

AGENDA

Meeting: **CABINET CAPITAL ASSETS COMMITTEE**
Place: **Kennet Room - County Hall, Trowbridge BA14 8JN**
Date: **Tuesday 15 September 2015**
Time: **2.00 pm**

Please direct any enquiries on this Agenda to Will Oulton, of Democratic Services, County Hall, Bythesea Road, Trowbridge, direct line 01225 713935 or email william.oulton@wiltshire.gov.uk

Press enquiries to Communications on direct lines (01225)713114/713115.

This Agenda and all the documents referred to within it are available on the Council's website at www.wiltshire.gov.uk

Membership:

| | |
|----------------------------|---|
| Cllr Fleur de Rhé-Philippe | Cabinet Member for Economic Development, Skills and Strategic Transport |
| Cllr Jane Scott OBE | Leader of the Council |
| Cllr Toby Sturgis | Cabinet Member for Strategic Planning (strategic and development management), Property, Waste and Strategic Housing |
| Cllr John Thomson | Deputy Leader and Cabinet Member for Communities, Campuses, Area Boards and Broadband |
| Cllr Dick Tonge | Cabinet Member for Finance, Performance, Risk, Systems Thinking, Procurement and Welfare Reform |

Substitutes:

| | |
|-----------------------|--|
| Cllr Keith Humphries | Cabinet Member for Health (including Public Health) and Adult Social Care |
| Cllr Laura Mayes | Cabinet Member for Children's Services |
| Cllr Jonathon Seed | Cabinet Member for Housing, Leisure, Libraries and Flooding |
| Cllr Stuart Wheeler | Cabinet Member for Hubs, Governance (including information management), Support Services (HR, Legal, ICT, Business Services, Democratic Services), Heritage & Arts and Customer Care |
| Cllr Philip Whitehead | Cabinet Member for Highways and Transport |

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AGENDA

Part I

Items to be considered while the meeting is open to the public

Key Decisions: Matters defined as 'Key' Decisions and included in the Council's Forward Work Plan are shown as 

1 Apologies and Substitutions

2 Minutes of the previous meeting (*Pages 7 - 10*)

To confirm and sign as a correct record the minutes of the Cabinet (Capital Assets) Committee meeting held on 21 July 2015.

3 Leader's Announcements

4 Declarations of interest

To receive any declarations of disclosable interests or dispensations granted by the Standards Committee.

5 Public Participation and Questions from Councillors

The Council welcomes contributions from members of the public. This meeting is open to the public , who may ask a question or make a statement. Questions can also be asked by members of the Council. Written notice of questions or statements should be given to Will Oulton of Democratic Services by 12.00 noon on Thursday 10 September 2015. Anyone wishing to ask a question or make a statement should contact the officer named above.

6 Capital Budget Monitoring (*Pages 11 - 24*)

Report by Carolyn Godfrey, Corporate Director

7 Middlefields, Hungerdown Lane, Chippenham (*Pages 25 - 32*)

 Report by Dr Carlton Brand, Corporate Director

8 Nadder Close, Tisbury (*Pages 33 - 46*)

 Report by Maggie Rae, Corporate Director

9 **Council House Building Programme Revision** (*Pages 47 - 58*)



Report by Maggie Rae, Corporate Director

10 **Urgent items**

Any other items of business that the Leader agrees to consider as a matter of urgency.

11 **Exclusion of the Press and Public**

This is to give further notice in accordance with paragraph 5 (4) and 5 (5) of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 of the intention to take the following item in private.

To consider passing the following resolution:

To agree that in accordance with Section 100A(4) of the Local Government Act 1972 to exclude the public from the meeting for the business specified in Item Numbers 12 & 13 because it is likely that if members of the public were present there would be disclosure to them of exempt information as defined in paragraph 3 of Part I of Schedule 12A to the Act and the public interest in withholding the information outweighs the public interest in disclosing the information to the public.

Reason for taking items in private:

Paragraph 3 - information relating to the financial or business affairs of any particular person (including the authority holding that information).

Part II

Items during consideration of which it is recommended that the public should be excluded because of the likelihood that exempt information would be disclosed

12 **Council House Building Programme Review** (*Pages 59 - 64*)



To consider the appendices referred to in the report at item 9 above.

13 **Five Rivers - proposed lease of premises** (*Pages 65 - 76*)



Report by Robin Townsend, Associate Director - Corporate Function, Procurement and Programme Office


The items on this agenda reflect the key goals of Wiltshire Council, namely 'Work together to support Wiltshire's Communities', 'Deliver high quality, low cost, customer focused services and 'Ensure local, open, honest decision making'.

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CABINET CAPITAL ASSETS COMMITTEE

MINUTES of a MEETING held in KENNET ROOM - COUNTY HALL, TROWBRIDGE BA14 8JN on Tuesday, 21 July 2015.

| | |
|----------------------------|---|
| Cllr Fleur de Rhé-Philippe | Cabinet Member for Economic Development, Skills and Strategic Transport |
| Cllr Jane Scott OBE | Leader of the Council |
| Cllr Toby Sturgis | Cabinet Member for Strategic Planning (strategic and development management), Property, Waste and Strategic Housing |
| Cllr John Thomson | Deputy Leader and Cabinet Member for Communities, Campuses, Area Boards and Broadband |
| Cllr Dick Tonge | Cabinet Member for Finance, Performance, Risk, Systems Thinking, Procurement and Welfare Reform |

Key Decisions Matters defined as 'Key' Decisions and included in the Council's Forward Work Plan are shown as 

56 **Apologies and Substitutions**

Apologies were received from Cllr Scott substituted by Cllr Wheeler and Cllr Sturgis substituted by Cllr Seed.

Note: Vice-Chairman, Cllr Jon Thomson, was in the chair.

57 **Minutes of the previous meeting**

The minutes of the previous meeting, held on the 15 May 2015, were presented.

Resolved

To approve as a correct record and sign the minutes of the meeting held on 15 May 2015.

58 **Leader's Announcements**

There were no leaders announcements.

59 **Declarations of interest**

There were no declarations of interest.

60 **Public Participation and Questions from Councillors**

It was noted that no requests for public participation had been received.

61 **Swindon and Wiltshire Growth Deal - forward funding project development**

Cllr Fleur de Rhé-Philipe, Cabinet Member for Economic Development, Skills and Strategic Transport, presented the report which sought permission from the Cabinet Capital Assets Committee to forward fund, through Wiltshire Council resources, the further development work required on a number of Growth Deal projects. It was noted that these costs would be capitalised and recovered through the Local Growth Fund allocations secured for each project.

Resolved

1. **To approve forward funding to move to full business case, will be capitalised and will be refunded once the projects complete;**
2. **To agree to cash flow the development costs for Growth Deal projects in the Wiltshire Council geography (recoverable from the allocated Local Growth Funds during delivery), to ensure that our Growth Deal is delivered to time, to cost and to quality.**
3. **To delegate authority to the Section 151 Officer in conjunction with the Leader of the Council and the Associate Director for Economic Development and Planning, to resource the upfront development costs for further business case development work on identified projects and to ensure that forward funding is cost neutral over the period of cash flow.**

Reason for Decisions:

To ensure that projects proposed by Wiltshire Council as part of the Swindon and Wiltshire Growth Deal are sufficiently developed to enable efficient delivery to time, to cost and to quality.

62 **Demolition of East Wing complex Trowbridge and Bridge Centre Chippenham**

In the absence of Cllr Sturgis, Cllr Dick Tonge, Cabinet Member for Finance, presented the report which outlined the phasing and process for the demolition of both East wing complex Trowbridge and the Bridge centre Chippenham; and sought authorisation to relocate existing services and groups currently occupying the buildings to alternative accommodation. In the course of the discussion it was clarified that Folk Festival property was currently kept at the Bridge Centre only.

Resolved

- 1. To authorise the Head of Strategic Asset and Facilities Management to proceed with the demolition East Wing complex Phase One and treat it as a 'cost of sale'.**
- 2. To authorise the Head of Strategic Asset and Facilities Management to proceed with the demolition of the Bridge Centre and treat as a 'cost of sale'. Execute this demolition in line with option one- demolition and clearance.**
- 3. To authorise the Head of Strategic Asset and Facilities Management, in consultation with the Cabinet member for property to secure vacant possession of the Bridge centre site.**
- 4. To authorise the Head of Strategic Asset and Facilities Management to enter into negotiations with Chippenham Town Council and Chippenham BID to investigate options, at no cost to the council, to provide alternative parking arrangements on the Bridge Centre site once the building has been demolished, and that any recommendations arising be referred to the Cabinet member for Strategic Planning (strategic and development management), Property, Waste and Strategic Housing for consideration in consultation with the Corporate Director.**

Reason for Decisions:

To support the ongoing rationalisation of the Council's estate and prepare the sites for sale.

63 Disposals List

In the absence of Cllr Sturgis, Cllr Dick Tonge, Cabinet Member for Finance, presented the report which provide an update to members on the disposal of assets between 2009/2010 and 2015; asked the Committee to ratify the current disposals list and sought authorisation for additional assets to be declared surplus and added to these to disposals list.

Resolved

- 1. To note progress on the disposal of land and property to date;**
- 2. To ratify the disposal list as set out in appendix 1; and**
- 3. To declare the additional sites surplus as set out in appendix 2.**

Reason for Decisions:

To authorise the disposal of assets in order to support the Medium Term Financial Plan (MTFP) and delivery of the councils business plan.

64 Urgent items

There were no urgent items.

65 Exclusion of the Press and Public

Resolved

To agree that in accordance with Section 100A(4) of the Local Government Act 1972 to exclude the public from the meeting for the following items of business because it is likely that if members of the public were present there would disclosure to them of exempt information as defined in paragraph 3 of Part I of Schedule 12A to the Act and the public interest in withholding the information outweighs the public interest in disclosing the information to the public.

Reason for taking the item in private:

Paragraph 3 – information relating to the financial information or business affairs of any particular person (including the authority holding that information)

No representations were received as to why this item should not be held in private.

66 Disposal List

The appendices were considered as part of the decision in Part One of the meeting.

(Duration of meeting: 2.00 - 2.29 pm)

| |
|---|
| These decisions were published on the 27 July 2015 and will come into force on 4 August 2015. |
|---|

The Officer who has produced these minutes is Will Oulton, of Democratic Services, direct line 01225 713935 or e-mail william.oulton@wiltshire.gov.uk
Press enquiries to Communications, direct line (01225) 713114/713115

Wiltshire Council

Cabinet Capital Assets Committee

15 September 2015

Subject: **Capital Monitoring Period 4 2015/2016 (as at 31 July 2015)**

Cabinet member: **Councillor Dick Tonge
Finance, Performance, Risk, Systems Thinking,
Procurement & Welfare Reform**

Key Decision: **No**

Executive Summary

The report details changes to the budget made since the 2015/2016 budget was set in February 2015.

The report reflects the position of the 2015/2016 spend against budget as at Period 4 (as at 31 July 2015).

Proposal

To note the budget movements undertaken to the capital programme shown in Appendices A and B.

Reason for Proposals

To inform Cabinet of the position of the 2015/2016 capital programme as at Period 4 (31 July 2015), including highlighting any budget changes.

Michael Hudson Associate Director Finance

Wiltshire Council

Cabinet Capital Asset Committee

15 September 2015

Subject: **Capital Monitoring Period 4 2015/2016 (as at 31 July 2015)**

Cabinet member: **Councillor Dick Tonge
Finance, Performance, Risk, Systems Thinking,
Procurement & Welfare Reform**

Key Decision: **No**

Purpose of Report

1. To inform Cabinet on the position of the 2015/2016 Capital Programme, as at Period 4 (31 July 2014), including highlighting budget changes. A budget monitoring report to members is taken to Cabinet Capital Assets Committee quarterly in September, December, February and June. This report focuses on major variations in budget.

