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ADDITIONAL CIRCULATION



To: Councillor McLellan, Convener; Councillor Yuill, Vice Convener; and Councillors Cooke, Fairfull, Farquhar, Grant, Greig, Houghton, Hutchison, Macdonald, Nicoll, Radley and Watson.

Town House,
ABERDEEN, 2 December 2022

FINANCE AND RESOURCES COMMITTEE

The undernoted items are circulated in connection with the meeting of the **FINANCE AND RESOURCES COMMITTEE** to be held here in the Town House on **WEDNESDAY, 7 DECEMBER 2022 at 10.00am**. This is a hybrid meeting and Members may also attend remotely.

The meeting will be webcast and a live stream can be viewed on the Council's website. <https://aberdeen.public-i.tv/core/portal/home>

JENNI LAWSON
INTERIM CHIEF OFFICER - GOVERNANCE

BUSINESS

SERVICE DELIVERY

10.4 Complex Care Strategic Business Case - ACHSCP/22/296 (Pages 3 - 22)

PROPERTY AND ESTATES

12.1 Wallace Tower - RES/22/276 (Pages 23 - 26)

Appendix 3 - additional representation

EXEMPT/CONFIDENTIAL BUSINESS

13.2 Altens East Recycling and Resource Facility - Update Report - RES/22/297
(Pages 27 - 70)

Should you require any further information about this agenda, please contact Mark Masson, mmasson@aberdeencity.gov.uk or 01224 067556

ABERDEEN CITY COUNCIL

COMMITTEE	Finance and Resources
DATE	7 December 2022
EXEMPT	No
CONFIDENTIAL	No
REPORT TITLE	Complex Care Strategic Business Case
REPORT NUMBER	ACHSCP/22/296
DIRECTOR	Steve Whyte
CHIEF OFFICER	Sandra MacLeod
REPORT AUTHOR	Kay Diack
TERMS OF REFERENCE	1.1.4

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to provide details of the intended strategic direction for provision of complex care accommodation in the City within a Strategic Business Case, and seek approval to proceed hereafter to production of an Outline Business Case.

2. RECOMMENDATION(S)

That the Committee:-

- 2.1 Note the contents of the Strategic Business Case appended
- 2.2 Instruct the Chief Officer – Capital to progress to Outline Business Case and to report back the outcome to this Committee in March 2023

3. CURRENT SITUATION

- 3.1 What is Complex Care?

There is a small, yet growing number, of people who have Complex Care needs. There is a range of national work taking place, which includes ACHSCP, aligned to the [Coming Home Implementation Report](#) including the allocation of a £20m Community Living Change Fund (CLCF), with a one-off allocation to all Health and Social Care Partnerships (HSCPs); designed to support service development for learning disability Complex Care, with a focus on inappropriate Out of Area (OOA) placements and Delayed Discharge from Hospital.

- 3.2 So what is the current and future need?

As it stands a total of 31 people require Complex Care provision. Need can change very quickly, and these numbers may change at pace. There is a link between inappropriate services, environments, and placement breakdown. In relation to the transition of young people into adult service alone, there are between 6 and 12 referrals per year where young people are currently in OOA placements. This would typically indicate that a high proportion of these young people would meet the criteria for Complex Care. It is estimated that by 2028, there will be around 80 people residing in the city who have complex care needs.

3.3 Now what are the accommodation requirements?

At present there are an insufficient number of services/placements locally for people with Complex Care needs. A widely acknowledged issue is for the provision of suitable accommodation for people with Complex Care needs. The built environment affects the way support models can be delivered, and if unsuitable, can lead to challenges in the management of need and communication, often resulting in challenging behaviour.

3.4 At Aberdeen Health Social Care Partnership's JJB Meeting on 11 October 2022, the Board resolved:- (i) to approve the Complex Care Market Position Statement (embedded in appendix A)

(ii) to note that progress on delivery of the Complex Care Market Position Statement would be reported to the Integration Joint Board annually;

(iii) to note that finance specific updates would be reported annually (at a minimum) to the Risk, Audit and Performance Committee;

(iv) to instruct the Chief Officer to continue to explore with partners future new building and property redevelopment opportunities to provide facilities for people requiring complex care; and

(v) to instruct the Chief Officer to continue to work jointly with the Chief Officer for Children & Family Services to ensure planning and provision of complex care for young people moving into adulthood."

3.5 Given the aforementioned, it is recommended that authority is given to develop an Outline Business Case to help meet the need for the growing number of people with complex care for suitable accommodation. This will enable the Council and ACHSCP to identify detailed specifications and costs associated with making provision for our citizens with complex care needs.

3.6 As the ACHSCP are unable to borrow in their own right there is a need for the Council to undertake the outline business case to allow the Committee to determine whether they wish to proceed to building a new accommodation unit through a Final Business Case. This would be facilitated through a model that covers any costs to the Council (i.e. nil net cost). The Strategic business case is appended to this report.

