

OUTLINE BUSINESS CASE (OBC)

Project Title: Greenacres new building Supported Living Scheme

Date: 9th July 2020

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Version No: 0.1 (Guidance on version control:

- The first draft will be 0.1
- Each re-drafted version will be 0.2,0.3 etc
- Once submitted to the Group for approval it will be version 1.0 and any amendments after submission will be 1.1,1.2 etc
- Once the amended version is approved by the Group it will be 2.0)

Project Summary				
Project title	Greenacres new building Supported Living Scheme			
Benefits delivered by this project completion	Jobs Created	Revenue savings	New Income	Homes Created
	30 + newly created care and support roles	This project will ensure direct cost savings on individuals care costs, currently estimated at £0.289m per year. This saving is against five individuals currently funded through either Adult Social Care or Children's (soon to transition to adults). A further three individuals have been identified who the authority are not currently responsible for, but are likely to be in	A new income stream will be created through a lease with a housing association company, this has been estimated at £60k.	Living units for x8 people currently not living in Shropshire. The intention is to bring vulnerable people that Shropshire Council have a legal responsibility for back into their home county.

		the future. These individuals have extremely complex and specific needs and it is envisaged that this supported living scheme could save Shropshire Council a further £0.418m per year compared to what the costs of these individuals would be with existing provision.		
Dates benefits realised	January 2022			
Project budget	Estimated £3.125 million Design fees 12-15% of total			
Project duration	2 years			
Project start date	Spring 2020			

The Structure and purpose of the OBC

The Outline Business Case is the second phase of the project approval process and follows on from the approved Expression of Interest phase (Phase 1).

The Outline Business Case follows the HM Treasury ‘five case’ model, which in summary covers the following:

Case 1 Strategic Case – why is the project required, what are the objectives and outcomes of the project and how are they achieved.

Case 2 Economic Case – or Option Appraisal – required to develop a value for money solution that meets the objectives set within the Strategic Case. Lays out the full options considered and clearly states the preferred one.

Case 3 Financial Case – How much will the project cost and how will it be funded? This demonstrates the affordability of the project whilst linking to requirements set within the Financial Strategy.

Case 4 Commercial Case – How will the project be procured? Consideration of the powers being used by the Council to deliver the project.

Case 5 Project Management Case – Sets out the arrangements for managing the project, including risks and benefits realisation and post project evaluation methods.

The standard process of progression is from Outline Business Case (OBC) to Full Business Case (FBC) on approval of the Outline Business Case submission. The Outline Business Case phase allows for strategic goals to be set first, follows by the identification and refinement of the options. This

process avoids abortive works on options which are not viable and ensures the full analysis is only undertaken on the option which is most likely to meet the outcome requirements of the project.

Approval of the Outline Business Case is sought in order to affirm that the assumptions made, and the options appraised, lead to the best available option being identified. The Final Business Case then tests the preferred option identified and affirms this option for recommendation (or otherwise disproves it and sends the project for re-consideration)

The 5 Case Model

The 5 key elements of good practice business cases



CASE 1 – Strategic Case

Building on from the Expression of Interest application please layout the following:

Background Information – why is the project required?

It is a statutory requirement for Shropshire ASC to meet the care and support needs of the individuals this property is designed for and to provide specialist accommodation for young people with complex needs (current young people considered for this provision £90,000 - £320,000 per individual per year).

Shropshire currently have 189 individuals in Supported Living schemes across the county. This project will increase Supported Living accommodation in Shropshire to give increased opportunities for more complex people to come back into the county and reduce the number of individuals placed in more expensive residential placements. This development will promote and enable a core and cluster scheme to individual tenancies in 1 bedroomed apartments. The scheme will result in a broader mix of individuals who will share support and common interests and will increase social opportunities and independence, wherever possible.