Budget Movements

2. The original budget for 2015/2016 was presented to the Council as part of the budget meeting on 24 February 2015. Since that date there have been a number of changes to the budget for 2015/2016, largely due to reprogramming of budget from 2014/2015, but also to reflect additional funding being available. These changes are summarised in the table below, a fuller breakdown of the changes made at a scheme by scheme level is attached as Appendix A.

**Breakdown of Budget Amendments from Original Budget to Period 4
Budget (as at 31 July 2015)**

| | £m | Notes |
|--|-----------------|--|
| Original Capital Programme Budget (reported to Council 24 February 2015) | 146.322 | |
| Additions/amendments to the Capital Programme 2015/2016 since Original Budget setting | | |
| Period 9 (to December 2014) 2014/2015 budgets reprogrammed into 2015/2016 | 6.779 | See Appendix A for further details |
| Outturn 2014/2015 budgets reprogrammed into 2015/2016 | 29.029 | See Appendix A for further details |
| Additional Budgets added to Programme | 4.757 | See Appendix A and B section 1 for further details |
| Budget reductions | (11.186) | See Appendix A for further details |
| Budgets reprogrammed from 2015/2016 into 2016/2017 | (2.487) | See Appendices A and B section 2 for further details |
| Current Budget Period 4 2015/2016 | 173.214 | |

3. The budget additions shown above largely reflect increases in funding being available and brought into the programme under the Chief Financial Officer delegated authority. They largely comprise of additional grants from Central Government, Section 106 contributions and other contributions used to finance capital spend within the capital programme. Further information on the budget movements at an individual scheme level is shown in Appendix A and in further detail in Appendix B.
4. As part of this report the programme has been reduced by £11.186 million to reflect changes to the approved capital budgets and ensure greater ability to manage the revenue financing costs of the programme within the revenue provision of £23.199 million; commentary on these amounts is given in Appendix C.

5. The budgets that have been reprogrammed into 2016/2017 are shown in further detail in Appendices A and B, with the higher value amounts also explained in the narrative for schemes in Appendix C.

Summary of Position as at 31 July 2015

6. The current budget for the year 2015/2016 is £173.214 million. Actual spend on schemes as at 31 July 2015 was £22.054 million. A full breakdown of these figures is attached in Appendix A.
7. At present there are no anticipated significantly overspending schemes.
8. Some reprogramming of budgets into future years has already taken place as part of this report; however more is anticipated. The capital programme is currently with CLT for review as it is not affordable if all of the approved budgets are spent. Options available for review have been put forward. The capital financing budget for 2015/2016 is not sufficient to cover the £60.977m borrowing that this programme would require if not reviewed. It should be noted that historically the capital programme has spent around £90m a year with large slippage each year, £35.808m from 2014/15 to 2015/16.
9. Further information on the movements undertaken and the forecast position of some of the larger schemes is set out in Appendix C, along with updates on the capital receipts received during 2015/2016.

Risks Assessment

10. The capital budget for 2015/2016, as detailed in this report, has been revised to £173.214 million. Within any capital programme there are a number of potential risks such as from cost overruns or lower than expected levels of capital receipts. Such issues will be highlighted as soon as they establish themselves through the quarterly reporting process. Members may wish to bear in mind that the capital programme has been set for four years and therefore risks will be appraised over the whole period.

Equality and Diversity Impact of the Proposal

11. None have been identified as arising directly from this report.

Financial Implications

12. This is a report from the Chief Finance Officer and the financial implications are discussed in the detail of this report.

Legal Implications

13. None have been identified as arising directly from this report.

Public Health Implications

14. None have been identified as arising directly from this report.

Environmental Implications

15. Wiltshire Council is now included in the Carbon Reduction Commitment (CRC); the UK's mandatory climate change and energy saving scheme. The objectives of the scheme are to improve energy efficiency and reduce carbon dioxide emissions. It is calculated that 79% of the Council's carbon footprint comes from energy use in buildings. Capital schemes therefore have the potential to greatly increase or decrease carbon emissions, for example schemes making council buildings more energy efficient will reduce the Council's carbon footprint. There are no direct impacts of this report, however there are a number of schemes in the capital programme that are planned to enable energy efficiency benefits for the council.

Safeguarding Implications

16. None have been identified as arising directly from this report.

Proposals

17. To note the general budget additions for grants, contributions and other sources of £4.757 million as per Appendix B; and to note the Period 4 position of the Capital Programme in Appendix A.

To also note the reprogramming of £2.487 million between 2015/2016 and 2016/2017.

Background Papers and Consultation

None

Contact Name:

Michael Hudson, Associate Director Finance, ext 13601
Michael.hudson@wiltshire.gov.uk

Report Author: Stuart Donnelly, Principal Accountant.

Appendices:

- Appendix A – 2015/2016 Capital Programme Budget Movements and spent to 31 July 2015
- Appendix B – Delegated authority for budget movements
- Appendix C – Narrative on specific schemes

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Capital Programme Budget Movements and Spend to 31 July 2015/2016

| Scheme Name | 2015/2016 Budget Breakdown | | | | | | | | | | |
|---|---|---|---|--|----------------------------------|--|--------------------|---|-----------------------------------|-----------------------|-----------------------|
| | Original Capital Programme Budget (reported to Council 24 Feb 2015) | Period 9 (to December 2014) 2014/2015 Budgets Reprogrammed into 2015/2016 | Outturn 2014/2015 Budgets Reprogrammed into 2015/2016 | Outturn Budget Transfer 2014/2015 into 2015/2016 | Budget Movements between Schemes | Additional Budgets added to Programme (Section 1 Appendix B) | Reduced Budgets re | Budgets reprogrammed from 2015/2016 into 2016/2017 (Section 2 Appendix B) | Current Budget Period 4 2015/2016 | Spend to 31 July 2015 | Spend to 31 July 2015 |
| | £m | £m | £m | £m | £m | £m | £m | £m | £m | £m | % |
| Thriving & Growing Economy | | | | | | | | | | | |
| Carbon Reduction Schemes | 0.000 | | | 1.558 | | | | | 1.558 | 0.164 | 10.53% |
| Oil to Biomass Schemes | 0.000 | | | 0.966 | | | | | 0.966 | 0.067 | 6.94% |
| Other Economic Development Schemes | 0.000 | | | 0.181 | | | | | 0.181 | 0.190 | 104.97% |
| Strategic Economic Plan | 1.000 | | (0.134) | | | | | | 0.866 | 0.000 | 0.00% |
| Corsham Mansion House | 0.000 | | | | | | | | 0.000 | 0.009 | 0.00% |
| A429 Malmesbury Access Improvements | 2.000 | | | | | | | | 2.000 | 0.000 | 0.00% |
| Chippenham Station HUB | 0.000 | | | | | | | 0.100 | 0.100 | 0.024 | 24.00% |
| LTB Scheme A350 North of Chippenham Bypass Improvements | 1.677 | | (0.226) | | | | | | 1.451 | 0.133 | 9.17% |
| A350 Dualling Chippenham Bypass | 0.000 | | (0.040) | | | | | 0.040 | 0.000 | 0.000 | 0.00% |
| Growth Fund (inc Porton Science Park) | 5.000 | | | 0.229 | | | | | 5.229 | 0.011 | 0.21% |
| City Deal - Creating Growth through knowledge | 2.800 | | | | | | (2.800) | | 0.000 | 0.000 | 0.00% |
| Bowerhill Portal Way Improvement Works | 0.000 | 0.073 | | 0.779 | | | | | 0.852 | 0.567 | 66.55% |
| Total Thriving & Growing Economy | 12.477 | 0.073 | (0.400) | 3.713 | 0.000 | 0.000 | (2.800) | 0.140 | 13.203 | 1.165 | 8.82% |
| Working Together to Solve Problems & Participate in Decisions | | | | | | | | | | | |
| Buildings Repair & Maintenance | 2.500 | 0.140 | | 0.638 | | | | | 3.278 | 0.203 | 6.19% |
| Rural Estates | 0.000 | 0.262 | | 0.154 | | | | | 0.416 | 0.012 | 2.88% |
| Whole Life Building and Equipment Refresh | 0.500 | | | | | | | | 0.500 | 0.000 | 0.00% |
| Leisure Centres & Libraries - Capital Works Requirement | 0.400 | | | | | | | | 0.400 | 0.000 | 0.00% |
| Hub Programme Office Rationalisation | 0.000 | | | 0.121 | | | | | 0.121 | 0.011 | 9.09% |
| Operational Estate | 0.000 | | | 0.215 | | | | | 0.215 | 0.037 | 17.21% |
| Depot & Office Strategy | 0.000 | | | 0.519 | | | | | 0.519 | 0.000 | 0.00% |
| Campus - Live Schemes | 23.000 | | | 11.722 | | | (8.121) | | 26.601 | 4.827 | 18.15% |
| Campus - In Development | 0.000 | | | 0.000 | | | | | 0.000 | 0.000 | 0.00% |
| Area Boards and LPSA PRG Reward Grants | 1.027 | | | 0.015 | (0.009) | | | | 1.033 | 0.030 | 2.90% |
| Fitness Equipment for Leisure Centres | 0.663 | | (0.166) | 0.028 | | | | | 0.525 | 0.022 | 4.19% |
| Churchyards & Cemeteries | 0.000 | | | 0.657 | | | | | 0.657 | 0.030 | 4.57% |
| Libraries, Heritage and Art | 0.000 | | | 0.046 | | | (0.046) | | 0.000 | 0.000 | 0.00% |
| Start up units in Market Hall Dezives | 0.000 | | | | | | | | 0.000 | 0.000 | 0.00% |
| Fuelling facilities at Riverway Depot | 0.000 | | | | | | | | 0.000 | 0.000 | 0.00% |
| Upgrade Facilities at City Hall | 0.000 | | | | | | | | 0.000 | 0.000 | 0.00% |
| Total Working Together to Solve Problems & Participate in Decisions | 28.090 | 0.402 | (0.166) | 14.115 | (0.009) | 0.000 | (8.167) | 0.000 | 34.265 | 5.172 | 15.09% |
| High Quality Environment | | | | | | | | | | | |
| Integrated Transport | 3.747 | 0.240 | | 0.331 | (0.499) | 0.025 | | | 3.844 | 0.361 | 9.39% |
| Structural Maintenance (Grant & Council Funded) | 24.000 | | (0.600) | 0.010 | 0.500 | 0.041 | | | 23.951 | 2.583 | 10.78% |
| Bridges | 3.000 | 0.500 | | 0.096 | | | | | 3.596 | 0.105 | 2.92% |
| Highway flooding prevention and Land Drainage schemes | 0.500 | | | | | | | | 0.500 | 0.099 | 19.80% |
| Flooding Repair & Renewal | 0.000 | | | | | | | | 0.000 | 0.148 | 0.00% |
| A350 Chippenham (Pinch Point) | 0.000 | | | | | | | | 0.000 | 0.126 | 0.00% |
| Local Sustainable Transport Fund | 0.000 | | 0.002 | 0.024 | | 0.024 | | | 0.050 | 0.022 | 44.00% |
| Street Lighting | 0.000 | 0.134 | (0.134) | | | | | | 0.000 | 0.059 | 0.00% |
| Salisbury Market Place (inc New Canal and Blue Boar Row) | 0.000 | | | | | | | | 0.000 | 0.050 | 0.00% |
| Passenger Transport Capital | 0.000 | | | | | | | | 0.000 | 0.005 | 0.00% |
| Waste Services | 0.439 | | | 0.105 | | | | | 0.544 | 0.061 | 11.21% |
| Fleet Vehicles | 0.219 | | | 0.559 | | 0.057 | (0.219) | | 0.616 | 0.332 | 53.90% |
| Disabled Facilities Grants | 1.000 | | | 0.055 | | | | | 1.055 | 0.558 | 52.89% |
| Other Housing Grants | 0.000 | | | 0.499 | | | | | 0.499 | 0.000 | 0.00% |
| Gypsies and Travellers Projects | 3.314 | | | 0.544 | | | | | 3.858 | 0.166 | 4.30% |
| Council House Build Programme | 1.558 | | | (0.065) | | | | | 1.493 | 0.091 | 6.10% |
| Complex Needs Bungalows | 0.000 | | | 0.413 | | | | | 0.413 | 0.375 | 90.80% |
| Extra Care Programme | 10.244 | | | 0.610 | (1.347) | | | | 9.507 | 0.182 | 1.91% |
| Other - Housing Strategic Economic Plan | 3.209 | | | 0.100 | | | | | 3.309 | 0.000 | 0.00% |
| Sheltered Housing | 2.200 | | | 0.499 | (4.244) | | | 1.545 | 0.000 | 0.000 | 0.00% |
| Affordable Housing including Commuted Sums | 0.000 | | | | 0.937 | | | | 0.937 | 0.055 | 0.00% |
| New Housing | 0.000 | | | (0.013) | 0.454 | | | | 0.441 | 0.000 | 0.00% |
| Social Care Infrastructure & Strategy | 0.000 | | | (0.023) | 4.200 | | | | 4.177 | 0.001 | 0.02% |
| HRA - Refurbishment of Council Stock | 15.347 | | | 1.086 | 0.008 | | | | 16.441 | 3.027 | 18.41% |
| Total High Quality Environment | 68.777 | 0.874 | (0.732) | 4.830 | 0.009 | 0.147 | (0.219) | 1.545 | 75.231 | 8.406 | 11.17% |