4. FINANCIAL IMPLICATIONS

4.1 Based on the information provided on financing of Complex Care accommodation it is recommended in the Strategic Business Case that:

1. ACHSCP contribute £876,000 (Community Living Change Funding) as a one-off contribution to capital developments costs by way of transfer to ACC
2. ACHSCP also contribute £150,000 per year to cover the cost of Staff accommodation resources which are not payable by housing benefit in addition to providing a budget for increased/multiple repair work which might otherwise be payable by a tenant. This would be part funded by any efficiencies made by new care packages compared to the current cost of care (see Funding Model spreadsheet)
3. The remaining additional revenue pressure estimated at £331,006 per year for 30 years (consisting primarily of capital financing costs) requires confirmation of assurance on the model being proposed and agreement as to how this will be financed by the ACHSCP.

5. LEGAL IMPLICATIONS

- 5.1 There are no direct legal implications arising from the recommendations of this report.

6. ENVIRONMENTAL IMPLICATIONS

- 6.1 There will be environmental impacts in the development of local services/accommodation which are equivalent to existing general needs housing provision (scale dependant). Assessment of such impacts will require to be undertaken based on the progressed option(s) and by the teams/services involved in the design and development work associated with these option(s).

7. RISK

The assessment of risk is considered to be consistent with the Council's Risk Appetite Statement. A Risk Log is embedded in the Strategic Business Case appended.

8. OUTCOMES

<u>COUNCIL DELIVERY PLAN 2022-2023</u>	
	Impact of Report
<p>Aberdeen City Council Policy Statement</p> <p><u>Working in Partnership for Aberdeen</u></p>	<p>The proposals within this report support the delivery of the following aspects of the policy statement:-</p> <ul style="list-style-type: none"> • Via provision of affordable housing for people with complex care needs, supporting Homes for the Future and Caring for Each Other.
<u>Aberdeen City Local Outcome Improvement Plan 2016-26</u>	
<p>Prosperous Economy Stretch Outcomes</p>	<p>The proposals within this report support the building of new council housing. This will provide a much</p>

	needed boost to the local economy, via provision of employment opportunities (including apprenticeships) and by supporting local businesses (e.g. cafes and takeaways) during the construction phase and beyond. This links well to “400 unemployed Aberdeen City residents supported into Fair Work by 2026” and “500 Aberdeen City residents upskilled/ reskilled to enable them to move into, within and between economic opportunities as they arise by 2026”.
Prosperous People Stretch Outcomes	<p>The proposals within this report support the delivery of LOIP Stretch Outcome 5, “90% of Children and young people will report that their experiences of mental health and wellbeing have been listened to by 2026.” This paper seeks approval to progress with specialist accommodation provision which will ensure sustainable housing for children and young people in the future.</p> <p>It also supports LOIP Stretch Outcome 11 “Healthy life expectancy (time lived in good health) is five years longer by 2026.” This paper will support health by providing high quality and sustainable housing solutions.</p>

9. IMPACT ASSESSMENTS

Assessment	Outcome
Integrated Impact Assessment	Not required at this stage.
Data Protection Impact Assessment	Not required.
Other	A Health Inequalities Impact Assessment is embedded within the Strategic Business Case appended.

10. BACKGROUND PAPERS

- 10.1 Scottish Government and COSLA, Coming Home Implementation: report from the Working Group on Complex Care and Delayed Discharge, February 2022

11. APPENDICES

- 11.1 Complex Care Strategic Business Case

12. REPORT AUTHOR CONTACT DETAILS

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	<h1>Business Case</h1>	<p>Project Stage Define</p>
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Project Name	Complex Care	Date	09/11/2022
Author	Jenny Rae	Version	0.3

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Business Case

Project Stage
Define

1. Business Need

What is Complex Care?

There is a small, yet growing number, of people who have Complex Care needs. This is a recognised term for people with a learning disability, but other groups with complexity of need may also be included e.g. mental health or brain injury. Complex Care significantly affects the way in which care, support and environments must be delivered. ACHSCP have published a Complex Care Market Position Statement which details the support and environmental needs, including an environmental specification.

