

## **FOR PUBLICATION**

### **Approval of Lease of Newbold Court**

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Meeting: Cabinet

Date: 22<sup>nd</sup> October 2019

Cabinet portfolio: Cabinet Member for Housing

Report by: Liz Cook, Assistant Director, Housing.

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#### **For publication**

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#### **1.0 Purpose of report**

1.1 To seek approval to agree a 10 year lease of Newbold Court to Action to increase the provision of supported accommodation for vulnerable adults.

#### **2.0 Recommendations**

2.1 That Cabinet note the need for increased provision of supported accommodation for vulnerable adults in Chesterfield.

2.2 Cabinet agree to the letting of Newbold Court to Action under a 10 year lease.

2.3 The Property, Procurement and Contracts Law Manager be granted delegated authority to deal with any late amendments to the terms of the lease.

### 3.0 **Report details**

3.1 In 2017 and 2018 the Government introduced new legislation that placed additional duties upon local authorities and introduced a focus on homelessness prevention. These are the Homelessness Reduction Act 2017, implemented in April 2018 and the Rough Sleeping Strategy in 2018.

3.2 This legislation increased the duties owed to single homeless individuals. The council, as a response, have implemented a range of new projects to deliver these additional duties such as the delivery of a winter Nightshelter and a Homelessness HUB and multi-agency panel around each single homeless individual.

3.3 Through our joint North Derbyshire Homelessness Forum, we identified a Registered Housing provider, Action, who want to provide a supported accommodation service at Newbold Court for vulnerable adults with high level support needs.

3.4 The service will address a range of different needs presented by customers and will aim to enable individuals to move along a planned housing pathway into the longer-term goal of independent living.

3.5 Provision of this service will contribute towards the delivery of our duties under the new legislation and to achieve our objectives set out in the Council's Homelessness Strategy and Action Plan.

3.6 It is expected that provision of this service will enable the council to minimise the use of Bed and Breakfast

accommodation which in many circumstances is not suitable for some individuals.

- 3.7 Chesterfield Borough Council owns Newbold Court, Bromehead Way, Chesterfield. It is an 18 unit building consisting of 16 single person accommodation bedsits and 2 used as office facilities.
- 3.8 The property was previously let to South Yorkshire Housing Association (SYHA) under a long-term lease commencing in 2002 for the provision of supported accommodation for 18 to 24 year olds.
- 3.9 SYHA terminated the lease on 31<sup>st</sup> March 2019 and handed the property back to the council with vacant possession.
- 3.10 Action are proposing to lease Newbold Court for a minimum period of 10 years being the requirement of the Move-On fund which Action have successfully applied to for the delivery of this service.
- 3.11 The proposed completion date for the lease is 31<sup>st</sup> October 2019 with the service being provided from 1<sup>st</sup> February 2020.
- 3.12 The council will retain full nomination rights to referrals and placements in Newbold Court.

#### 4.0 **Financial Considerations**

- 4.1 Action have been successful in applying to the Government's Move-On Fund to deliver the service and make required improvements to the building and accommodation. This will deliver inward investment of £126,000 enabling improvement work to the building.
- 4.2 The rental income received by the Council under the lease will be £25,000 per annum. This will commence from the 1<sup>st</sup>

February 2020 in recognition of the investments being made to improve the property as stated in 4.1 above.

4.3 This service will support the Council to discharge its statutory obligations to secure temporary accommodation for individuals that would otherwise be placed into Bed & Breakfast accommodation incurring a financial cost to the council.

## 5.0 Risk management

5.1 The main risks associated with the proposals are shown in the table below:

Description of the Risk	Impact	Likelihood	Mitigating Action	Impact	Likelihood
Individuals being placed into B&B	High	High	The scheme enables an alternative and more suitable option to B&B accommodation.	Medium	Medium
Newbold Court remaining empty causing rental loss and potential threat of damage.	High	High	By having a recognised registered provider occupying the property the risk of rental loss is removed.	Medium	Low
Chesterfield Borough Council taking over management of the building/Service	High	Medium	Action will manage the accommodation on behalf of the council and taking on all staffing and maintenance responsibilities.	Medium	Low

## **6.0 Equalities Impact Assessment (EIA)**

6.1 Initial equalities analysis has been undertaken with no negative impacts being identified on protected characteristics. There are potentially positive impacts in enabling more accommodation options for vulnerable people including those with complex needs.

## **7.0 Recommendations**

7.1 That Cabinet note the need for increased provision of supported accommodation for vulnerable adults in Chesterfield.

7.2 That Cabinet agree to the letting of Newbold Court to Action under a 10 year lease agreement.

7.3 The Property, Procurement and Contracts Law Manager be granted delegated authority to deal with any late amendments to the terms of the lease.

## **8.0 Reasons for recommendations**

8.1 Newbold Court and its use as supported accommodation will form an essential part of Chesterfield Borough Council's homelessness prevention activity and has previously demonstrated its need and importance by supporting vulnerable people and enabling the Council to fulfil its statutory duties.

8.2 It is expected that the service will enable a reduction in the use of Bed and Breakfast accommodation.

### **Decision information**

<b>Key decision number</b>	<b>900</b>
<b>Wards affected</b>	<b>Dunston</b>

### **Document information**

<b>Report author</b>	<b>Contact number/email</b>
<b>Carl Griffiths - Housing Options Manager</b>	<b>01246 345117 Carl.griffiths@chesterfield.gov.uk</b>