Capital Programme Budget Movements and Spend to 31 July 2015/2016

| Scheme Name | 2015/2016 Budget Breakdown | | | | | | | | | | |
|--|---|---|---|--|----------------------------------|--|--------------------|---|-----------------------------------|-----------------------|-----------------------|
| | Original Capital Programme Budget (reported to Council 24 Feb 2015) | Period 9 (to December 2014) 2014/2015 Budgets Reprogrammed into 2015/2016 | Outturn 2014/2015 Budgets Reprogrammed into 2015/2016 | Outturn Budget Transfer 2014/2015 into 2015/2016 | Budget Movements between Schemes | Additional Budgets added to Programme (Section 1 Appendix B) | Reduced Budgets re | Budgets reprogrammed from 2015/2016 into 2016/2017 (Section 2 Appendix B) | Current Budget Period 4 2015/2016 | Spend to 31 July 2015 | Spend to 31 July 2015 |
| | £m | £m | £m | £m | £m | £m | £m | £m | £m | £m | % |
| Inclusive Communities Where Everyone Can Achieve Their Potential | | | | | | | | | | | |
| Sarum Academy Salisbury | 0.000 | | | 0.392 | | | | | 0.392 | 0.000 | 0.00% |
| Basic Need | 11.683 | 0.741 | 0.162 | 2.258 | 0.078 | 1.626 | | (2.700) | 13.848 | 1.946 | 14.05% |
| Schools Maintenance & Modernisation | 8.752 | 0.380 | 0.053 | 0.591 | (0.078) | 1.180 | | (0.722) | 10.156 | 0.466 | 4.59% |
| Devolved Formula Capital | 0.800 | | | 0.004 | | 0.056 | | | 0.860 | 0.200 | 23.26% |
| Access and Inclusion | 0.100 | | | 0.179 | | | | | 0.279 | 0.029 | 10.39% |
| New Schools | 2.888 | 2.500 | 0.550 | 2.955 | (0.200) | 0.792 | | (0.450) | 8.835 | 3.333 | 37.72% |
| School Expansions & Replacements | 0.731 | | | 0.046 | | 0.004 | | (0.300) | 0.481 | 0.002 | 0.42% |
| Early Years & Childcare | 0.000 | 0.048 | | 0.125 | | | | | 0.173 | 0.077 | 44.51% |
| Other Education Schemes | 0.000 | 0.026 | 0.003 | 0.051 | | | | | 0.080 | 0.000 | 0.00% |
| Universal Infant Free School Meals Capital | 0.000 | | | 0.230 | | 0.419 | | | 0.649 | 0.373 | 57.47% |
| Army Rebasing | 0.000 | | | 0.000 | 0.200 | | | | 0.200 | 0.000 | 0.00% |
| Total Inclusive Communities Where Everyone Can Achieve Their Potential | 24.754 | 3.695 | 0.768 | 6.831 | 0.000 | 4.077 | 0.000 | (4.172) | 35.953 | 6.426 | 17.87% |
| Healthy, Active and High Quality Lives | | | | | | | | | | | |
| Public Health Schemes | 0.000 | | | 0.132 | | 0.319 | | | 0.451 | 0.000 | 0.00% |
| Total Healthy, Active and High Quality Lives | 0.000 | 0.000 | 0.000 | 0.132 | 0.000 | 0.319 | 0.000 | 0.000 | 0.451 | 0.000 | 0.00% |
| Changing The Way We Do Business | | | | | | | | | | | |
| ICT Schemes | 4.836 | 0.011 | | (0.289) | | | | 0.000 | 4.558 | 0.810 | 17.77% |
| Other Schemes including cross cutting systems | 0.000 | 0.017 | | 0.224 | | 0.211 | | | 0.452 | 0.059 | 13.05% |
| Learning Management System | 0.036 | 0.033 | | | | | | | 0.069 | 0.016 | 23.19% |
| Wiltshire Online | 6.352 | 1.674 | | 0.003 | | 0.003 | | | 8.032 | 0.000 | 0.00% |
| Salisbury CCTV | 1.000 | | | | | | | | 1.000 | 0.000 | 0.00% |
| Total Changing The Way We Do Business | 12.224 | 1.735 | 0.000 | (0.062) | 0.000 | 0.214 | 0.000 | 0.000 | 14.111 | 0.885 | 6.27% |
| Total 2015/2016 Programme | 146.322 | 6.779 | (0.530) | 29.559 | 0.000 | 4.757 | (11.186) | (2.487) | 173.214 | 22.054 | 12.73% |

CHIEF FINANCE OFFICER (CFO) - EXERCISE OF DELEGATED POWERS & REQUESTS FOR ADDITIONAL RESOURCES WITHIN THE CAPITAL PROGRAMME

CCAC Meeting
Financial Year:

15 September 2015

2015/2016

SECTION 1 - DELEGATED CFO POWERS

"Adjustment/addition of scheme in the capital programme which has no effect on the net funding position of the programme
i.e. Additional resources available in the form of Grant, Section 106 contributions etc which fund the addition, "

| | | | |
|------------------------|---|------------------|------------------|
| Project Name: | Integrated Transport | | |
| Budget Change: | 2015/2016 | 2016/2017 | 2017/2018 |
| | 25,000 | | |
| Funding Source: | Contribution received from Aspire Defence towards Integrated Transport capital schemes | | |
| Project Name: | Structural Maintenance | | |
| Budget Change: | 2015/2016 | 2016/2017 | 2017/2018 |
| | 12,174 | | |
| Funding Source: | New grant received from Natural England's paths for communities scheme for a new link bridleway at Bishops Cannings | | |
| Project Name: | Structural Maintenance | | |
| Budget Change: | 2015/2016 | 2016/2017 | 2017/2018 |
| | 13,519 | | |
| Funding Source: | Contributions received from Community groups and Area Boards towards rights of way structural maintenance schemes | | |
| Project Name: | Structural Maintenance | | |
| Budget Change: | 2015/2016 | 2016/2017 | 2017/2018 |
| | 15,129 | | |
| Funding Source: | Section 106 deposits used for Rights of Way Structural Maintenance Improvements | | |
| Project Name: | Local Sustainable Transport Fund | | |
| Budget Change: | 2015/2016 | 2016/2017 | 2017/2018 |
| | 24,384 | | |
| Funding Source: | Grant from Hampshire County Council towards Local Sustainable Transport Schemes | | |
| Project Name: | Fleet Vehicles | | |
| Budget Change: | 2015/2016 | 2016/2017 | 2017/2018 |
| | 57,700 | | |
| Funding Source: | Grant received from DFT - Office for Low Emission Vehicles towards Electric Vehicle Charging Points | | |
| Project Name: | Basic Need | | |
| Budget Change: | 2015/2016 | 2016/2017 | 2017/2018 |
| | 1,626,467 | | |
| Funding Source: | Section 106 contributions to Basic Need schemes county wide | | |
| Project Name: | Schools Maintenance & Modernisation | | |
| Budget Change: | 2015/2016 | 2016/2017 | 2017/2018 |
| | 760,557 | | |
| Funding Source: | Section 106 contributions to School Maintenance & Modernisation schemes county wide | | |
| Project Name: | Schools Maintenance & Modernisation | | |
| Budget Change: | 2015/2016 | 2016/2017 | 2017/2018 |
| | 416,154 | | |
| Funding Source: | Maintenance grant funding from the Department of Education announcement higher than estimated | | |

CHIEF FINANCE OFFICER (CFO) - EXERCISE OF DELEGATED POWERS & REQUESTS FOR ADDITIONAL RESOURCES WITHIN THE CAPITAL PROGRAMME

CCAC Meeting
Financial Year:

15 September 2015

2015/2016

| | | | |
|------------------------|--|--|------------------|
| Project Name: | Schools Maintenance & Modernisation | | |
| Budget Change: | 2015/2016 | 2016/2017 | 2017/2018 |
| | 3,500 | | |
| Funding Source: | Contribution from Hullavington School towards fencing works | | |
| Project Name: | Devolved Formula Capital | | |
| Budget Change: | 2015/2016 | 2016/2017 | 2017/2018 |
| | 55,844 | | |
| Funding Source: | DFC grant funding from the Department of Education announcement higher than estimated | | |
| Project Name: | New Schools | | |
| Budget Change: | 2015/2016 | 2016/2017 | 2017/2018 |
| | 791,997 | | |
| Funding Source: | Section 106 contributions to New School schemes county wide | | |
| Project Name: | School Expansions & Replacements | | |
| Budget Change: | 2015/2016 | 2016/2017 | 2017/2018 |
| | 3,798 | | |
| Funding Source: | Section 106 contributions to School Expansion & Replacement schemes county wide | | |
| Project Name: | Universal Infant Free School Meals Capital 2014-15 | | |
| Budget Change: | 2015/2016 | 2016/2017 | 2017/2018 |
| | 419,030 | | |
| Funding Source: | Grant from the Department of Education for works at Redlands, All Cannings, Brinkworth and New Forest Primarys Schools | | |
| Project Name: | Public Health Schemes | | |
| Budget Change: | 2015/2016 | 2016/2017 | 2017/2018 |
| | 319,000 | | |
| Funding Source: | Grant received from Public Health England towards work at Elizabeth Lodge | | |
| Project Name: | Other Schemes including cross cutting systems | | |
| Budget Change: | 2015/2016 | 2016/2017 | 2017/2018 |
| | 10,500 | | |
| Funding Source: | Revenue contribution towards ROW cycle route schemes | | |
| Project Name: | Other Schemes including cross cutting systems | | |
| Budget Change: | 2015/2016 | 2016/2017 | 2017/2018 |
| | 200,000 | | |
| Funding Source: | Section 106 contribution towards plant work at Tisbury Pool | | |
| Project Name: | Wiltshire Online | | |
| Budget Change: | 2015/2016 | 2016/2017 | 2017/2018 |
| | 2,728 | | |
| Funding Source: | Receipts received from sales of reconditioned laptops | | |
| | 4,757,481 | Total Delegated Changes Approved by Section 151 Officer | |