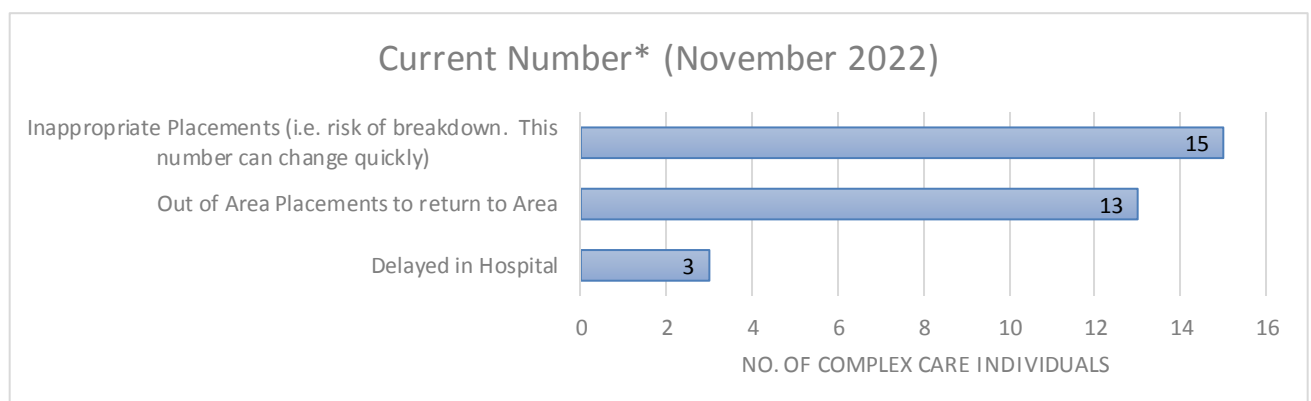


Complex Care Market
Position Statement W

There is a range of national work taking place, which includes ACHSCP, aligned to the [Coming Home Implementation Report](#) including the allocation of a £20m Community Living Change Fund (CLCF), with a one-off allocation to all Health and Social Care Partnerships (HSCPs); designed to support service development for learning disability Complex Care, with a focus on inappropriate Out of Area (OOA) placements and Delayed Discharge from Hospital

Current and Future Need

In an indicative data collation exercise the following numbers of people with Complex Care were identified:



As it stands a total of 31 people require Complex Care provision. Need can change very quickly, and these numbers may change at pace. This can be due to:

- new hospital admissions or successful discharges
- transitions into adult services (which at times may not be anticipated)
- changes in health/needs



Business Case

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Define

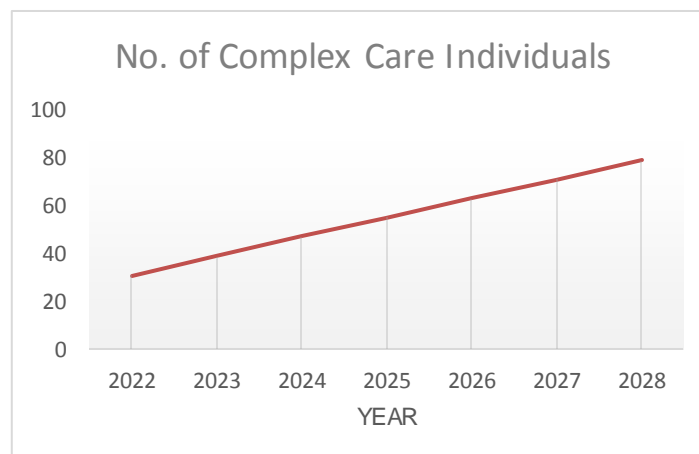
- changes in the current service provision (such as placement breakdown at home or in services, or the change in circumstances of family carers)

Future needs can be hard to predict for many of the reasons above and there may be no obvious trends. The number of people with Complex Care needs is low in relation to more general MHLD social care needs however, this number is growing, and the complexity people present with has intensified. There is a link between inappropriate services, environments, and placement breakdown.

In relation to the transition of young people into adult service alone, there are between 6 and 12 referrals per year where young people are currently in OOA placements. This would typically indicate that a high proportion of these young people would meet the criteria for Complex Care (which often prompts the OOA placement commencing).

Using the above referral information, it is reasonable to expect that up to an additional 8 people per year will have need for Complex Care services.

Estimate of Complex Care need per year:



There are some existing services for Complex Care locally. Natural movement through these services will result in current/future accommodation need by individuals using these services. These numbers are not predictable. By using these existing services, a smaller number of people will need a new service development, however, there is still a clear requirement for new service developments for Complex Care.

What is the emerging accommodation challenge?

Learning from what works well for Complex Care needs, and using the evidence base available, is important in developing sustainable and robust services.

The profile of need for those with Complex Care requirements is typically:

- Individuals require robustly built environments which support their care needs



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- Individuals require more spacious accommodation with access to outdoor spaces and separate staff welfare areas
- Individuals require their own accommodation without the need to share with others but services to be delivered in a way which does not isolate individuals or staff
- 1 person, ground floor units of accommodation, with additional rooms dedicated to activities
- Maximum of 8 units on one site with additional staff welfare and office space

What does research say is needed?

At present there are an insufficient number of services/placements locally for people with Complex Care needs. A widely acknowledged issue is for the provision of suitable accommodation for people with Complex Care needs. The built environment affects the way support models can be delivered, and if unsuitable, can lead to challenges in the management of need and communication, often resulting in challenging behaviour.