The geographical location of Greenacres was chosen to deliver Shropshire's specialised housing for some of the most vulnerable individuals we support. This is favourable over a more urban location due to the risk urban locations may pose to individuals with complex needs, for example road awareness and increased risk of harm and abuse. Currently there is nowhere in Shropshire

for such individuals to live and this is the reason why we would like to bring them back into county, to be near family, friends and their support networks. The opportunity of building an innovative, sustainable building that is future proofed and can be sustained and adapted easily for the young people in Shropshire. The advantages linked to agricultural, livestock and horticultural facilities that are already available on the Greenacres farm site provides an ideal opportunity to develop the facilities from what it currently provides are explained in detail in Project Objectives below. This includes creating jobs for carers, a gardener, cleaner and maintenance role, in addition to paid or voluntary work to the residents in the farm shop.

The development will provide a more person-centred, efficient service to people with very complex needs, some of which we do not currently provide a service to within the county. It will make a positive impact on the way vulnerable people live their lives in a way that benefits everyone. The unique approach will enable the tenants to live in good quality homes and lead them on a path of independent living, community integration and volunteer opportunities or employment. It will relocate individuals from high cost expensive residential provision, both in and outside the county, that does not currently best meet their individual needs and choices. It also offers financial savings on an individual basis.

The project supports Shropshire's [Learning Disability Service Plan/Strategy](#) (2018) by planning for the future; reaching higher standards for Supported Living; housing opportunities; giving individuals choice and control on where and who they live with; presenting an opportunity to make friends and relationships and being part of their own community; reaching their potential developing further skills for independence, carrying out voluntary work or paid employment that is relevant and purposeful.

Eligible individuals with learning disabilities, autism spectrum disorder and/or mental health conditions will be supported by a range of complex care and support packages, identified in support plans, the opportunity to live in their own homes and develop skills that promotes independence and an improved quality of life. It will ensure anyone who uses the service can live as full a life as possible to achieve the best possible outcomes.

Shropshire Council's Preparing for Adulthood Services team have identified young people currently residing in and out of county residential provisions to move into the specialist Supported Living accommodation. Greenacres Supported Living accommodation principles reflect the need for people with learning disabilities, autism spectrum disorder and/or mental health conditions to live meaningful lives that includes choice, control and independence. It will give the flexibility for young people to receive high levels of support during their transition with the goal of support reducing as they gain further independent skills. This may lead to young people forming friendships and moving into other Supported Living provisions.

Greenacres is a 16 acre farm that currently provides day services in a new building and they do not require the full 16 acre for their provision. The rural one acre development site has already been looked at and is positively viewed by colleagues in the Planning Department.

The current specialist provision is not available in Shropshire and has and continues to result in individuals leaving Shropshire to live in residential settings or single occupancy homes, especially those with complex needs that can result in people feeling isolated and lonely and away from their family support. These individuals are amongst the highest costed and considerable savings on staffing hours can be made by developing this provision.

Shropshire Council wish to develop a different model to future proof buildings to support the demographic demand; be more creative about the range of Assisted Technology used to support individuals independence and provide alternative individual living units with communal areas, sharing staff to lower care costs.

The development benchmarks and captures best practice from extensive research into a range of Supported Living schemes and will consider a range of assisted technologies to monitor activity, telehealth, medication management and social connection intervention. With the success of the new model, further consideration will be given to expanding and replicating the accommodation in other areas of the county in the future.

Cabinet has previously recognised that appropriate accommodation should be made available to enable adults with learning and physical disabilities to live in a community setting.

The proposed property will include x8 individual level access living units, communal shared area, internal courtyard, significant outdoor space that includes a sensory garden, a fitness area with outdoor gym equipment, a small running track around the internal perimeter courtyard, to promote health and wellbeing, and will be surrounded by a secure fence to ensure the safety of residents. A separate entrance will be created to the day service which is adjacent to the new project.

This development will support our bigger project initiatives by continuing to provide homes for vulnerable people and retaining Council land for future use.

In addition, there is the conversion of an existing empty house on the Greenacres site, in close proximity to the suggested apartments, to redevelop it into a more functional useable space to optimise its potential. Various options have been suggested for the house and several would help support residents by creating a central space for activities on a day/evening, such as cooking, education and training, moving nights, take away nights, BBQ, exercise and fitness sessions etc, in addition to supporting the needs of adults with a LD and/or MH needs to help those who wish to transition over to Supported Living. Emphasis is given on the house being developed to created and develop a lifestyle for individuals to give them more choice and control and will enable them to get out of their apartments to an alternative building onsite for a number of different reasons.