CHIEF FINANCE OFFICER (CFO) - EXERCISE OF DELEGATED POWERS & REQUESTS FOR ADDITIONAL RESOURCES WITHIN THE CAPITAL PROGRAMME

CCAC Meeting
Financial Year:

15 September 2015

2015/2016

SECTION 2 - DELEGATED CFO POWERS

"Schemes within the capital programme which require the reprogramming of expenditure between years due to scheme not progressing as originally anticipated or other circumstances"

Project Name: Chippenham Station HUB

| Budget Change: | 2015/2016 | 2016/2017 | 2017/2018 |
|----------------|-----------|-----------|-----------|
| | 100,000 | (100,000) | |

Notes: Reprogramming of Schemes to match anticipated expenditure between financial years

Project Name: A350 Dualling Chippenham Bypass

| Budget Change: | 2015/2016 | 2016/2017 | 2017/2018 |
|----------------|-----------|-----------|-----------|
| | 40,000 | (40,000) | |

Notes:

Project Name: Sheltered Housing

| Budget Change: | 2015/2016 | 2016/2017 | 2017/2018 |
|----------------|-----------|-------------|-----------|
| | 1,545,000 | (1,545,000) | |

Notes:

Project Name: Basic Need

| Budget Change: | 2015/2016 | 2016/2017 | 2017/2018 |
|----------------|-------------|-----------|-----------|
| | (2,700,000) | 2,700,000 | |

Notes:

Project Name: Schools Maintenance & Modernisation

| Budget Change: | 2015/2016 | 2016/2017 | 2017/2018 |
|----------------|-----------|-----------|-----------|
| | (721,562) | 721,562 | |

Notes:

Project Name: New Schools

| Budget Change: | 2015/2016 | 2016/2017 | 2017/2018 |
|----------------|-----------|-----------|-----------|
| | (450,000) | 450,000 | |

Notes:

Project Name: School Expansions & Replacements

| Budget Change: | 2015/2016 | 2016/2017 | 2017/2018 |
|----------------|-----------|-----------|-----------|
| | (300,000) | 300,000 | |

Notes:

| | |
|-----------|------------------------------------|
| 2,486,562 | Total Re-programming between years |
|-----------|------------------------------------|

SECTION 3 - REQUESTS TO CABINET FOR ADDITIONAL RESOURCES

"Adjustment/addition of scheme to the capital programme which places an additional funding requirement on the programme"

Project Name:

| Budget Change: | 2015/2016 | 2016/2017 | 2017/2018 |
|----------------|-----------|-----------|-----------|
| | | | |

Funding Source: There are no requests for additional resources detailed within this report

| | |
|---|---|
| 0 | Total requests for additional resources |
|---|---|

In the exercise of my delegated powers (Section 1 and 2), I hereby authorise the amendments to the Capital Programme summarised above.

CHIEF FINANCE
OFFICER:

Michael Hudson

| |
|--|
| CHIEF FINANCE OFFICER (CFO) - EXERCISE OF DELEGATED POWERS & REQUESTS FOR ADDITIONAL RESOURCES WITHIN THE CAPITAL PROGRAMME |
|--|

CCAC Meeting
Financial Year:

| |
|-------------------|
| 15 September 2015 |
|-------------------|

| |
|-----------|
| 2015/2016 |
|-----------|

|DATE:

September 2015

|

Further Information on Schemes in the Capital Programme and Funding Sources as at Period 4 (31 July 2015)

Thriving and Growing Economy

1. The City Deal – creating growth through knowledge scheme has been removed from the capital programme and £2.800 million as the scheme of work involves revenue expenditure that cannot now be capitalised.

Working Together to Solve Problems & Participate in Decisions

2. Corsham Campus is almost complete with the swimming pool and fitness suite now complete and health suite due to open in October. Salisbury and Tisbury are both in build phase and are planned to open autumn and winter 2015 respectively. The other four approved campuses continue to be reassessed to ensure that the whole programme is delivered within the approved budget allocation of £64.819m. Risk funding of £8.121m has thus been removed from the budget.

High Quality Environment

3. Highway schemes low expenditure to date is due to a delay in invoicing but schemes programmed into the schedule of work are progressing on the ground. The full Structural Maintenance budget is on track to be fully spent in 2015/2016 but as some areas are being developed there is a risk of reprogramming of budget in the coming months. The Bridges budget has been fully allocated to schemes across the county.
4. The Council House Build Programme and Extra Care schemes commenced in 2015/2016. A review paper has been prepared for CLT and CCAC for September to show a revised programme that accounts for changes in schemes, scheme values and funding streams.
5. Gypsy & Traveller Sites Phase 1 is now complete and negotiations continue with the contactor and SSE to finalise the position. Phase 2 is currently on hold and under review, an options paper is being prepared for CLT and CCAC.

Inclusive Communities Where Everyone Can Achieve Their Potential

6. Basic Need schemes ensure every child has a school place in Wiltshire by providing school increased capacity in school accommodation from mobile classrooms to large extension schemes. £1.626 million of extra funding has been made available to agreed schemes through section 106 contributions and £2.700 million of budget has been reprogrammed into 2016/2017 for schemes at Downton Primary and Old Sarum to reflect the timing of the projects.
7. Schools Maintenance and Modernisation; as in previous years the majority of planned maintenance schemes will take place in the school Summer holidays in August 2015 with invoices being settled in the final quarter of 2015. Modernisation schemes are progressing throughout Wiltshire with a large scheme at The Minster in Warminster due to complete this year. Section 106 funds have also been added into the programme for agreed schemes along with an increase in grant funding from the department of Education. The majority of the £0.722 million of budget reprogrammed into 2016/2017 is for Modernisation works at Marlborough St Mary's due to begin next year.
8. New Schools Programme. Two large schemes account for the majority of spend in this area; a new build for Greentrees Primary in Salisbury and a re-sited school for Forest and Sandridge Primary in Melksham. Both schemes are on site and progressing. £0.792 million of section 106 funds have been allocated to the Greentrees scheme in this report.

Funding of the Capital Programme

9. The capital programme is funded by 3 principal sources; grants & contributions, capital receipts and borrowing.
10. Grants and Contributions fund the largest proportion of the programme, the total received in these areas in 2015/2016 as at 31 July 2015 is £17.827 million combined. In total it is estimated that around £63.764 million of grants will be used to finance the capital programme in 2015/2016.
11. As at the end of July 2015 a net total of £1.852 million of income has been received from Capital Receipts from the proceeds of fixed asset sales. These include general asset disposals such as the sale of Orchard House plus a further 4 sales under the Council Housing Right to Buy (RTB) scheme. The target in the capital programme is £11.819 million. This will be monitored closely during the year.
12. Borrowing makes up the final element of financing the capital programme, and before any major reprogramming is factored in during later periods, a total of around £60.977 million is currently required to be borrowed to fund the budget. It is however envisaged that this will drop considerably over the coming months as the capital programme is reviewed.

Wiltshire Council

Cabinet Capital Asset Committee

15 September 2015

Subject: Middlefields, Hungerdown Lane, Chippenham

**Cabinet member: Councillor Toby Sturgis
Strategic Planning, Development Management,
Strategic Housing, Property, Waste**

Key Decision: Yes

Executive Summary

In November 2014, the Council received a number of bids for the Middlefields site in Chippenham. Conditions were attached to some of the highest scoring bids, without qualification thereby making it difficult to properly evaluate the submissions. Accordingly, the Council has undertaken further investigations so the bidders should be able to be more precise on any potential deductions to their offers.

The Orders of St John Care Trust (OSJCT) were interested in acquiring part of the site at market value to replace the existing Council Seymour House care home, a matter that Members supported. Following discussions with OSJCT, it is considered that the sale of a self-contained part of the site could be concluded in advance or simultaneously with the remainder of the property.

In addition to bids from house builders, submissions were received for mixed use schemes comprising a care home for OSJCT, housing and a medium sized supermarket (comprising around a third of the site). Members have expressed a preference that the site should only be developed for houses and a care home.

Proposal

Members are invited to:

- note the current position in respect of Middlefields
- approve the sale of part of the site to OSJCT for the construction of a care home
- approve the re-marketing of the remainder of the site restricted to housing development.

Reason for Proposal

In order to progress the sale of the property and support the delivery of Core Strategy and affordable housing policies.

**Dr Carlton Brand
Corporate Director**

Wiltshire Council

Cabinet Capital Asset Committee

Date of meeting: 15th September 2015

Subject: Middlefields, Hungerdown Lane, Chippenham

Cabinet member: Councillor Toby Sturgis
Strategic planning, development management,
strategic housing, property, waste
Key Decision: Yes

Purpose of Report

1. To provide an update on the current position in respect of the sale of Middlefields, Hungerdown Lane, Chippenham and to receive guidance on how Members wish to proceed.

Relevance to the Council's Business Plan

2. The sale of the site will generate a substantial capital receipt which will contribute towards the Business Plan objectives.

Background

3. The Middlefields site, which extends to approximately 2.36 hectares (5.83 acres), has been offered for sale on the open market culminating in a report to Cabinet Capital Assets Committee in November 2014.

4. At that time, officers were in consultation with The Orders of St John Care Trust (OSJCT) to ascertain whether it was prepared to acquire part of the site at a price reflecting the pro rata development value so it could construct a replacement for the aging Seymour House Care Home which it leases from the Council (which in turn would generate a further capital receipt for the Council).

5. OSJCT has confirmed it has identified an area amounting to 0.6 hectares (1.5 acres) which it could afford. This is smaller than the 0.8 hectares (2 acres) that bidders had shown on their illustrative scheme.

6. This area is self-contained and it is considered on current information that it could be sold to OSJCT irrespective of what happens on the remainder of the site.

7. The highest scoring house builder bidders for the site had submitted offers with conditions attached relating to physical elements of the site. As these conditions were not quantified in the submissions, nor when clarification was sought, it was not possible to provide unequivocal evaluation of the bids.

8. Accordingly, further investigations (de-risking) have been undertaken by the Council, the results of which can now be made available to any bidder and thereby mitigating against conditional aspects of any potential offer.

Main Considerations – OSJCT

9. At the November 2014 meeting of this Committee, Members indicated that they were sympathetic to a sale of part of the site to OSJCT at open market value as this would provide a modern replacement to the existing Council care home, Seymour House, which was built in the mid-1960s and will need to be replaced in the not too distant future.

10. The Council will receive open market value for the OSJCT part of the Middlefields site. The Council will also receive a further substantial capital receipt from the sale of Seymour House once the replacement facility has been completed.

11. No affordable housing would be generated from this part of the Middlefields site although this would be balanced from the sale of Seymour House which is considered suitable for residential development.

12. There may also be a limited impact on the layout/design proposals for the remainder of the site.

Further considerations – remainder of the site

13. The bids for the remainder of the site 1.7 hectares (4.3 acres) propose houses only and bids for a mixed use scheme of houses and around 0.8 hectares (2 acres) for a supermarket. Members have indicated that the Committee preference is for housing only.

14. The advantages of a housing only scheme are:

- It would generate between 10 – 15 additional affordable houses depending upon the density of the housing development proposed by the successful bidder.
- Any potential impact upon the town centre would be eliminated.
- The principle is less likely to generate development control issues.

15. The disadvantages of a housing only scheme are:

- A possible loss of some capital receipts (subject to any mixed use securing planning permission)
- OJEU procurement regulations may apply to the sale of the site.

16. Since the receipt of the bids last year, the Core Strategy has been approved by Full Council. The amount of affordable housing for Chippenham is 40%, an increase on the 30% proposed by all the bidders, including those for a mixed use scheme.

17. It is considered that having regard to the de-risking of the site and the identified need for affordable housing, adopted within the Core Strategy, that a new marketing campaign is undertaken.

