income is targeted and when is this expected to be delivered?

Budget				
2016/17	The Extra Care net budget is £2m and Supported Living net budget is £12m Total £14m			
Savings				
Initiative	2017/18 £,000	2018/19 £,000	2019/20 £,000	Post 2020 £,000
	TBC	TBC		
Total	TBC	TBC		

Concept Paper: Self-Sufficient Council:

Better Use of Property (Developing Extra Care and Supported Living for Young People and Adults)

Cabinet - 17 November 2016

Funding requirements

An early indication of investment requirements is shown below however at this stage, the expected level of investment cannot be quantified and this will be understood more clearly through feasibility and business case development:

- | | |
|---------------------------------|---------|
| • Specialist external support | £38,000 |
| • Legal support for development | £25,000 |

Individual Extra Care and Supported Living schemes are ongoing and have already delivered significant cost savings. Furthermore the outline business case for a potential Extra Care Village will be finalised in early 2017.

There is a significant positive impact on peoples' lives and their wellbeing by being more independent with the opportunity of getting support when required. Furthermore supported living and extra care housing schemes have a significant lower cost than nursing and residential care as well as delivering better outcomes for individuals.