Research conducted across Health and Social Care Partnerships acknowledges these issues and provides a range of models which are operational for Complex Care or in development. This research also suggests that, while there are a variety of options for building and funding mechanisms for Complex Care; when this is undertaken by a Local Authority (LA), accommodation requirements are built into phases of already existing development programmes. Whilst the specialist features do cost more than general needs housing, those additional costs are aligned to housing development programmes and not to HSCPs. This research indicates that the costs per unit for Complex Care services elsewhere can equate to double the cost of general needs housing, the costs of the Complex Care specification are typically within a range of £180,000 to £250,000 per unit.



Complex Care
Research.pdf

There are different ways accommodation might be delivered for Complex Care:

- As part of council housing new build development programme with ACC as landlord through the Strategic Housing Investment Plan (SHIP).
- Developed in partnership with RSLs as the landlord through the SHIP.
- Funded and developed by providers (or funding partners) with the providers as landlord or an RSL

Further information on these options can be found in the wider Complex Care Options Appraisal accessible below. However, for the purpose of this document, delivery through council housing new build development programme is its focus.



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Define



Complex Care
Options Appraisal.pdf

The provision of a property for staff and repair/maintenance costs will require funding of £150,000 to meet running costs.

Our Funding Options

The Community Living Change Fund has provided ACHSCP with non-recurring funding for use by March 2024. These funds are not sufficient to address the current volume of need.

Fund	Funding in 2022	Funding Timeline	Frequency
Community Living Change Fund	876,523	For use by March 2024	Non-recurring
Total	876,523		Non-recurring

There are funds and subsidy provided for the building of affordable housing by Scottish Government, to LAs, through the Affordable Housing Supply Programme. The Affordable Housing Supply Programme is detailed for Aberdeen City within the [SHIP](#) and could contribute funding of £642,400 or £80,300 per unit.

There are no additional funds provided to specifically cover specialist accommodation needs (previously there was a Special Need Capital Grant linked to hospital resettlement programmes). The funds available for affordable housing have not been increased to meet specialist housing needs (which includes Complex Care and most care needs within the Adult Social Care remit) although have been generally increased.

The funding model below details out the estimated development costs and income which can be used, in part, to fund the model. It should be noted that the CLCF amount of £876,000 is a non-recurring allocation to ACHSCP and not available for additional developments. ACHSCP would look to review the current cost of care and have provided a benchmarked new cost of £3500 per week. It is anticipated some efficiencies can be made, providing resource to fund staff accommodation costs, however not all people with Complex Care needs have a current care package and therefore are a new budget pressure which will not create financial efficiencies. ACHSCP however would commit to funding a set amount of £150,000 per year by way of contribution to cover staff accommodation and a reserve for additional repair costs generally borne by tenants.



Complex Care
Funding Model.pdf



Business Case

Project Stage
Define

COMPLEX CARE

1 Build Costs		
No. of Units	8	(inc 1 Staff Unit)
Cost per Unit	1,000,000	^a
Unit Cost	8,000,000	
Optimism Bias	40%	3,200,000
Inflation / Risk	10%	800,000
TOTAL COST	12,000,000	

2 Available Funds		
Grants		876,000
SHIP per Unit	80,300	642,400
CT Second Homes		-
Developer Obligations		-
		1,518,400
CAPITAL COST TO BE FUNDED	10,481,600	

3 Financing Cost		
Asset Write-off Period	30 Years	
To fund each year		349,387
Borrowing Percentage	4.25%	^b 14,849
TOTAL FINANCING COST	364,236	

Funding Model, Complex Care

4 Annual Revenue Cost	
<u>Costs</u>	
Financing	364,236
Running Costs	150,000
Rental Income	120 £/wk (43,680)
Total Revenue Cost	470,556

5 To be funded by:-	
Current Care Packages (avg)	1,413,550
New Care Packages (avg)	1,274,000
Saving on Care Packages	139,550
Additional Revenue Pressure	331,006

Notes

^a Costs based on a recent development facilitated by HUB. Cost will increase as a result of new standards being introduced December 2022

^b Estimates based on current PWLB rates, will be subject to fluctuations

^c Includes the Staff Costs and Running Costs of the new Units

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1.1 Recommendation

Based on the information provided on financing of Complex Care accommodation it is recommended that:

1. ACHSCP contribute £876,000 (Community Living Change Funding) as a one-off contribution to capital developments costs by way of transfer to ACC
2. ACHSCP also contribute £150,000 per year to cover the cost of Staff accommodation resources which are not payable by housing benefit in addition to providing a budget for increased/multiple repair work which might otherwise be payable by a tenant. This will be funded by any efficiencies made by new care packages compared to the current cost of care (see Funding Model spreadsheet)
3. The remaining additional revenue pressure estimated at £331,006 per year for 30 years (consisting primarily of capital financing costs) requires confirmation of assurance on the model being proposed and agreement as to how this will be financed.