There is already an established overarching Project Board who have already illustrated the rationale of project, authorised the initiation process and will help plan, monitor, control, deliver and close the project. Project Board members will have collective responsibility. Project Board Terms of Reference have been created confirming the project purpose, role and responsibilities, membership, decision making process, Chair, frequency, quorum, record of meetings, reporting mechanism, functions and delegated authority. The Project Board will encompass both projects: the Greenacres supported living new build and the conversion of the empty house on the Greenacres site.

In addition, a sub-group - Operational Task Group has been created who will directly report to the Project Board. Terms of Reference have also been produced in line with the above. The Operational Task Group will work on a more operational level and will manage the operational level and the day to day running of the project.

A Project Manager (PM) has been appointed who has initiated the project and will apply best practice project management principles from inception to delivery. They will define, plan, control, prioritise changes, manage risks/issues, ensure the correct allocation of resources, schedule dates

and workload. The PM will create a Project Plan, Work Breakdown Structure, Highlight Report and update members on progress. Options will be reported to the Project Board to decide on the best course of action. The PM will consult or gain consent from the Project Board throughout the project and will facilitate any changes are escalated through the Project Board. A Risk Register has been produced to identify any considerations that may hinder or prevent the successful delivery of the agreed project outcomes. The Register will be reviewed by the PM and Project Board to consider any steps to reduce or mitigate the risks identified. The project will be scoped, planned and directed with specific milestones with an overall objective also focused on quality and customer satisfaction. The PM will communicate and involve relevant internal and external stakeholders at the right time of the project, including any contractors and sub-contractors.

Project objective – what is the aim of the project?

The project intention is to build x8 Supported Living units on Council land. The accommodation will provide an opportunity for people with complex needs to live more independently and will reduce the number of placements in residential care outside of Shropshire. In the future this accommodation will be suitable for individuals who may currently live with parents, be at risk of going into residential care, already in residential care, in temporary placements or be at risk in the community. The project will create significant savings on care packages, as care hours can be reduced through shared carers, and also by reducing the need for the most expensive out of county packages.

For such complex needs individuals, previous experience identifies rural areas achieve better results because they are better supported in a rural setting initially when coming out of secure residential settings. We will look to move them into more independent accommodation as their skills develop, which will be done with support from the Greenacres day opportunities and training offer on site. One of the reasons the location was chosen is the belief that rural settings are better because of the reduced noise levels and the individuals tend to not feel overwhelmed. This ultimately leads to a more settled, calming and stable living environment and behaviours. For people transitioning over, appropriate levels of support will be incorporated in individual support plans to reduce the risk of isolation and withdrawal from the local community. It is believed having access to agricultural, livestock and horticulturally based activities on site will prove beneficial to support people with anxiety and mental health conditions. In addition, opportunities will be considered as to a range of voluntary opportunities or paid employment to residents through the day service, for example the farm shop.

The case for change delivers on [Sustainability & Transformation plans](#) (STP) as it will develop neighbourhoods, strengthen community resilience and prevent ill health. We will ensure the build will reflect costs that cover the whole lifecycle of the property and we make the best use of our resources to offer financial sustainability which will reduce ongoing costs. We will ensure we invest in the quality of the fabric of the building which will offset energy loss and higher maintenance costs. We will ensure an Energy Performance Certificate (EPC) rating is undertaken using the Standard Assessment Procedure (SAP) in the early stage of the the design process which will help prevent costly redesign and ensure an EPC rating of B+.

