



DERBY CITY COUNCIL

**COUNCIL CABINET**  
**17 MARCH 2009**

**ITEM 19**

Report of the Corporate Director of  
Corporate and Adult Services

**Decommissioning of Oakvale House Sheltered Housing Scheme**

**SUMMARY**

- 1.1 In April 2005, the Council jointly commissioned a Supported Accommodation Strategy with the Central and Greater Derby Primary Care Trusts, and Derbyshire Mental Health Services NHS Trust. The report's recommendations included the re-shaping of the sheltered housing service by addressing poor quality provision and over capacity where there existed low demand. It also recommended the development of a broader and more flexible range of warden/housing support services to ensure value for money and support for people in ordinary as well as sheltered housing through floating support.
- 1.2 In response to these findings, Derby Homes commissioned Peter Fletcher Associates to consider the long-term sustainability of all of the Council's Category 2 schemes across the city. The subsequent report was published in February 2006 and considered that five schemes raised significant concerns in relation to their long term sustainability.
- 1.3 The report considered Oakvale House to have an uncertain future and recommended that a number of measures be undertaken to determine whether it did have a sustainable future.
- 1.4 Derby Homes have undertaken a number of initiatives in an attempt to enable the scheme to run on a viable basis, but these have unfortunately not proved to be successful. Subsequent consultation with residents has indicated a general agreement that the scheme should be closed.
- 1.5 Derby Homes Board has accordingly recommended to Cabinet that the scheme and associated services be decommissioned.

**RECOMMENDATION**

2. To decommission Oakvale House and agree in principle its demolition.

**REASON FOR RECOMMENDATIONS**

3. The style of accommodation and service provided at Oakvale House no longer meets modern day requirements and is seriously outdated.

- 3.1 The scheme is not operating cost effectively due to high void levels and high reactive repairs costs.

## **SUPPORTING INFORMATION**

- 1.1 The jointly commissioned Supported Accommodation Strategy was published in October 2005. The report indicated that there was a significant over supply of Category 2 sheltered accommodation within the city which had resulted in low demand for a number of schemes. The report's recommendations included the re-shaping of the sheltered housing service by addressing the poor quality provision and over capacity where was low demand. It also recommended the development of a broader and more flexible range of warden/housing support services to ensure value for money and support for people in both general needs and sheltered housing through a floating support service.
- 1.2 In response to these findings, Derby Homes commissioned Peter Fletcher Associates to consider the long-term sustainability of all of the Category 2 schemes across the city. The subsequent report was published in February 2006 and considered that five schemes raised significant concerns in relation to their long term sustainability. The report recommended that three of the schemes may remain viable in the longer term if a variety of measures were put in place. The report concluded however, that two of the schemes, Rodney House and Sancroft Court, did not have sustainable futures and should be decommissioned. This has subsequently taken place.
- 1.3 The report concluded that Oakvale House was one of the schemes that may have a viable future if a range of measures were undertaken to try and turn the scheme around. The report advised however that the success or otherwise of these measures should be reviewed at a future point in time and that if they had proved unsuccessful that the decommissioning of the scheme should then be considered.
- 1.4 In response to the consultants' recommendations, two of the vacant units at Oakvale House were refurbished in 2007 and used as 'show flats' for an intensive marketing exercise to help let these properties. Perimeter fencing and security lighting were also installed to improve the visual impact of Oakvale House. Unfortunately these attempts did not prove successful and the scheme has continued to experience high void levels.
- 1.5 Following this, the housing waiting list register was reviewed to identify suitable applicants from BME backgrounds, who had given the Normanton area as their first choice. A list of around 50 applicants was established and they were all sent specifically prepared leaflets and letters explaining the choices available to them. They were invited to view the show flats and to discuss their re-housing needs. Again, this approach did not succeed in securing any interest in these flats.
- 1.6 Contacts were made with community organisations to promote Oakvale House amongst BME communities, but again no progress was made with letting these properties.