Business Case

Project Stage
Define

2. Benefits

2.1 User Benefits

Benefit	Measures	Source	Baseline	Expected Benefit	Expected Date	Measure Frequency
People live locally in the community	Number of people living out of area inappropriately	Dynamic Support Register/Social Work Data	Current	Decreased number of people living OOA inappropriately	1/4/2024	Every 6 months
	Number of People in delayed in hospital	Dynamic Support Register/Social Work Data	Current	Decreased number of people delayed in hospital	1/4/2024	Every 6 months
People live in more suitable environments	Number of interventions required	Service Provider	Current	Reduction in the % of interventions and intensity	1/4/2024	Quarterly
	Reduced Staff Turnover	Service Provider	Current	Reduction in the % of interventions and intensity Reduction in the % of incidents towards staff	1/4/2024	Quarterly
	Number of incidents	Service Provider	Current	Reduction in the % of incidents and intensity	1/4/2024	Quarterly
	Use of medication	Service Provider	Current	Reduction in PRN medication required	1/4/2024	Quarterly

2.2 Resources Benefits (financial)



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Benefit	Measures	Source	Capital or Revenue?	Baseline (£'000)	Saving (£'000)	Expected Date	Measure Frequency
Effective use of resources	Number of people living out of area inappropriately	Contracts	Revenue	TBC	TBC	1/4/2022	Quarterly
	Rental costs aligned to LHA	Housing/Landlords	Revenue	TBC	TBC	1/4/2022	Quarterly
	Decrease in housing repairs	Housing/Landlords	Revenue	TBC	TBC	1/4/2022	Quarterly

2.3 Organisational Benefits

Benefit	Measures	Source	Capital or Revenue?	Baseline (£'000)	Saving (£'000)	Expected Date	Measure Frequency
Effective use of resources	Number of people awaiting services	Dynamic Support Register/Social Work Data	Revenue	TBC	TBC	1/4/2022	Quarterly
	Programme of Services developed	Service/Contracts	Capital and Revenue	TBC	TBC	TBC	Annually

3. Costs

3.1 Project Capital Expenditure & Income

Build Costs	Available Funds	Financing Cost	Annual Revenue Cost	To be funded by:-
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Business Case

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Define

No. of Units	8 (inc. 1 staff unit)	Grants	876,000	Asset Write-off Period (Years)	30	Financing	364,236	Current Care Packages (avg)	1,413,550
Cost per Unit	1,000,000	SHIP per Unit	80,300	To fund each year	349,387	Running Costs	150,000	New Care Packages (avg)	1,274,000,
Unit Cost	8,000,000	CT Second Homes	-	Borrowing Percentage	14,849	Rental Income	43,680	Saving on Care Packages	139,550
Optimism Bias	3,200,000	Developer Obligations	-						
Inflation / Risk	800,000		-						
Total Cost	12,000,000	Capital Cost to be Funded	10,481,600	Total Financing Cost	364,236	Total Revenue Cost	470,556	Additional Revenue Pressure	331,006

- Costs based on a recent development facilitated by HUB. Cost will increase as a result of new standards being introduced December 2022
- Estimates based on current PWLB rates, will be subject to fluctuations
- Includes the Staff Costs and Running Costs of the new Units



Business Case

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Define

4. Commissioning Approach

This project may involve the procurement of goods or services and advice would be taken from Legal and Contracts services on any matters relating to this. The commissioning of any building related works will sit within the parent organisations of ACHSCP, either ACC or NHS Grampian. Each organisation will have their own processes and governance arrangements in place regarding procurement activity.

5. State Aid Implications

There do not appear to be any state aid implications, any award of business would adhere to standing orders and procurement legislation governing the relevant area of work. Advice would be taken from Legal and Contracts services in the delivery of any business opportunity from this business case.

6. Health Inequalities Impact Assessment

A Health Inequalities Impact Assessment (HIIA) has been developed for this project.



Stage 3 - HIIA
Analysis of Findings F

7. Key ACHSCP Risks

All risks can be view in the Risk Log below:



8.%20Complex%20Care%20RAID%20Log:

8. Time

8.1 Time Constraints & Aspirations

- Governance requirements and timeline to be decided.
- Inclusion of Complex Care needs within New Build Programme.
- Adherence to Scottish Government strategic timeline: March 2024, this is aspirational to greatly reduce current inappropriate OOA placements and hospital stays.
- Capacity to continue the level of activity currently undertaken: a review of activity and involvement will be required in conjunction with other service pressures to



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Define

create a sustainable model of support and capacity for the programme of work to be achieved over identified timelines

9. Governance

Terms of Reference have been developed with the key ownership and governance mechanisms for the programme of work identified, and can be accessed below:



7. Complex Care
Terms of Reference.pc

10. Resources

Task	Responsible Service/Team	Start Date	End Date
Financial Information	CFO, ACHSCP and CFO/Accounting, ACC	15/08/2022	11/11/22
Housing Information	Housing Services, ACC	15/08/2022	11/11/22
Programme Management Support	MHLD Programme Team, ACHSCP	22/07/2022	11/11/22
Legal and Contractual Information	Legal Services, ACC and Commercial and Procurement Team, ACC	15/08/2022	11/11/22

11. Environmental Management

There will be environmental impacts in the development of local services/accommodation which are equivalent to existing general needs housing provision (scale dependant). Assessment of such impacts will require to be undertaken based on the progressed option(s) and by the teams/services involved in the design and development work associated with these option(s).