In order to help meet CO2 reductions we will “Invest to Save’ in sustainable design and construction and will apply an holistic approach in the design, construction and operation processes in a super energy efficient, low carbon building to ensure future running costs are kept to a minimum. This is in line with the council’s over-arching [Climate Change and Sustainability Policy](#). The design and construction of the project will incorporate measures to maximise energy efficiency and reduce carbon emissions during both the construction and the operation of the

new buildings. The design of the scheme will reflect 'whole lifetime' costs and will reduce carbon emissions through a 'fabric first' approach to insulation, low-energy lighting and heating and through the inclusion of renewable energy generation, for example solar PV panels and air-source heat pump for space and water heating. The buildings will be designed to be durable and resilient in the face of the more extreme weather conditions (very high or low temperatures and very wet, dry or windy weather) which are expected as the result of climate change. This includes capturing rain water and battery storage for self-consumption. This will be further strengthened by applying a range of innovative Assisted Technologies as part of the original design and construction which will guarantee endurance and longevity of the building.

The build will apply project management principles by constructing the right building, will be value for money, built with a long-term lifecycle and will achieve the best outcomes for individuals. We will monitor developments and undertake audits to ensure they are being effectively managed to ensure high standards are being met, reduce the impact on the environment; including energy use, biodiversity and pollution.

The rural location has been considered and mitigated regarding travel as there is a regular bus route through Walford Heath (Arriva 576 Oswestry to Shrewsbury). It is envisaged that with support from staff this will develop independence skills by teaching individuals how to use public transport and how to travel on their own, or with others.

Greenacres Project delivers on the [Economic Growth Strategy](#) (2017-21) and [Commercial Strategy](#) (2020-23) by working collaboratively across the public and private sectors in our community to deliver housing and economic growth. This will be achieved by targeting actions and resources to an identified need and opportunity; promoting Shropshire to investors; delivering an infrastructure that supports growth; enabling businesses to grow and succeed and growth in jobs by creating jobs in the care and support sector, but also in the building sector.

We needed to radically rethink how we offer housing to people with a learning disability, autism, mental health or those with a dual diagnosis. We acknowledge that having a range of bespoke housing options based on each individual's needs and preferences has a positive impact on health and wellbeing. The project aims to shift provision towards a model that gives people security of tenure and housing rights, with a separate contract for their support enabling people to have choice about their social care provider without jeopardising their home.

Under STP, Building the Right Homes and CQC's guidance; Registering the Right Support, the evidence suggests many people end up in hospital following disrupted housing and support arrangements, with many experiencing a lack of choice and control over their lives and the environment in which they are living. Poorly thought-out environments can increase behaviour that challenges and it is clear that just 'slotting' people into settings without really understanding the needs of the person, in partnership with them and their families, is unlikely to lead to people living settled and healthy lives in the community.

Our commercial strategy will target savings and revenue achieved through commissioning new Supported Living properties through a lease arrangement with a housing provider, whilst maintaining the property as an asset and reducing the pressure on our purchasing budget.

The project will maximise the value of the council's property and investments and will provide savings and reductions on:

- High cost residential care placements
- Multi-agency support
- Police intervention
- Safeguarding referrals
- Impact on family due to crisis
- Absconding
- Psychological impacts of anxiety
- Mental health intervention
- Parent Carer breakdown
- Hospital admissions
- Moving out of county to specialist care providers
- Homelessness applications
- Risks in the community
- Social care practitioner time and expenses

Out of county placements can cost the Council significant amounts of money. We are currently funding a placement of over £5,000 per week in Gloucestershire and similar placements elsewhere.

Project outcomes – what outcomes are expected to be achieved on project completion?

Sector growth

- Use Shropshire businesses, enterprises and services, including private sector care providers, housing providers, building companies
- create 30+ newly created care and support roles and opportunities for jobs in the building sector
- ensure individuals are supported by a range of complex care and support packages

Community cohesion and social value

- provide Supported Living homes for x8 individuals with disabilities
- ensure a more person-centred, efficient service to people with complex needs
- Individuals are involved with people who matter the most to them, for example closer to their family, friends and support network
- present an opportunity to make friends and relationships and be part of a community
- Develop skills to maximise independent, confidence and achieve best possible outcomes
- Receive consistent, long-term support and in-county provisions, supported by the local community, give something back to the local community through voluntary work and community connection, skill sharing
- Value their home environment and receive the positive benefits associated with someone being in their own home
- Involve the local community in scheme development
- Investing in the local economy
- reduce care costs and carer breakdown, in reducing the purchasing budget

