

**DEVELOPMENT OF AN EXTRA CARE SCHEME  
AT ROSEMARY COURT, LASCELLES PARK**

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**Councillor Bill Dixon, Community and Public Protection Portfolio**

**Responsible Director(s) -Cliff Brown, Director of Community Services**

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**Purpose of Report**

1. To seek authority to enter into negotiations for a disposal either by sale or long ground lease of the Council's freehold interest in approximately 2,662 sq m (0.66 acres) at the rear of the existing building at Rosemary Court to Hanover Housing Association. Also, to make a recommendation to Council to waive the Council's Contract Procedure Rules and enter into a partnership agreement with Hanover Housing Association for the remodelling and improvement works required to the existing sheltered housing scheme at Rosemary Court.

**Information and Analysis**

2. In partnership with Hanover Housing Association, Darlington Borough Council is one of only 20 local authorities to obtain new funding for an Extra Care Housing Scheme in 2005/06 at Rosemary Court. We have received £3,047,930 from the Department of Health to provide 42 units of extra care housing which is a mixture of remodelling the existing Council owned scheme and providing an adjoining new building. Successful bids needed to meet a range of criteria that included innovation and partnership working.
3. The scheme will enable the Council to retain ownership and management of the existing building at Rosemary Court while Hanover Housing Association will build an extensive range of communal facilities for the benefit of all residents and the neighbouring community, as well as flats for older people with mental health needs.
4. While two organisations are involved, it is in the best interest of all parties to join together for the future development, remodelling and maintenance of what will become one building. Housing associations are required to have robust contracting procedures and are strictly controlled by the Housing Corporation. In accordance with Hanover Housing regulations they have entered into a partnership arrangement with three building contractors in the North East, one of which they are required to appoint to undertake the work at Rosemary Court. The contract would be undertaken on an open book basis so there would be the opportunity available to ensure that the work to the Council's buildings is cost effective. Approval is, therefore, needed to waive the Council's Contract Procedure Rules and enter into a partnership agreement with Hanover Housing Association, who will organise the improvement works on behalf of the Council, together with their new build work.

5. The total estimated costs for the remodelling of Rosemary Court is £1,818,148 and the level of Department of Health grant estimated to cover these costs is £1,476,748 which leaves a shortfall of £341,400. This expenditure will not be incurred until 2006/07 but has already been included in the Housing Business Plan.
6. To enable the new build scheme to proceed, Hanover Housing Association need to acquire or take a ground lease of the area of land amounting to some 2,662 sq m (0.66 acres) shown hatched on the attached plan which is owned by the Council. The disposal will be subject to the grant of planning consent which Hanover are currently pursuing. Hanover will also require associated rights of access, easements for drainage and temporary access to the Council's retained land to facilitate the development.

### **Asset Management**

7. This land is enclosed and is to the rear of Rosemary Court with a shared access so it is important that any future development is sensitive to the close proximity of a scheme for older vulnerable people. The proposed development by Hanover is, therefore, an appropriate use of the land and provides the Council with a Capital Receipt. The proposed disposal will safeguard access to the Council's retained land for future development.

### **Outcome of Consultation**

8. The relevant Ward Councillors have been consulted and all have confirmed that they have no objections to the proposed sale.
9. The residents of Rosemary Court and their families have been consulted via a presentation and one-to-one meetings and are supportive of the proposals as is the existing Warden who will remain in post.

### **Legal Implications**

10. This report has been considered by the Borough Solicitor for legal implications in accordance with the Council's approved procedures. There are no issues which the Borough Solicitor considers need to be brought to the specific attention of Members, other than those highlighted in the report.

### **Section 17 of the Crime and Disorder Act 1998**

11. The contents of this report have been considered in the context of the requirements placed on the Council by Section 17 of the Crime and Disorder Act 1998, namely, the duty on the Council to exercise its functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent, crime and disorder in its area. It is not considered that the contents of this report have any such effect.

### **Council Policy Framework**

12. The issues contained within this report require approval by Council.

## **Decision Deadline**

13. The terms and conditions imposed on the Council by the DoH for receiving the grant require general agreement to be reached in respect of the approach to be taken as identified in this report. The deadline for the submission to the DoH is 30 September 2005, so for the purpose of the call-in procedure this does represent an urgent matter.

## **Key Decision**

14. This is a key decision because agreement to the recommendation will have a significant effect on the communities living in ward within the area of the Local Authority.

## **Recommendation**

15. It is recommended that:
  - (a) The scheme is approved.
  - (b) That it be recommended to Council that the Contract Procedure rules are waived and the Director of Community Services is authorised to enter into an agreement with Hanover Housing Association for the remodelling and improvement works at Rosemary Court;
  - (c) The Director of Development and Environment in consultation with the Cabinet Member for the Resources Portfolio be authorised to agree terms with Hanover Housing Association for the disposal of the land identified in this report;
  - (d) The Borough Solicitor be authorised to complete the documentation as necessary.

## **Reasons**

16. The recommendations are supported by the following reasons:
  - (a) To enable the improvements and new build scheme to proceed;
  - (b) To achieve the disposal.

**Cliff Brown**  
**Director of Community Services**

## **Background Papers**

- (i) Extra Care Housing Fund – Ministerial Announcement February 2005.
- (ii) Cost Breakdown for Scheme, Hanover Housing 2 August 2005.

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PM/JW