12. Assumptions

Current and Future Need

It is assumed that current and future need will be of approximately of the levels expressed in this document however it is possible that greater numbers of people are identified, for instance linked to children transitioning to adult services.

Appetite to provide local services



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Define

It is assumed that there is an appetite and vision to provide local services for Complex Care as part of the ACHSCP Strategic Plan

Funding

Funding availability, from the CLCF, has only be given on a non-recurring basis. It is assumed that this position will not change from engagement with Scottish Government however there are clear funding issues in relation to Complex Care which the funding has not resolved. There is also the assumption that IJB funding will not be enhanced to deliver housing services for this group by way of capital budgets and at present the IJB cannot own property but there are proposed changes to this in the development of the National Care Service, however further details are required.

13. Dependencies

Housing Strategy/Building Programmes

The strategic direction within housing services may not be align to the work undertaken for Complex Care. Other priorities may emerge which affect work undertaken to date (e.g. Ukrainian Refugee housing needs). Building Programmes may take longer to be delivered that initially planned which could link to issues such as consultation views, planning consents, procurement, budget availability, cost of materials and availability of workforce, all of which can present as a risk to the project delivery.

Cost of Living

The cost of living will influence the cost of goods and services linked to accommodation development. These costs may be passed on to organisations such as ACC but where providers or investment financing are used these costs may be passed onto ACHSCP or people within services in the form of increased rent or service charges. Whilst every attempt will be made to operate affordable systems, the definition of affordability is changing. There also needs to be consideration of costs within accommodation services such as utilities and how these can be better planned for and minimised, with the use of insulation, technology and innovative methods where possible to reduce end user costs.

Scottish Government Strategic Direction

There is the potential of change in strategic direction in addition to the issuing of new guidance or requirements to HSCPs. The move to establish the National Care Service (NCS) may also impact upon the delivery of accommodation. There is uncertainty as to the detailed implementation of the NCS at this point and as such requires to be considered.

14. Constraints

Finance

Funding for accommodation is a significant constraint. There is insufficient money within the CLCF and other funding available to ACHSCP to contribute to a long-term programme of accommodation development. It is unclear what the additional costs of Complex Care



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accommodation might be at this stage. There does not appear to be enough funding available within the Affordable Housing Supply Programme, or funding is not available to be directed to meet more specialist needs such as Complex Care. The Scottish Government 'Coming Home' SWLG heard from *"housing specialists who suggested access to capital funding should not be a major issue."* However, this does not reflect ACHSCP's experience. The SWLG also suggested *"there could be greater joined up working and longer-term planning between Integration Authorities and Local Authority Housing Departments and registered social landlords"* to address such issues. Disinvestment is promoted within the Coming Home report, however as disinvestment only releases resource when people stop using services (such as OOA placements) this money cannot be used to fund capital projects or top up to provide specialist features. it could be used to provide for costs which do not attract *Housing Benefit such as staff spaces/running costs.

Time

There is an ambition from Scottish Government to see inappropriate OOA placements and hospital stays greatly reduced by March 2024. In many of the options explored the delivery timescales are not sufficiently defined and will not be until the questions regarding funding can be answered. To even deliver small scale local services by March 2024 is likely unrealistic and that sustained change will require long term planning and resourcing.

Capacity

Capacity of staff within the Learning Disability service, Programme Management Team, and associated teams such as Building Services, Housing, Contracts, Finance, Legal are all required to deliver the types of options detailed. There is a lack of capacity in certain key services such as Health and Social Work and in other services Complex Care may not be a priority area. Unlocking capacity will be required to ensure immediate work is progressed as well as long term planning.

Building programmes

There are constraints within existing building programmes to essentially add Complex Care into their process of addressing local housing need. These programmes need to be aware of these types of needs and to ensure that work to deliver affordable housing is expanded beyond the current disability related provision of wheel-chair accessible accommodation. They also need to understand that the specification of accommodation is different from traditional general needs accommodation and that these specifications are developed to ensure needs are met and are essential. This will also support the greater sustainability of housing provision as people's needs change.