Wider economic impact

- provide an improved useable property asset
- support local economic growth strategy by spending own money in Shropshire, rather than out of county
- An integral part of social engagement is being part of a community, voluntary work opportunities or in paid employment

- Encourage the use of land in our ownership to promote and deliver housing and economic growth. This delivers on the Commercial Strategy, Housing Strategy and Corporate Climate Change Strategy.
- X8 units of accommodation for individuals with LD, MH or on the autism spectrum
- Increase Shropshire Council's Supported Living in county accommodation portfolio
- Ensure people with complex needs who want to live in Shropshire can stay in Shropshire in suitable accommodation
- People using the service will receive planned and co-ordinated person-centred support and education that will be appropriate and inclusive
- Gain a return on capital money invested through cost savings and rental income
- Reduced costs by lowering the number of placements in residential care
- Reduced costs of out of county placements
- Reduced care costs by using a range of suitable assistive technology bespoke to each individual and by providing care and support to a group of individuals in one accommodation
- Managing the future growth in the sector by offering a more cost-effective solution to currently available
- Provide a service for young people as they transition from childhood to adulthood
- Lower risks to individuals by being in a Supported Living environment

How does the project support the key strategy requirements of the Council?

[Corporate Plan](#) (2019-22). The council's ambition is to invest in Housing which meets the need and requirements of the local communities. As we have a large number of people living out of county who would like to live near their family and friends and be part of their local community. Providing Supported Living accommodation would provide x8 homes in Shrewsbury and would help provide homes that the local community requires.

[Economic Growth Strategy](#) (2017-21). One of the main priorities of the strategy is to increase the availability of housing that is the right type, quality and cost in the right location to meet the needs of the population and ensure that Shropshire remains an attractive place to live. It also refers to the development of new innovative housing solutions to deliver the homes that meets identified needs. This project is a new innovative way that will help Shropshire Council future plan and reach higher standards for Supported Living which we can benchmark from in future Supported Living developments. The project supports building the right homes by Shropshire Council Commissioners working with housing providers to expand the housing options available for people with a learning disability, mental health problems, autism or those with dual diagnosis, who display behaviours that challenges.

The type of Supported Living accommodation provides good quality, sustainable housing of the right size, type and tenure of affordable housing. Vulnerable tenants will pay Social Rent, as described in the Economic Case below. This contributes towards the provision of affordable housing in accordance with [Core Strategy Policy CS11](#). The appropriateness and suitability of the site meets the exception rules under [CS5](#) of the Core Strategy for a new development in the countryside.

[Commercial Strategy](#) (2020-23). Provides the direction and framework for how we will mobilise Shropshire Council, more specifically taking control of our own destiny to become more commercially focussed and financially sustainable by investing in projects that ensures growth in housing and jobs. The Strategy also encourages the use of land in our ownership to build, promote and deliver housing and economic growth. Exception to normal type of building.

The project expands a programme of Supported Living housing development and Shropshire's [Local Offer](#) by providing opportunities for x8 people with disabilities to live independently by designing, developing and building Supported Living accommodation on [Greenacres](#) farm site, Walford Heath, Shrewsbury, therefore, moving them out of high cost residential placements out of county.

The project supports Shropshire's [Learning Disability Service Plan/Strategy](#) (2018) by planning for the future; reaching higher standards for Supported Living; housing opportunities; builds into and supports [Adult Social Care Strategy](#), Housing Strategy and [Transforming Care Partnership](#) work.

CASE 2 – Economic Case

Identify all option considerations and lay them out in detail – a minimum of three option considerations are to be included in the OBC – with the preferred option being summarised at the end of the content with clear rational as to why it is the preferred option.

Option considerations should set out cost and benefit analysis for each option.

Option 1: Do Nothing

If we left the site undeveloped we would carry on placing individuals in highly specialised accommodation outside the County at significant cost and detrimental to the individual's wellbeing and family and social links. The council would continue to spend £1.171m on the five individuals identified, and be likely to incur further pressures of £0.918m on other identified individuals currently funded by CHC but likely to return to council responsibility.