- 1.7 The re-modelling of the scheme was also considered but the capital costs, coupled with the poor construction design, were the key factors against this proposal. It was considered that there was no justification to spend more money on a scheme with an uncertain future.
- 1.8 Derby Homes has explored the possible options to turn Oakvale House into a viable scheme but without success. It is within this context, that it is considered that the most appropriate option is to decommission the scheme.
- 1.9 A consultation event was held on 26 August 2008 to discuss the possible future of Oakvale House with residents. They generally showed a willingness to move and readily accepted that there was no other realistic long-term sustainable solution for the scheme.
- 1.10 A total of 7 residents attended the consultation event, which represented 50% of the occupied block. Of those attending, 6 were in support of the position and understood the need to consider the long term future of the building and fully understood the likelihood that they would be moved. One resident was unwilling to engage and a further 6 residents did not attend.
- 1.11 Derby Homes Officers carried out pre-arranged home visits with all remaining residents on Monday 16 and Tuesday 17 February. Of the 11 remaining residents only 2 were not seen but arrangements are currently being made with family members for officers to visit them again. Of those interviewed only 1 resident was unhappy about the prospect of the building being closed. Positive comments were received from all other residents who agreed the building was no longer fit for purpose.
- 1.12 The content of this report was discussed with the Cabinet Member for Housing & Public Protection on 18 November 2008. Initial feedback from the Cabinet Member was supportive and Derby Homes agreed to contact all residents individually to discuss progress and commence discussions on their housing needs.
- 1.13 If Members are minded to approve the decommissioning of the scheme, Derby Homes will work closely with staff at the Housing Options Centre to organise the relocation process and residents will be given a high priority within Derby City Council's established strategic lettings policy.
- 1.14 All residents will be supported throughout the period of their move, taking into account their individual needs and aspirations. Their carers, relatives or nominated next of kin will also be consulted and involved as appropriate to minimise any effects of upheaval.

## **OTHER OPTIONS CONSIDERED**

- 2.1 Various initiatives have been undertaken in order to establish whether the scheme could have a sustainable future. In response to the consultant's recommendations, two of the vacant units were refurbished in 2007 and used as 'show flats' for intensive marketing. Unfortunately this did not prove successful and the void levels remained high.

- 2.2 The housing waiting list was also reviewed to identify suitable BME applicants who had given the Normanton area as their first choice. Information was sent to around 50 applicants giving details of the scheme but again this did not prove successful.
- 2.3 Contacts were made with community organisations to promote Oakvale House among BME communities but no progress was made with letting any of the properties.
- 2.4 Re-modeling of the scheme was also considered but the capital costs coupled with poor construction design were the key factors against this proposal.

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<b>Background papers:</b>	Derby Homes Board papers November 2008
<b>List of appendices:</b>	Appendix 1 – Implications

<b>IMPLICATIONS</b>
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**Financial**

1. Twelve units are currently vacant which represent 50% of the units being empty. The annual rental income should be £65,664 at full occupancy level.

If Members are minded to approve the decommissioning of the scheme, all qualifying residents will be entitled to a home loss payment of £4,700 plus removal costs of approximately £350 each, totalling some £60K which will be met through the Housing Revenue Account.

Security costs to the building prior to demolition are estimated at £10,000. These costs together with the demolition of the building will be met through the Rosehill Market Renewal pilot funding within the Housing Capital programme. The estimated costs of demolition of the building are £80k.

**Legal**

2. Section 3 of the Housing Act 2004 imposes a duty on the Local Housing Authority to periodically review housing conditions within their districts. It also ensures that tenants likely to be affected by any change in their housing conditions are fully consulted by the Local Authority. Derby Homes acting on behalf of the Local Authority has carried out the review and the consultation process and their actions fully comply with these requirements.

Tenants will also be given a Home Loss Payment of £4,700 (being the statutory minimum amount) and will be entitled to disturbance payments.

**Personnel**

3. None arising from this report

**Equalities impact**

4. All the tenants of Oakvale House would be assisted during the re-housing process and would receive a comprehensive needs assessment as part of the process.

**Corporate priorities**

- 5.1 The proposal promotes the Council's objectives of **making us proud of our neighbourhoods** and **giving you excellent services and value for money**.