15. Infrastructure

Infrastructure	Approval Required?	Date Approval Received



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To be determined based on option(s) endorsed

Yes

16. Support Services Consulted

Service	Name	Sections Checked / Contributed	Their Comments	Date
Legal	Jessica Anderson	All		
Housing	Mel Booth/Dorothy Askew	Housing Information		
Commercial and Procurement	Catherine King/Shona Omand-Smith	Contractual and Commissioning information		06/09/2022
Learning Disability	Katharine Paton/Kevin Dawson	All		15/08/2022
Finance	Paul Mitchell	Financial Information		
Revenue & Benefits	Lisa Stewart/Wayne Connell	Housing Benefit	Terminology and guidance clarified and incorporated	06/09/2022
Planning & Build Standards	Colin Doig	Environmental Needs/ Building Costs		

17. Document Revision History

Version	Reason	By	Date
0.1	Documentation Creation	K Craik	09/11/2022
0.2	Document amended to reflect ACC New Build	J Rae	09/11/2022
0.3	Document finalised	K Craik	10/11/2022

Appendix 3 - Wallace Tower Consultation – Representations Submitted – Addendum

Dear Ms Armstrong,

I write on behalf of Old Aberdeen Heritage Society to make official representation concerning the Council's proposal to dispose of the Wallace Tower, a Common Good property situated in Seaton Park, Old Aberdeen.

The proposal; involves selling off this historic Listed Building to the Tillydrone Community Development Trust for the sum of £1.

The Society wishes to make representation as follows:-

1) Whilst we have no objection whatsoever to the building being leased, we must object to the proposal to sell.

2) **Background:** The Wallace Tower (or, more correctly, Benholm's Lodging) is one of the City's most significant historic buildings. Dating from around 1610, it is the only remaining example in the country of a Z-plan tower house built as a town lodging. It is a unique part of the City's history. Although it was subject to an enforced move from the Netherkirkgate in 1965, to make way for a Marks and Spencer store, it was carefully reconstructed in Seaton Park under the expert supervision of renowned historian Dr Douglas Simpson.

The original plan was for the ground floor to become a centre for local history, and the two upper floors to continue as a dwelling house. In the event, this was not possible, and the building was leased solely as a dwelling house for the next twenty-five years or so. For the first four years, it was home to Dr and Mrs Simpson, and then to other families, including local councillor, James Wyness and his family. In around 1990, it was leased as a centre for Scottish music on the ground floor, with residential accommodation above. This use was most successful, and lasted for around a decade, until about 2000. At this point, changes in the law, which had instituted "A Right to Buy" for Council tenants, presented a problem for the Council in Aberdeen. If they were to continue leasing the Wallace Tower as a dwelling-house, the sitting tenant would have the right to buy it, and this historic building of such architectural and historic significance in the life of Aberdeen, would pass out of the City's ownership. The decision was therefore taken, albeit reluctantly, to cease letting out the building for long-term lease, and a series of short term leases followed, for the next three years, mostly providing accommodation for new staff relocating to Aberdeen.

It is not at all clear why this arrangement was discontinued, but from around 2003, the Wallace Tower was no longer leased for residential use; nor, importantly, does it appear to have been offered for lease or any other purpose.. Our Society has, over some months, attempted to gain an insight into this from Council reports, but unfortunately, we have been denied access to many of these, as they have been classified as "exempt" from publication, despite the fact that they concerned a property which is part of the Common Good.

What we do know is that changes in the law in 2016, meant that the Tenants' "Right to Buy" was repealed, and it was now open to the Council to lease the Wallace Tower as a dwelling house once again, if wished, either with this as the sole use, or, perhaps, in conjunction with some compatible use on the ground floor.

Sadly, no action was taken by the Council either to restore and refurbish the building, or to put it on the market for lease.

In this respect, we are concerned to note that in the TCDT "Project Business Plan", page 4, it is claimed that "in 2017, Aberdeen City Council put the building back on the market and invited interested parties to consider a purchase", and that there was no serious interest.

It is our understanding that in the autumn of 2017, the Committee agreed to advertise the Wallace Tower for sale or lease, and officers for some reason failed to carry out the instructions of the Committee. It was stated in an email from Cate Armstrong, that this was due to staff shortages. The Estates Dept of the Council will therefore be aware that the claim on page 4 of the applicant's "Project Business Plan" is misinformed.

It is the Society's understanding that the Council have not at any time proposed to restore and lease the building, and made arrangements to advertise it as such. If it had been restored, with money from the extremely healthy Common Good Fund, (as it still could be), it could easily be leased to TCDT, rather than sold.

3) **Neglect of building by Council:**

The Society has made several queries to the Council concerning the history of surveys, maintenance, etc, and what has emerged from responses is that very little maintenance of any kind has been undertaken on the Wallace Tower since it was last occupied in 2003. The last survey by the Council was in 1999, and other than that the only survey has been for asbestos. (No asbestos was found).