Option 2: Do Minimum

Adapt one or a variety of other properties at alternative sites. This was deemed not as beneficial as having specialised accommodation (fit for purpose and future proofed) and specialist care under one roof. Using a variety of properties would entail higher individual social care and support costs, higher adaptation costs, limited adaptation options for current needs and future proofing as it would incur costs in multiple homes.

Alternative options, such as a smaller development for less than 8 people, or multiple sites were initially considered but they were not considered to provide the social or financial benefits.

Option 3: Right to develop and build x8 Supported Living apartments. It is our legislative duty to look at the accommodation needs for vulnerable people. Under the Mental Capacity Act, Supported Living is the least restrictive offer. This is our preferred option because Greenacres will meet that need, deliver better outcomes for individuals and families, improve social opportunities and reduced costs.

Current care cost of highly specialist accommodation for young people with complex needs are between £90,000-£320,000 per individual per year.

At Greenacres each individual's ratio of care will be lower as some care can be shared, in particular around the waking nights:

Of the eight identified individuals, five are currently funded by Shropshire Council with a further three likely to return to Council funding prior to the completion of this project.

Of the initial five, savings totalling £0.289 per annum could be realised through reductions of the care ratio.

With the vulnerable adults living in single units on their own they present a higher risk to themselves and others and require a ratio of 2:1 or 3:1 on a more regular basis.

Summary of project risks and benefits for each option

Option	NPV net present value	Risk	Quantifiable Benefit	Non-quantifiable benefit
Option 1 Do nothing	0	We would not meet our statutory duty to provide Supported Living accommodation	None	None
Option 2 Do minimum	0	Cost savings cannot be made to enable the project to be funded. Failure to meet statutory duty to provide Supported Living accommodation		
Option 3 Develop and build x8 Supported Living apartments		Not able to fill the units (this is mitigated as we already have a significant number of people waiting for accommodation)	<p>X8 new Supported Living affordable social rent apartments.</p> <p>Expanded Supported Living property portfolio.</p> <p>Immediate annual saving to Shropshire Council of £0.418m per annum.</p> <p>Future preventative savings identified, estimated at £0.418m per annum.</p>	This will be a flagship scheme for Shropshire Council, the first fully services self-build plots to be made available on Shropshire Council land. Other benefits during delivery include employment while the scheme is under way and the provision of paid and voluntary job opportunities.

Preferred Option rational and analysis – clearly identify the preferred option from the cases above and layout the reasoning.

Option 3 is a legislative duty and is considered the only option. It would utilise land in our ownership which we would retain for future use to develop and support bigger project initiatives by continuing to provide the type of Supported Living housing that is required by young people with complex needs. It is a statutory requirement for Shropshire ASC to meet the care and support needs of the individuals this property is designed for and to provide specialist accommodation.

Our partner approach has, and will, incorporate Corporate Landlord team/Property Services Group/Parish Councillors/local community and retailers/Adult Care Services and social workers/Service providers/Occupational therapists/contractors/Shropshire Council housing specialists and architects/Legal team and families.

This option will consider installing pre-fabricated modular housing, for example 'Pop-up' PassivHaus housing which delivers a permanent housing solution that can easily be relocated, if required. PassivHaus is generally assessed to be around 10-15% more to construct than conventional housing but is considerably cheaper to run and the additional cost is, therefore, offset quickly over the first few years of occupation. As future energy costs are predicted to rise, the 'payback period' for this higher initial outlay is expected to reduce significantly. A further advantage of such housing is that it generates significantly better internal air quality which benefits the health of occupants relative to a conventional design. One such example is Haus4one which is a relocatable one-person home. The units can be either fully manufactured offsite, delivered and installed ready for occupation within hours or delivered as a structural thermal envelope ready for your contractor to finish. Larger units are also available which would be applicable in 8 units proposed for Greenacres.

CASE 3 – Financial Case

This section is broken down into three sections and concentrates on the preferred option identified in Case 2.

Section 1: Whole project lifecycle costs – detail the cost of the project over the delivery timeframe and how is the project proposed to be funded.

Section 2: Summary of revenue implications post project completion – this is a summarised version of the Cashflow Appendix 1.