18. The issue that the committee will need to consider is whether the re-launched marketing campaign is focussed towards purely housing to achieve the social benefit of assisting to meet the housing demand or whether the re-launched marketing campaign is widened to include mixed use.

19. It is the right of any landowner, the Council included, to withdraw a property from the market or to change the terms upon which it is offered. That is a risk that all property developers take when assessing whether to bid for a site.

20. However, if the Council wishes to make it a condition of sale that the use of the land is restricted to a certain type of development which may affect the sale price, then it should have a sufficiently robust business case to demonstrate it is acting in accordance with good practice.

21. The case considers the following:

- Government guidance on s123 best value considerations for disposals of land provides that disposals at less than best consideration may only be justified if they involve indirect benefits and those cannot be taken into account in assessing best consideration. On occasions, such disposals may be vital tools of local authorities and Local Strategic Partnerships in maximising value for money in pursuit of wider strategic objectives and outcomes. It is difficult to assess whether there will be less than best value consideration if the property sale is restricted to house building only. Site conditions, conditional aspects of existing bids, and the impact of revised affordable housing requirements mean that a figure is difficult to ascertain.
- There is no guarantee that the site will be suitable in planning terms for retail use. There are two sites closer to the town centre which may be available for such retail. Should a bidder not be able to achieve planning permission then any potential loss in value by utilisation of the site for pure housing will not come to fruition.
- If the land is used for mixed use then the area in which retail is placed will be lost for housing purposes together with the associated affordable housing.
- The demand for housing is a national issue. Examination of the Wiltshire Core Strategy in December 2014 included a modification to increase the minimum number of 37,000 new homes over the plan period (to 2026) to “at least 42,000 new homes”. This was incorporated into the Core Strategy adopted in January 2015.

22. Due to demand on land nationally, consideration does need to be given to housing developments within available sites to as far as possible minimise the loss of greenfield sites.

23. The marketing and disposal of the site on a restricted basis for housing development means that the council, as contracting authority, is determining, to a limited extent, what is going to be built on the land. Therefore, OJEU procurement regulations may apply. This can deter some developers from the process and may reduce the number and scale of bids received. However any marketing will be by competitive tender in any event.

Safeguarding Implications

24. None arising directly from this report.

Public Health Implications

25. None arising directly from this report.

Corporate Procurement Implications

26. Considered in the report.

Equalities Impact of the Proposal

27. None arising directly from this report

Environmental and Climate Change Considerations

28. If the Council sells the site then it will lead to a planning application being submitted for development. The most appropriate time for considering Environmental and Climate Change considerations is through the planning application process when details will be presented by the applicant.

Risk Assessment

29. Considered in the report.

Financial Implications

30. A restriction on uses to the site may affect the capital realisation for the site however this value is difficult to quantify for the reasons set out in the body of the report.

An estimate of £4m capital receipt was forecast for 15/16, the forecast was revised early in 15/16 and the receipt moved into 16/17. The delay impacts on the Council achieving its target capital receipts which finances the capital programme and means the Council continues to incur revenue costs on the site.

Legal Implications

31. The Council in disposing of any land must consider best value considerations. In this case there are some indirect benefits which can be taken into account.

32. The Committee needs to consider whether they are satisfied that the social and community benefits are sufficient to meet best value for this land.

33. If the Decision is to restrict the sale to house building then any process followed for the marketing must comply with OJEU requirements.

Options Considered

34. Considered in the report.

Conclusions

35. Members are invited to:

- note the current position in respect of Middlefields
- approve the sale of part of the site to OSJCT for the construction of a care home
- approve the re-marketing of the remainder of the site restricted to housing development

Carlton Brand
Corporate Director

Report Author:

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Email: nick.darbyshire@wiltshire.gov.uk

26th August 2015

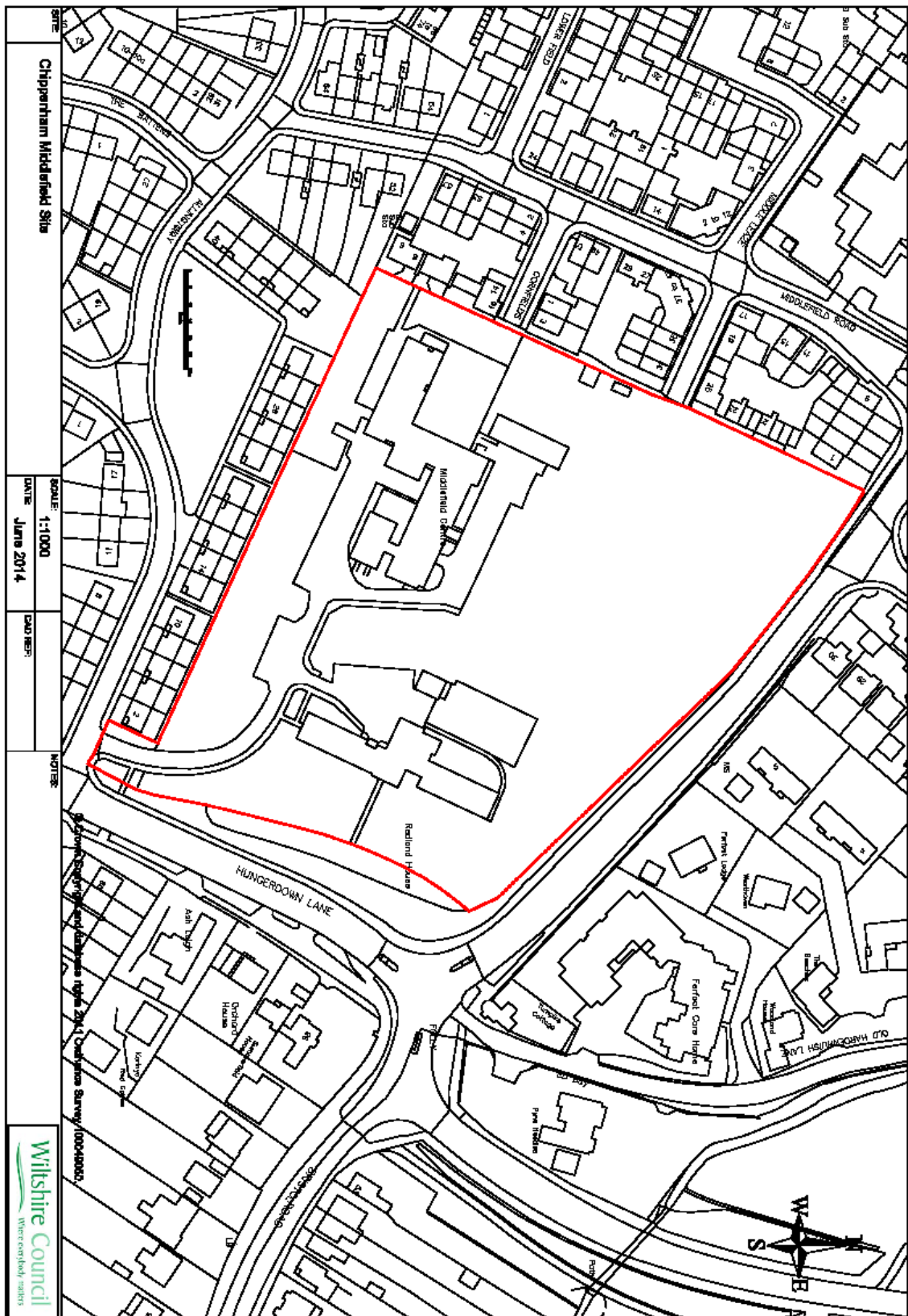
Background Papers

None

Appendices

Site Plan

APPENDIX – SITE PLAN



Wiltshire Council

Cabinet Assets Committee

15 September 2015

Subject: Tisbury Extra Care Housing

Cabinet member: Councillor Jonathan Seed, Cabinet Member for Housing, Leisure, Libraries and Flooding

Key Decision: Yes

Executive Summary

The population of Tisbury aged over 65 is projected to grow by 29% from 1928 in 2012 to 2490 in 2026.

The Council's Older People's Accommodation Development Strategy determined the need for an additional 1,100 extra care homes across Wiltshire by 2026. These are needed to meet the needs of an increasing older population, to enable older people to remain independent in their own homes and provide an alternative to residential care.

Currently there are 2 Council owned sheltered housing schemes in Tisbury community area (Nadder Close, Tisbury and Clays Orchard, Fovant), with a combined total of 60 units. There is also one privately owned care home in the Tisbury community area with 21 bed capacity. The Council has identified the need for 24 units of extra care housing in Tisbury. Neither of the sheltered housing schemes are fit for purpose for older people with care needs and as a result, Wiltshire Council are looking to convert the Nadder Close sheltered scheme into suitable, safe, accessible, good quality accommodation for older people to meet this identified need.

The proposal is to remodel the existing scheme with community facilities to ensure it is suitable as extra care housing. This will involve the refurbishment of the existing flats (and bungalows), and the upgrading of communal facilities through the provision of a new day lounge, mobility scooter store with charging points, a new lift (suitable for a stretcher) and upgraded outdoor space. The combination of these changes will enable the provision of 24/7 on site care and support).

Once remodelled, the scheme will provide 34 one bedroom apartments and a range of communal facilities. Together with the adjacent bungalows, it will operate as a 42 unit extra care scheme which will be an alternative to residential care and enable older people with an assessed care need to live independently

in the community. Extra care is an alternative to residential care because it allows individuals to have their own independence whilst still having the security of a 24/7 on site care and support service.

The Council will work with the Help to Live at Home provider Mears, to develop and provide a 24/7 care and support service on site for the residents which will enable older people over the age of 55 with an assessed care need to remain in their homes rather than having to move into residential care.

The development will also improve communal facilities for the residents and other older people living in Tisbury. Wiltshire Council and Mears will work together to develop proposals for an effective service delivery model for the scheme, including how the care and support will operate and the provision of ancillary related services at the scheme. This model will also consider how the communal space can be effectively used to provide day opportunities for residents and the wider community area.

Proposal(s)

Members are asked to delegate authority to the Associate Director for Adult Care Commissioning and Housing in consultation with the Cabinet Member for Housing (excluding strategic housing), Libraries, Leisure and Flooding to authorise the commitment of Housing Revenue Account capital funding of £745,397 to support the delivery of the project, and to enter into any necessary contracts to enable the project to be delivered.

Reason for Proposal

The Tisbury scheme will provide good quality, fit for purpose, accessible accommodation for older people with an assessed care need, thus ensuring that they are able to live independently for as long as possible. The scheme will offer an alternative to residential care and will be able to deliver the extra care services outlined in the Older People's Accommodation Development Strategy.

Through the development of the site, the Council would benefit from the provision of remodelled housing to meet the needs of the growing older population in Tisbury. Additionally, this development would improve choice and control for older people with an assessed care need and provide a vital wider community resource, through the planned refurbished communal areas. Work is being undertaken to determine how these communal areas can be used to offer services to residents and local people in the future.

This development will protect some of the most vulnerable older people by

reducing the likelihood of falls and hospital admissions whilst ensuring independence is maintained and also meets a number of the outcomes in the Business Plan.

Maggie Rae
Corporate Director

15 September 2015

Subject: Tisbury extra care housing

Cabinet member: Councillor Jonathan Seed, Cabinet Member for Housing (excluding strategic housing), Leisure, Libraries and Flooding

Key Decision: Yes

Purpose of Report

1. This report seeks Members' agreement to provide funding to support the remodelling of a sheltered scheme in Tisbury for the provision of accessible, fit for purpose accommodation for older people in the community and to ensure the building can accommodate the provision of an extra care service that could offer an alternative to residential care.

Relevance to the Council's Business Plan

- 2.1 The remodelling of a sheltered scheme in Tisbury will support the Council's Business Plan priorities to protect older people.