It appears, from all that we have read and seen, that the Council have failed to maintain and repair the building adequately, and in addition to this, and most significantly, have failed to secure it against break-ins and the resultant vandalism to the interior. Although the structure of the building has been kept safe and sound, the Council have failed in their duty to maintain this building, a Common Good property. It is only in its current state because of culpable neglect by the Council, who should have been maintaining it in good condition, as it is held in trust for the citizens of Aberdeen.

Much is made, in support of the proposal to sell off the Wallace Tower, rather than lease it, of the fact that the building requires a lot of expenditure to bring it back into use, because of its current state. This is put forward as a justification for disposing of the Wallace Tower altogether, as the Council does not wish to spend the money to restore it.

It is our understanding, however, that this is not, legally, a valid justification for disposing of the building, because it is only in this state as a result of longstanding neglect by the Council.

It is, however, open to the Council to offer to lease the Wallace Tower to TCDT, or another party who might be interested once it was restored, after carrying out the necessary repairs to the interior. Aberdeen's Common Good Fund is extremely healthy; in fact, we believe, the richest in Scotland, and its value is growing steadily, year by year. The funds are there; it is just a matter of the will to keep this historic building - a unique part of Aberdeen's heritage - in the ownership of the Council, as part of the Common Good, held in trust for the citizens of Aberdeen.

4) **"Best Value"**

The Council is required by law to achieve "Best Value" in any disposal of land. This current proposal is to sell this historic building for only **£1**. It is clearly worth much more than this. In addition, if the Council were to retain ownership, and lease it instead, having restored the interior, there would be a reliable income for the future. This, surely, would be "Best Value" for the Council, and for the citizens of Aberdeen, who have a legal interest in the building as part of the Common Good.

5) **Project Viability**

While we appreciate the objectives advanced by TCDT in their application, there do seem to a number of risks associated with the venture, eg. competition from the cafe in the Tillydrone Community Hub and the takeaway facility in Seaton Park. If the building were only to be leased to TCDT, then if by any chance, the project didn't work out, it would be a simple matter for the Council to market for lease again. If, however, it was sold outright, then even if there was a "buy-back clause", (which must be a sine qua non), there would be quite possibly a complicated process for it to be returned to the ownership of the Council; especially after any adjustments were made for changes in condition or layout of the building. The simplest, and safer, course of action is for the Council to offer the building to TCDT as a lease.

Still on the topic of viability, it is a matter of concern that on their application documents, TCDT make reference twice to having the "ability to use the facility as a takeaway/kiosk". There has, however, been no mention of such a facility in any of the planning applications, and it is our understanding that this extension of use would not only require planning permission, but that this would unlikely to be approved, for such an important historic building. This can not be assumed as something which might contribute to project viability.

Lastly, on the question of project viability, there appears to be confusion about the projected income from renting the hall on the first floor. TCDT's Financial Appraisal includes a projected income of £25 per hour, but in another document it is stated that this room would be let free of charge.

6) **Community Engagement**

The Society is concerned that the application by TCDT makes several references to having engaged widely in the community and having had united support for their planning proposals. It is also claimed that they have consulted with local community organisations, and it is said that our Society is in support of the plans.

To be clear, our Society has at no time been consulted by TCDT on their plans. Nor, were we informed of the 'public consultations' which were held in the autumn, about the latest architects' plans. The Trust is aware that our Society, along with other bodies and individuals, in fact, wrote to object to the particular plans put forward in applications for planning permission and Listed Building Consent last winter.

As a Society with members and supporters living in the Old Aberdeen area numbering well over a hundred, on whose behalf we made representation, it is important that our stance over the actual physical plans is made clear.

It remains a fact that the Society has at no time been consulted by TCDT on the proposals. Given that the Wallace Tower is situated both in the Old Aberdeen Community Council Area, and, importantly, in the Old Aberdeen Conservation Area, this is a matter of some significance. Our Society exists to preserve and protect the heritage of the Old Aberdeen Conservation Area and has especial concern for its listed buildings and open spaces. While of course we wish to see the Wallace Tower fully restored and back in use, it is important that this end is achieved by the best means

It is the Society's view that the best means is not to sell off one of the City's most precious assets for £1, without any certainty of the outcome. The best means of protecting the building while keeping it as Common Good Land is, we believe, to restore and refurbish the interior, and then to lease it to TCDT, rather than sell it.

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In conclusion, we wish to stress that we very much appreciate the worthy objectives of the Trust, in terms of the projected benefits for Tillydrone. We do not, however, believe that selling off the Wallace Tower is necessary for these ends to be achieved. We therefore object to the sale of the Wallace Tower, an important part of our heritage, particularly for the token sum of £1.

We would, however, very much support a lease of this historic building, and are quite certain that it could still be of much benefit to both Tillydrone and Old Aberdeen.

Yours sincerely,

Ronald Leith
Chairman
Old Aberdeen Heritage Society

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