Section3: Asks for consideration of VAT implications on the project – such as option to tax status on building acquisition/construction.

Care costs calculated using a cohort of x8 individuals who are currently in out of country placements. Of these 8 Shropshire Council are currently responsible for the funding of 5 of them, with the other 3 Health funded by likely to return to council funding at any point in time. Care costs are changeable over time and at completion of this project it might be different individuals or different costs, but the level of demand and growth in the social care sector gives a complete assurance that such a project will still be required and still deliver the level of savings as modelled.

Social Rent (Registered Providers)

Greenacre tenants will pay Social Rent, which is affordable housing and owned and managed by Registered Providers of affordable housing (eg: the Council and Housing Associations as defined in

section 80 of the [Housing and Regeneration Act 2008](#)). These organisations are regulated by [Homes England](#). Properties are let to people in need from the Council's Housing Register on either a Secure or Assured tenancy with the tenant having security of tenure. Standards for management, maintenance and the provision of other services are set nationally.

Net rent levels for Social Housing are managed by a Registered Provider and will be calculated in accordance with a "Target Rent" formula set by the Homes England which takes account of the number of bedrooms in a dwelling, local property values as at 1999 and average earnings data. Applicable Service Charges may be added to the Target Rent figure resulting in the total Social Rent level. Social Rented Housing shall, wherever legally possible, be excluded (in perpetuity) from mechanisms that could result in such dwellings becoming available for rental or sale on the open housing market. Relevant Planning Conditions and/or Section 106.

The creation of social benefits through the Supported Living model brings an opportunity of sensible, stable, regular and reliable commercial returns. The end result is happier tenants, happier families, improved and more economical service delivery for commissioners and a stronger community. We plan to develop more in the future.

Agreements will also be used to ensure that controls on rent levels, local occupancy, cascade requirements, tenant selection, allocation and general management standards are agreed and honoured in perpetuity.

1. Estimated Project Costs (speak to finance- contact business partner capital)						
	2020/21	2021/22	2022/23	2023/24	2024/25	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Total Capital Project Costs	250	1,250	1,525			
Sources of finance:						
Capital Grants						
Usable Capital Receipts						
Borrowing	(250)	(1,250)	(1,525)			
Developer Contributions (S106)						
Developer Contributions (CIL)						
Revenue Contribution						
External Loans (Salix)						
Other						
Total Funding	(250)	(1,250)	(1,525)			

2. Ongoing Revenue Implications (contact business partner, revenue) (if appropriate to the scheme)		
	Part Year	Full Year

	£'000	£'000
Expenditure:		
Borrowing payback		179
Employees		
Premises		
Transport		
Supplies and Services		
Repairs & Maintenance		5
Income:		
Revenue Savings		(289)
New income generation		(60)
Total Net Revenue Implications		<u>(165)</u>

3. VAT Considerations

Please detail any VAT considerations of the project i.e. option to tax - contact finance for guidance if required

Further VAT advice is sought, around the council's partial exemption limit and whether this project would be within the limit, this will need to be clarified prior to the project starting. As the property would be classed as residential this cannot be Opted to Tax.

CASE 4 – Commercial Case

Outline below the procurement method to be used in project delivery and the intended evaluation criteria.

Property Services Group (PSG) have produced a brief of the works in order for the work to go out to tender (Feasibility Report 10.2). They will then analyse and advise on the returns and assist with contract discussions. PSG have also been commissioned to provide a Clerk of Works Service throughout the build period and the infrastructure stage providing streamlined project management facility to allow for a smooth delivery for this self-build project.

The scheme will be procured by competitive tender through Property Services Groups (PSG) current contractor framework using a JCT form of contract.

Shropshire Council currently purchase Support Living care packages for individuals with a Learning Disability through our Framework which is due to end September 2020. We have listened to recent feedback on the challenges in finding the right support provider for individuals with extremely complex needs and now feel this is the ideal opportunity to look at how we can purchase care for individuals with, both, Mental Health or learning needs within supported living differently.