The refurbishment of the Tisbury scheme will support:

- a) Outcome 3 - enable people to live in a high quality environment, in energy efficient and fully adapted homes to meet their needs as they change over time.
- b) Outcome 4 - Wiltshire has inclusive communities where everyone can achieve their potential. This scheme will allow people to live independently for as long as possible with support on hand as required
- c) Outcome 5 – ensure that more disabled and older people with long-term health conditions can choose to stay independent and keep living in their own homes. Extra care will reduce the longer term care costs of older people.
- d) Outcome 6 – People are as protected from harm as possible and feel safe. Older people can live in extra care safely as there will be 24/7 support located on site.
- e) Furthermore it will reduce the number of people delayed in hospital and the number of care home admissions both targets in the Council's service plan and Better Care Plan.

Main Considerations for the Council

- 3.1 The Council has been assessing the possibility of remodelling a sheltered scheme in Tisbury to enable the provision of fit for purpose, accessible accommodation for older people with an assessed care need.
- 3.2 To create a viable extra care scheme, there needs to be a minimum of 40 units. The current accommodation consists of a 34 unit scheme, 8 bungalows, communal space and a guest flat. The proposal is to remodel the scheme into a 42 bed unit scheme with large one bed flats, improved communal space, a buggy store and a lift suitable for a stretcher. The provision of this facility in Tisbury will enable older people to have the choice to move to more suitable accommodation where they may be struggling to manage in their current home, whilst those who currently reside at Nadder Close will be able to continue living there when their needs increase.
- 3.3 It is intended that support will be provided by the Help to Live at Home provider, Mears, 24 hours a day, 7 days a week based at the remodelled scheme. This 24/7 support will enable older people currently residing at Nadder Close to continue living in their home with the support that they require and will offer an alternative option for older people to moving into residential care when vacancies become available in the future. The model for the support is being negotiated to ensure it is affordable for customers and within the council's care budget. These costs will fluctuate depending on the number of people being supported and the intensity of the support required but this will be monitored to ensure value is being achieved for the Council and the residents of the scheme.
- 3.3 The local Tisbury Member has been consulted and has indicated their support.
- 3.4 Planning permission has not yet been sought for the changes.
- 3.5 This scheme is currently tenanted and all existing residents will be able to remain. None of the residents have expressed a desire to move elsewhere but once the remodelling takes place, future tenants will only be considered if they meet the criteria for admission into the accommodation.
- 3.6 Recent cost estimates have demonstrated that there is a funding requirement of £745,397 to deliver this scheme. It is proposed that the Council supports the remodelling through approving a budget of £745,397 from the Housing Revenue Account to enable the project to be viable.
- 3.7 The funding required is based on current cost estimates. A contingency has also been included in the construction costs. If there are any savings through lower than expected tender prices or through negotiated reductions in costs, the funding requirement may be reduced.

Background

- 4.1 The population of Tisbury aged over 65 is projected to grow by 29% from 1928 in 2012 to 2490 in 2026.
- 4.2 The Council's Older People's Accommodation Development Strategy determined the need for an additional 1,100 extra care homes across Wiltshire by 2026. These are required to meet the needs of an increasing older population, to enable older people to remain independent in their own homes and provide an alternative to residential care.
- 4.3 On average since 2004, five residential placements are made each year from the Tisbury area, with 9 people currently placed in residential care in Tisbury by the Council. (July, 2015). Since 2010, there has been an average of 5 voids each year at Nadder Close. The provision of this scheme will enable existing tenants to remain in their homes when their care needs increase or for other older people with an assessed care need to have an option to move to more accessible, manageable accommodation if they are struggling to manage in their current home. Subject to agreement on an affordable 24/7 care and support model, it is intended that as the units become vacant, they will be allocated with priority to those who meet the criteria for requiring 24/7 care and support on site.
- 4.4 This remodelled sheltered scheme will provide an alternative for those residents who may not require residential care but could live independently in a scheme that had care and support provision.
- 4.5 The Council has identified the need for 24 extra care units in Tisbury and these will be provided through remodelling the sheltered scheme. There are currently no extra care homes in Tisbury or the surrounding community areas. The 34 refurbished units and 8 bungalow units will provide fit for purpose older people's accommodation for those residing in Tisbury and the wider locality.
- 4.6 Through a review of the County's sheltered accommodation this scheme had been identified as mid-range sheltered housing but not currently suitable as extra care for older people.
- 4.7 Wiltshire Council and Mears will work together to develop proposals for an effective 24/7 care and support service delivery model for the scheme.
- 4.8 Older People Commissioning will develop a care and support model for consideration by the Associate Director for Adult Care, Commissioning and Housing ensuring the model is affordable for both customers and the council. This model will be complete and ready for consideration by April 2016.

Safeguarding Implications

- 5.1 All existing tenants are still residing in the scheme, and have been consulted on the outline proposals.

- 5.2 The remodelled scheme will provide significantly improved accommodation for older people with an assessed care need and will enable the care and health needs to be more effectively met. The potential for falls will be reduced due to the quality of the accommodation and therefore the likelihood of hospital admissions will also reduce.
- 5.3 The remodelled scheme will also help support older people more effectively in the community because it will be able to provide a base for the Help to Live at Home Provider (HTLAH) to provide a 24 hour a day 7 days a week service.
- 5.4 On site staff will be recruited through the HTLAH provider's recruitment process including any necessary safety and security checks.

Public Health Implications

- 6.1 Physical and mental health: There are likely to be positive improvements in physical and mental health due to proposed co-ordination of schemes and activities within the housing for residents and the wider community. The provision of more modern and tailored accommodation will assist in enhancing independence and preventing ill health (such as falls and other environmental factors).
- 6.2 The local HTLAH Provider, working alongside Wiltshire Council, will examine the possibilities of the wider community accessing the communal facilities at the scheme.
- 6.3 Partnership working: The scheme should improve partnership working between the Council, health and voluntary sectors, including the opportunity to provide health services and voluntary services at the scheme.

Corporate Procurement Implications

- 7.1 The procurement of the consultants for the extra care scheme will be undertaken using the council's framework. It is proposed that the procurement of the build contractors will be carried out through a range of methods to ensure best value is achieved and may include the use of existing constructor frameworks. Procurement decisions will also be scrutinised through the Corporate Procurement Board as required.
- 7.2 Any procurement routes taken will be in line with the council's procurement rules and will be expedited in the appropriate timeframes to enable effective reporting and decision making.

Equalities Impact of the Proposal (detailing conclusions identified from Equality Analysis, sections 4 and 5)

- 8.1 The remodelling of the Tisbury scheme will promote independence, choice and control for older people with an assessed care need and will offer opportunities for greater community engagement, involvement and inclusion in purpose built accommodation.
- 8.2 The remodelling of this accommodation will also have a positive impact for older people who will develop care needs in the future as it will enhance choice for people when choosing their care provision.
- 8.3 The provision of homes for older people with an assessed care need enables those unable to meet their housing needs in the open market to access good quality housing. The homes will be allocated in accordance with the Council's allocations policy.
- 8.4 Equality and diversity are inherent components of the Council's Housing Allocations Policy which will be applied to the completed accommodation.

Environmental and Climate Change Considerations

- 9.1 In order to ensure the necessary transport emissions for running the facilities do not increase, the location of this extra care accommodation is an important factor. The Tisbury scheme is close to the town centre and has access to good public transport links. The planned on-site mobility scooter store will also encourage residents to use scooters rather than other forms of vehicle
- 9.2 The retention and remodelling of the existing building will reduce the amount of building materials used.
- 9.3 Photovoltaic cells (similar to solar panels) and new boilers have recently been installed at Nadder Close. Both changes will improve its energy efficiency.

Risk Assessment

- 10. With increasing build costs, remodelling an existing building to meet the housing needs of older people provides a cost effective solution and reduces the risk of new build capital programmes being unable to meet increasing build costs.

If it is later determined that this accommodation is not suitable as an extra care scheme then the remodelled accommodation will still offer good quality, accessible and affordable accommodation for older people to enable them to remain living independently in their community.

Risks that may arise if the proposed decision and related work is not taken

- 10.1 The Older People's Accommodation Strategy will still need to source a minimum of 24 units of accommodation for extra care in Tisbury.

- 10.2 Insufficient accommodation for older people with eligible needs will lead to an increase in hospital delays and an increased number of residential placements
- 10.3 Communities will be less able to support local people to remain in their community

Risks that may arise if the proposed decision is taken and actions that will be taken to manage these risks

| | Risk | Mitigating Action |
|----|---|---|
| a) | Insufficient resources to determine the care and support requirements | Work has already started to determine the best method of providing on site care and support facilities to ensure this decision is made as quickly as possible. Wiltshire Council will work in conjunction with the local HTLAH Provider to agree this model by April 2016. |
| b) | Funding viability risks | Initial scheme costs have been completed by a Quantity Surveyor. Contingencies have been allowed within the feasibilities to enable some flexibility and to anticipate increases in build costs between now and the proposed start on site. |
| c) | Community support | Initial consultation has been undertaken with the residents currently residing in the scheme and a resident working group is in place. Full consultation with the local Parish Council and local Members will take place during the planning process. |
| d) | There are not any suitable tenants on the Housing Register | The scheme is already occupied with residents who intend to continue living there. Currently, there are 4 voids at Nadder Close. The proposed changes will ensure as existing residents support needs increase; they will be able to continue residing at the scheme. 14 residents already receive support 3 times per week. In addition, as voids occur, those with higher needs which meet extra care criteria will be eligible to live at Nadder Close. These factors will mitigate any significant loss in rental income through a gradual transition towards a full extra care scheme. |

Financial Implications

- 11.1 Until final tender submissions for the building works have been received, the project is working to forecast costs. To date the estimate shows that there is a funding gap. To enable the remodelling to be viable the funding needed is expected to be a maximum of £745,397. Forecast costs have

included a construction contingency of 15% (78,217.05), and an overall project contingency of 3% (£21,711).

- 11.2 The funding for this project can be provided through the Housing Revenue Account and will form part of the Council's affordable housing stock. An allocation for this has been factored into the 15/16 HRA Capital Programme.
- 11.3 It is intended that a 24/7 care and support service will be commissioned from the Help to Live at Home provider to enable frail elderly people in need of a 24/7 service to be accommodated in this scheme as an alternative to residential care. This is likely to come into force over time. The Council is currently developing a model that is affordable both to customers and the Council. This model will be complete by April 2016
- 11.4 Costs (including rent, service charges and care and support costs) will be assessed to ensure they are affordable both to residents in receipt of benefits and those who are not.
- 11.5 Existing tenants would not see an increase in rent or service charge due to the remodelling, unless they wished to opt in to the extra care support being provided when the proposed scheme is in place. It is therefore likely that the Adult Care Support and Accommodation Team would need to subsidise the cost of this service to ensure it is affordable for new residents until all residents living there are extra care customers.
- 11.6 Financial modelling will be undertaken to assess whether a model of extra care will generate revenue cost avoidance for the Council, this will also take into account Welfare Reform and implications from future changes.

Legal Implications

- 12.1 This accommodation will not be eligible for Right to Buy under Part B of the RTB2 (dwelling Houses for Persons of a Pensionable Age)

Options Considered

- 13.1 Do not refurbish old sheltered accommodation into good quality, fit for purpose accommodation. The numbers of older people with care needs are increasing across Wiltshire. It is recognised that the current accommodation is not suitable for older people with higher needs. There would be a reputational risk if the scheme is not delivered.
- 13.2 There is a need for 24 units of extra care accommodation in Tisbury to meet the needs of older people with a care need to enable them to have an option to remain living independently in their community. The remodelling of the scheme will make it more accessible and provide an option of choice for older people. Alongside this the Council is developing a 24/7 care and support model that could be based at the scheme to enable this accommodation to provide a housing option for frail older

people as an alternative to residential care. If this scheme is not remodelled it will remain as a sheltered scheme that is no longer fit for purpose and the Council would need to find an alternative option for delivering extra care accommodation in Tisbury to meet need and to realise the potential cost avoidance in the adult care revenue budget

Conclusions

14. It is recommended that Members approve the provision of £745,397 funding provision to refurbish the Tisbury sheltered accommodation scheme.

James Cawley

Associate Director, Adult Care Commissioning and Housing

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23rd July 2015

Background Papers

The following documents have been relied on in the preparation of this report:

None

Appendices

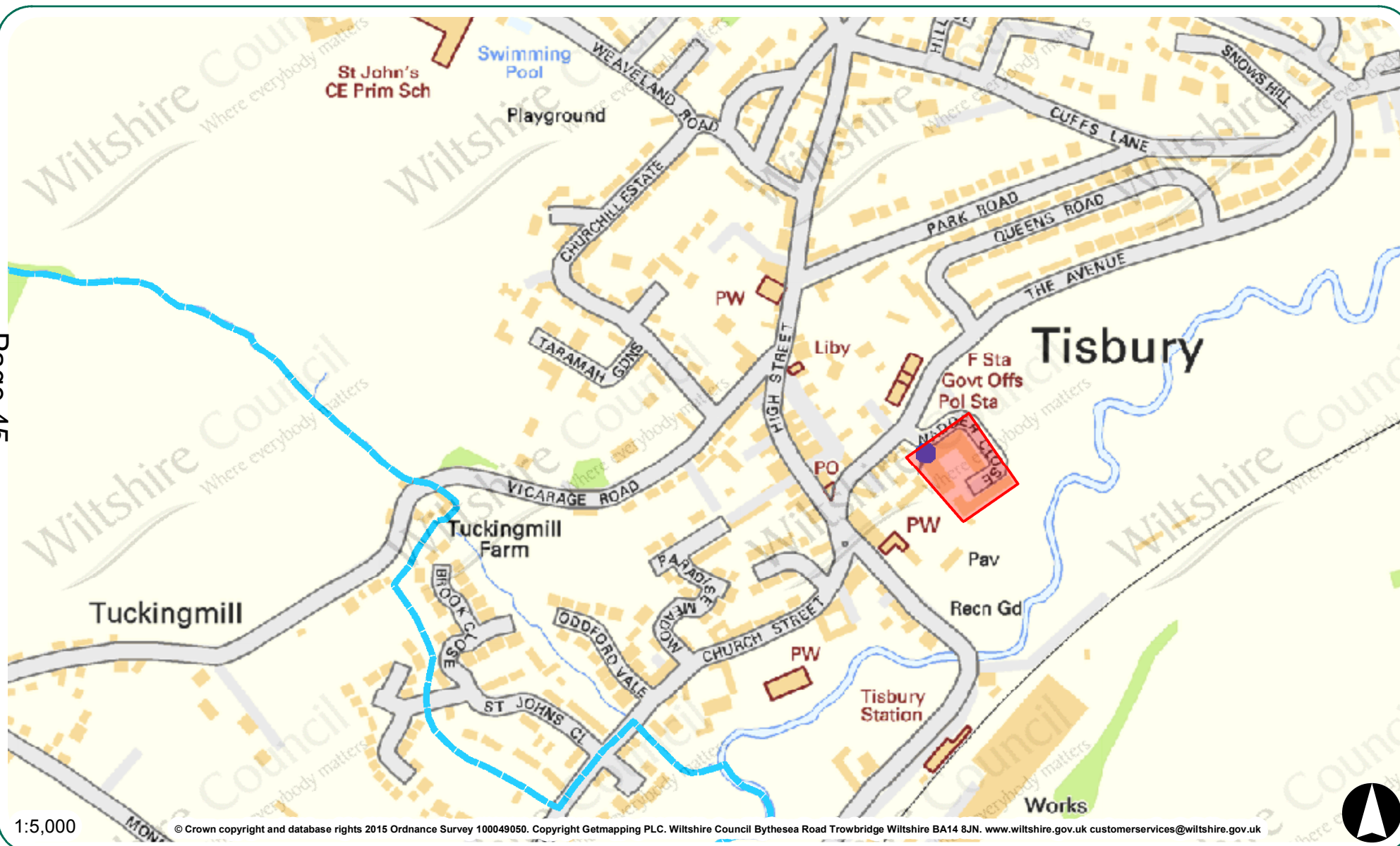
- 1) Location plan of proposed extra care scheme
-

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Nadder Close, Tisbury

(site location identified in red)

Date: 24 Jul 2015
Centre Coordinate: 394,332 129,363



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Wiltshire Council

Cabinet Capital Assets Committee

15 September 2015

Subject: Council House Building Programme Review

Cabinet member: Councillor Jonathon Seed – Housing, Leisure, Libraries and Flooding

Key Decision: Yes

Executive Summary

In September 2014 Cabinet Capital Assets Committee approved a programme to deliver 240 new council homes between 2015 and 2020.

As work has progressed, the schemes and funding streams have been firmed up and, as a result, there are changes to the approved programme.

This report seeks approval for the revised programme to deliver around 226 new affordable council homes and delegated approval to enter contracts and legal agreements as required.

Proposal(s)

Members are recommended to delegate authority to the Associate Directors responsible for housing, finance, procurement, legal and assets in consultation with the Cabinet Member for Housing, Leisure, Libraries and Flooding, the Cabinet Member for Strategic Planning, Development Management, Strategic Housing, Property and Waste and the Cabinet Member for Finance, Performance, Risk, Procurement and Welfare Reform to approve;

- a) The use of sites in Appendix 2 for affordable housing with delegated authority to substitute alternative sites of similar value as appropriate**
- b) Any appropriations necessary pursuant to s122 LGA 1972 to ensure that the sites in a) are held by the Council for housing purposes**
- c) A total budget of £42.5m with delegated authority to substitute and change funding streams within the programme for individual sites to optimise financing. HRA funding will not exceed £32.8m but other funding streams may be increased or decreased as required providing that they stay within available allocation and do not affect the total budget position.**

- d) Entering contracts for consultants, construction and other elements of the project to enable the delivery of around 226 new homes within the total scheme costs identified in Appendix 2 in accordance with the Corporate Procurement & Commissioning Board approach.**
- e) Entering funding agreements with HCA/CLG/DOH as required to secure the grant funding and borrowing approval required.**

Reason for Proposal

Since the council house building programme was first approved in September 2014, further site feasibility work has been undertaken, consultation with local communities has taken place, schemes have been fully designed and costed and some of the projects have been tendered. This has resulted in changes to the estimated costs of schemes, the proposed sites and the number of homes that can be delivered with the available funding.

This report seeks approval for a revised programme to deliver around 226 new homes as detailed in Appendix 2.

Maggie Rae
Corporate Director

15 September 2015

Subject: Council House Building Programme Review

Cabinet member: Councillor Jonathon Seed – Housing, Leisure, Libraries and Flooding

Key Decision: Yes

Purpose of Report

1. To gain delegated approval to deliver a revised programme of around 226 new council homes across Wiltshire to meet identified need using council owned land and funding from a range of sources including housing revenue account (HRA) reserves and borrowing, right to buy receipts, commuted sum funding, social care and housing capital funding and grant funding secured from the Homes and Communities Agency (HCA), Department of Health (DoH) and other funding bodies.

Relevance to the Council's Business Plan

2. The delivery of around 226 new affordable council homes across Wiltshire including homes for older people and adapted homes will meet the following priorities, objectives and outcomes in the council's business plan;

- a) Priority – protect those who are most vulnerable
- b) Key Action 6 – invest to refurbish council housing and encourage the development of new affordable homes, including supported living in rural areas
- c) Outcome 3 – Everyone in Wiltshire lives in a high quality environment
- d) Outcome 4 – Wiltshire has inclusive communities where everyone can achieve their potential
- e) Outcome 5 – People in Wiltshire have healthy, active and high quality lives
- f) Outcome 6 – People are as protected from harm as possible and feel safe.

Main Considerations for the Council

3.1 There is a range of funding streams available to support the delivery of new council housing. These include HRA self-financing, HRA borrowing approval granted by the Department for Communities and Local Government (DCLG), Homes and Communities Agency (HCA) grant, Department of Health (DoH) grant, Right to Buy (RTB) receipts and commuted sum funding secured through planning gain.

3.2 Some of this funding could be used to support delivery by Registered Providers. However, the HRA funding can only be used for council homes.

3.3 The provision of new council housing will help to meet the housing needs in Wiltshire, particularly those of older people, enabling them to remain living independently in the community.

Background

4.1 Since September 2014, further work has been done to assess the feasibility of sites, work with local parishes and communities, carry out more detailed design and costing work and two sites have been tendered. As a result, the projected cost of delivering the new homes has exceeded the budget approved. This report seeks a revised approval for around 226 new homes based on the latest Quantity Surveyor estimated costs of delivering the schemes as detailed in Appendix 2.

4.2 The sum of £34m has been set aside as part of the HRA Business Plan to invest in new homes. This cannot be exceeded.

4.3 The remainder of the funding required to support the delivery of the programme will come from HRA borrowing approval, Homes and Communities Agency (HCA) grant, Department of Health (DH) grant, commuted sum funding, Right to Buy (RTB) receipts and adult care and housing capital funding as detailed in Appendix 2.

4.4 The council has entered into a funding agreement with the HCA for the 2015-18 Affordable Homes Programme and will need to enter into further funding agreements to agree to the conditions around the Department of Health grant funding and HRA borrowing approval. This report requests authority is delegated to the relevant directors in consultation with key Cabinet Members to approve those agreements.

Land

4.5 A number of the rural sites approved in September 2014 have not progressed due to lack of support from the parish councils. The revised proposed sites are detailed in Appendix 2. Planning permission has been achieved for the Coombe Bissett site. Planning applications are due to be submitted for three rural sites in Autumn 2015 and the remaining rural sites towards the end of 2015 following consultation with local communities.

4.6 The Devizes extra care scheme has achieved planning permission, been tendered and is due to start on site in October 2015 and complete in March 2017. The Salisbury and Amesbury schemes are being delivered on land secured through planning agreements and negotiations have commenced with the developers involved.

4.7 The Coombe Bissett site was approved for development of affordable housing by Cabinet Capital Assets Committee on 19th March 2013. The site has achieved planning permission and negotiations have commenced with the

utilities providers to supply services to the site to enable construction to commence this year.

4.8 The Southview sites are four parcels of land that were transferred to the council for the Housing PFI scheme in 2008. It is proposed that two of these parcels of land are developed by the council as part of this programme to deliver a range of new affordable homes. These parcels already have planning permission and work has commenced to determine the procurement route to appoint a build contractor.

Consultation

4.9 Consultation has taken place with parish councils where the council has land that could be used to deliver new rural homes. Consultation has also taken place with local working groups in relation to proposals for new extra care accommodation. Further consultation is planned to ensure communities are in support of the proposals and that there is local support for any proposed planning applications. Consultation has also been carried out with communities and organisations representing disabled and older people to ensure that the design guides for the new build properties meet the needs of those it's intending to target.

Timescales

4.10 The Coombe Bissett scheme was approved by Cabinet Capital Assets Committee in March 2013, has achieved planning permission and is due to start on site this year.

4.16 The Devizes extra care scheme has planning permission, has been tendered and is due to start on site in October 2015 and complete in March 2017. The Amesbury and Salisbury extra care schemes are programmed to start on site in Summer 2016 and complete in 2017. The first rural bungalow sites are due to be submitted for planning in August with a target start on site date of January 2016 and completion at the end of 2016.