Shropshire Council have been having discussions with our colleagues in our contracting team and we are considering purchasing future supported living services through a Dynamic Purchasing System (DPS) system which is a flexible purchasing procedure that will be set up to purchase support and care in the community through one contract. We are trying to commission more innovative and collaborative care for Supported Living that includes a range of assisted technology options. We would envisage the DPS to be able to source not only the care, but also the accommodation, this will enable us to have more formal arrangements with Housing Providers and developers and work with a wider variety of companies. It will also give care providers the opportunity to either develop as a housing provider also or form partnerships with housing providers.

Providers will be required to demonstrate their ability to deliver quality services in order to be placed on the DPS, which will be run on through our current web-based procurement portal called DELTA and will ensure the end-to-end procurement process is competitive, fair and transparent.

The chosen Social Housing Provider will be expected to bring necessary expertise from across their organisation, understand the sector and be willing to source and recover any available capital grants within the legislative framework.

CASE 5 – PROJECT MANAGEMENT CASE

This section is aimed to evidence the achievability of the project through to completion. Please detail the following levels of governance that will be put in place following approval:

Project Board Structure – please detail the Project Board Structure that will be in place to deliver the project:

Position	Responsible Officer
Project Executive	Michelle Davies
Project Manager	Catherine Smith-Ivory
Estates representative	Jane Kenyon, Keith Parry, Leela Cottey
Legal representative	Helen Powell, Tim Collard

Finance representative	Michaela Probert, Michael C Turner, Donna Payne
Procurement representative	Rod Ward
Clerk of Works	PSG
Property Services	Peter Allen, Harvey Gould
Please list the top 5 key risks identified in the Risk Management Appendix	
Risk	Action
1. Refused Planning permission	Prepare a watertight planning application. Advice will be sought prior to submission.
2. Local opposition at planning	Phase 2 will involve the people who will live and work at Greenacres, Local Councillor Nicolas Bardsley, Parish Council and full community interaction as co-production.
3. Unforeseen increases to the budget	Budgets will be tightly controlled and any increases will be communicated to the Project Board who will make formal decisions. Any changes will be reflected in associated plans and additional time will be scoped. A large contingency has been included in the estimate for the works to reduce the risk of more funding being requested.
4. Appointment of construction contractor delayed as a result of untoward circumstances or pandemic, such as Covid-19	Out of our control and would delay the build.
5. Breakdown in relationship with selected Housing Association	Any breakdown will require the Council to work with the individuals, carers and support network to support the individual. The Council would repeat the same end-to-end procurement process in order to ensure consistency, high level of quality and the process was fair. The new successful Housing Provider would enter into a formal contract with Shropshire Council.
Please list the main quantifiable project outcomes in order for them to be analysed as part of a post project brief:	
1. X8 Supported Living good quality homes provided to vulnerable tenants	
2. X8 sustainable housing with affordable social rents	
3. Jobs created for local building sector businesses and possible apprenticeships	
4. 30 + newly created care and support jobs created and volunteer opportunities onsite	
5. Reduction in x8 high cost out of county placements (currently £1,293 million per year)	
Identify any major stakeholders (including members where appropriate) and the impact the project may have and what consultation is proposed:	

Greenacres Farm

Cllr Nicolas Bardsley and Parish Council who will be contacted when PSG have confirmed the land is viable to build on.

Consultations with local residents will take place as part of the planning application process.

Local Community Groups

Property Services Group

Estates/surveyors/planning

Building Control/Regulations, Licensing and Planning Department

Preparing for Adulthood

Asset Management

Building Sector Businesses

Housing Associations/Registered Providers

Care Providers

Highways Agency

Severn Trent Water

Environment Agency

Capital and Corporate Budgets

Economic Growth/Finance

Commercial Investments

Procurement & Contracts

Communication and Engagement Summary

Appendices:

Appendix 1 – Cash Flow Model

Appendix 2 – NPV Calculations for options analysis

Appendix 3 – Terms of Reference for Project Board

Appendix 4 – Risk Register

Appendix 5 – Project Delivery Timeframe (Gantt Chart)

Appendix 6 – Procurement Considerations

Appendix 7 – Project Closure Report