4.17 The programme has been structured to enable starts and completions to meet the funding deadlines of the various funding streams available, particularly the grant funding and the HRA borrowing approval.

Governance

4.18 A Council House Building Programme Board has been set up to monitor the delivery of the programme together with a project delivery group.

4.19 The Corporate Procurement & Commissioning Board ensures effective implementation of procurement policies and regulations, agreeing routes to market and determining where appropriate frameworks may be utilised instead of a compliant OJEU process.

Safeguarding Implications

5. The provision of suitable accommodation for older people and people in need of adapted properties with care and support services provided at home will contribute to ensuring vulnerable people are protected and able to live in a safe and secure environment.

Public Health Implications

- 6.1 The provision of suitable accommodation for older people and people in need of adapted properties will enable them to maintain both mental and physical health more easily. The older people's bungalows will have lifeline facilities installed, be able to accommodate hoists if required and will be fully accessible. They will also be enabled for assistive technology to ensure that as the residents become more frail, they can be fully supported to live safely and healthily within their home.
- 6.2 The extra care accommodation will also have communal facilities and on-site 24/7 care and support services available to respond quickly and flexibly to the health and care needs of residents. The communal facilities and well-being suites will be available for health services and community groups to use to provide clinics and therapy sessions to benefit both residents and members of the wider community. The apartments and communal spaces will also be designed to be dementia-friendly. In addition, the ability to host social activities will help combat social isolation and thereby help to reduce the incidence of mental health issues such as depression.
- 6.3 Public Health will support the development of the programme by advising on Health Impact Assessments at an early stage and identifying what the scope and design of relevant HIAs would be.

Corporate Procurement Implications

- 7.1 Corporate Procurement Board has approved a strategy for procurement of the council house building programme and is monitoring the outcomes of that strategy. This report seeks authority for directors in consultation with Cabinet Members to agree the appropriate procurement routes and to enter into contracts as required within the funding parameters identified in Appendix 2.
- 7.2 Any procurement routes taken will be in line with the council's procurement regulations and the overall direction set by the Corporate Procurement Board requiring that an open and competitive process is used. It will be expedited in the appropriate timeframes to enable effective reporting, decision making and evaluation of the approach taken and benefits arising.

Equalities Impact of the Proposal (detailing conclusions identified from Equality Analysis, sections 4 and 5)

- 8.1 The new affordable homes programme will promote equality, reduce social exclusion and enable personal independence particularly for older, disabled and vulnerable adults and their carers. This meets both the Council's proactive duties under the Public Sector Equality Duty but also commitments under the Human

Rights Act (1998). New affordable homes help to ensure that all members of the community have access to decent, affordable accommodation to meet their needs. Many of the health and well-being benefits (tackling health inequality) are outlined in section 6: It has been proven that good quality accommodation can contribute to overall health and wellbeing and that secure, safe and stable accommodation can enable households to contribute positively to their communities. .

8.2 Equality impacts will be monitored as the programme progresses and will be integrated throughout the life of the programme including the procurement processes. This is to ensure that the Council's statutory commitments to promoting equality and inclusion and tackling inequality are maintained. The delivery of these homes will also support the delivery of the council's vision to create stronger and more resilient communities

Environmental and Climate Change Considerations

9.1 The sustainability of the new accommodation proposed is a key consideration in the development of the design briefs for the projects. The brief for the bungalow programme includes an aspiration to achieve standards equivalent to Passivhaus. This involves ensuring the walls and roof of the building are heavily insulated and airtight. This could reduce energy costs from a current household average of £1200 per year to around £120 per year. The aim is for all the new homes to meet code for sustainable homes level 4 and to be built to lifetime homes standards.

9.2 The extra care housing will also be built to a high standard to reduce energy consumption. Lower fuel bills will enable residents to manage their household bills more effectively. The aim is to achieve BREEAM very good standard.

9.3 As well as use of a highly insulated shell for the buildings, use of alternative technologies such as ground source and air source heating will be used alongside use of solar panels, particularly in rural areas where there is no mains gas.

9.4 Sustainable building standards link with the equalities and health impacts in terms of reducing the likelihood of fuel poverty and achieving a comfortable living temperature for residents.

Risk Assessment

10.

Risks that may arise if the proposed decision and related work is not taken

11.

- a) Affordable housing needs for Wiltshire residents are not met.
- b) Care costs increase

- c) Wider impact on health and wellbeing and therefore demands on health services
- d) Communities less able to support local people to remain in their community
- e) Individuals and households less able to contribute positively to their communities
- f) Funding timescales are not met for external funding streams

Risks that may arise if the proposed decision is taken and actions that will be taken to manage these risks

12.

| | Risk | Mitigating Action |
|-----------|--|---|
| a) | Insufficient resources to deliver the projects | Project plans have been developed and multi-disciplinary project teams established to make best use of available resources. Funding has been allowed within the project feasibilities to manage the projects. |
| b) | Funding viability risks | Scheme feasibilities have been completed. Contingencies have been allowed within the feasibilities to enable some flexibility. |
| c) | Cost of delivery | There is a risk that with a more buoyant construction sector the cost of building is increasing. This could cause increased build costs or lack of interest from developers. Through ensuring that all required information is available and the adoption of a competitive and compliant procurement process, the risk of increased costs can be managed. |
| d) | Planning | Three schemes have already achieved planning permission. There is a risk that the remaining schemes will not achieve planning permission. Discussions are ongoing with planning officers. |
| e) | Community support | Consultation with local parish and town councils has been undertaken to ensure in-principle approval. Further consultation will be undertaken with communities as the projects progress. |
| f) | Availability of land | Land has been identified for a number of schemes. The schemes identified are on land that has been secured for affordable housing. |
| g) | Meeting delivery timescales | A number of the funding streams are tied to delivery timescales. There is a risk of losing the funding if these timescales are not met. The projects will not be viable with HRA funding alone. Every effort will be made to secure the grant and other funding committed to this programme. |
| h) | Right to Buy | Council tenants will have the right to buy their property. However a new tenant will have to |

| | | |
|---|---|--|
| | | hold a tenancy for a minimum of 5 years before they can exercise this right. The council can also restrict the discount to ensure that the cost of building the home is covered by the receipt from the property to enable repayment of the capital. |
| i | Reputational risk of using farm land for developments | Build up proposals with local communities in line with their needs and the feedback about affordable housing through the JSNA events |

Financial Implications

- 13.1 Capital funding will be required to support the delivery of around 226 new affordable council homes. Details of the proposed funding streams are outlined in Appendix 2. There have been significant cost increases as detailed in this Appendix, which if the programme is to be delivered could be met by increasing other funding streams as shown. This assumes that the Adult Social Care Grant continues to be drawn down through Better Care Fund to Wiltshire Council and is at the same level as 15/16. The updated programme now shows that it will deliver fewer units for an increased budget.
- 13.2 The Average cost per unit has increased. Ultimately this is due to the additional costs incurred of developing in rural areas on a small scale where economies of scale cannot be achieved and site issues have to be overcome including the costs of providing infrastructure and utilities. The average cost is roughly £30,000 per home more than the average to build in more built up communities. The benefits to be secured are wrapped around keeping individuals and families in communities where they have family or friend support. This provides support that may otherwise be borne by the Council in relation to costs for care, or transport say. We have yet to quantify this as the schemes are in design and clearly we need to assess each area by area on need. The same is true for extra care whereby the basic assumption is that the schemes deliver avoidance of cost, in particular care, that may otherwise be incurred by the Council.
- 13.3 This programme is based on the principle that Council owned land is appropriated from the General Fund into the HRA at nil value. There is an opportunity cost of using the assets as described in this report. For example some of these sites could be sold on the open market. However, there would be costs of acquiring land for the purposes of Council House building. These costs and income would depend on the individual schemes. The ongoing impact on revenue budgets on capital receipts foregone, due to represent the cost of additional borrowing, is taken as 10% of any amount not received.

- 13.4 The projects have been modelled on the basis of borrowing the funding from the HRA and paying back over a period of 30 – 40 years with 5% interest. The model includes cost projections for management & maintenance (£1,000 per year per property increasing by RPI annually), bad debt and voids (2.5% of rental income). Models will be finalised as each project comes forward to ensure the rental income is sufficient and that there is a continued revenue stream to re-build the reserves, which can then be recycled for future investment. Full costings will be produced for each scheme that is approved
- 13.5 The use of the HRA reserves has been modelled to still enable repayment of the original debt and cover responsive and cyclical maintenance and repairs. In line with HRA legislation the reserve will be kept in surplus, the HRA account will be monitored to ensure funds are only drawn down at a suitable level and time. The HRA will require further remodelling following both the Chancellor of the Exchequer's recent announcement on rent decreases and right to buy; as well as any revisions to the Council's 30 year Business Plan. In addition the ongoing spend and rent from these new homes will need to be carefully monitored as if either costs increase or rent is below assumed levels there is a risk that the HRA reserves will be adversely affected. This could be mitigated by reducing repairs and maintenance for example, or possibly rent reviews or debt rescheduling.
- 13.6 The scheme costs have been modelled using Quantity Surveyor estimates. The procurement process will ensure best value is achieved both for consultants and professional fees and for construction costs through tendering and benchmarking.
- 13.7 These new homes will generate new homes bonus and householders will be required to pay council tax. New homes bonus is higher for affordable homes than for open market homes. New homes bonus has already been factored into the Medium Term Financial Plan and is subject to future changes in Government policy. This funding will help to finance any additional costs to the public realm such as waste collection. In addition, the project costs have allowed for s.106 contributions where required through planning policy.
- 13.8 Tenants will have the right to buy for any general needs homes. The extra care housing will be protected as part of a scheme with communal space specifically for older people. In the event of the right to buy being exercised the discount can be restricted to ensure the level of debt is covered. This will ensure that although the council will no longer receive the rental income it will no longer have the debt or the costs modelled in relation to that property.

Legal Implications

- 14.1 Full title reports will be required for any land used as part of this project to ensure there are no covenants or other issues affecting the development of the sites.

- 14.2 Legal advice will be required for entering into both funding and legal agreements in relation to the programme.
- 14.3 Legal advice and support will also be required for entering into contracts with consultants and contractors.
- 14.4 Land will need to be appropriated to be held for housing purposes
- 14.5 EU Procurement rules will apply to those site where the value of the contracts exceed the EU thresholds set from time to time.

Options Considered

- 15. Do not build new council homes.
 - a) HRA funding and land can only be used to support investment in council stock. If the funding is not used to develop new homes it could be used to invest in existing stock or community activities. However a substantial programme of investment in existing stock is already proposed within the HRA business plan. The funding set aside for this project is in addition to requirements for investment in existing stock within the business plan.
 - b) The council has also secured grant funding, commuted sum funding and right to buy (RTB) receipts. There is an option with these funding streams to passport them to Registered Providers for investment in affordable housing. However, by using these funding streams to invest in council homes the council retains the value of the asset and receives the rental income stream for those properties. The council also has more control over allocations and use of these homes. All of the new homes will be let in line with the council's allocations policy. Failure to take up grant funding may carry a future reputational risk.
 - c) Registered Provider partners are becoming more risk averse and there are cases where their business plans do not propose investment in the council's priority areas. These include areas such as rural housing and extra care housing provision. The council is able to fill these gaps through investment in council homes.

Conclusions

- 16. The delivery of new council homes targeted at meeting the needs of older people meets a range of objectives identified within the council's business plan and makes best use of capital funding and land resources.

James Cawley

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1st September 2015

Background Papers

The following documents have been relied on in the preparation of this report:

CCAC Report September 2014

<https://cms.wiltshire.gov.uk/ieListDocuments.aspx?CId=980&MId=8136&Ver=4>

Appendices

Appendix 1 – original programme

Appendix 2 – revised programme

Appendix 3 – programme comparison

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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