

Finance and Resources Committee

10.00 a.m, Thursday, 19 March 2015

Porthaven Care Home – Proposed Disposal

Item number	8.2
Report number	
Executive/routine	Executive
Wards	13 - Leith

Executive summary

As part of the accommodation strategy for older people in the city, Porthaven Care Home has been identified as no longer being suitable to cater for the needs of a more dependant elderly population. When completed in spring 2016, residents will be transferred to the new care home at Royston.

Negotiations have taken place with Port of Leith Housing Association (POLHA), which owns an adjoining site, regarding the disposal of the property. POLHA intends to convert the property into flats for older people.

POLHA will complete the purchase within the current financial year and lease the property back to the Council at a nominal rent. This will allow the continued operation of the care home until the Royston home is complete.

This report seeks authority to sell the property to POLHA, and subsequently lease back the property until the home has been vacated.

Links

Coalition pledges	P17 , P42
Council outcomes	CO7 , CO8 , CO10
Single Outcome Agreement	SO1 , SO2

Porthaven Care Home – Proposed Disposal

Recommendations

It is recommended that Committee:-

- 1.1 Approves the sale of the property to Port of Leith Housing Association, in accordance with the terms set out in this report, and on such other terms and conditions to be agreed by the Acting Director of Services for Communities and Head of Legal, Risk and Compliance; and
- 1.2 Approves the lease back of the property by the Council at a nominal rent until such time as the operation has transferred to the new Royston Care Home.

Background

- 2.1 Porthaven Care Home, an operational facility, is held on the Health and Social Care Account and is situated close to Constitution Street, overlooking Leith Links. The home does not satisfy modern operational requirements.
- 2.2 The Council has an accommodation strategy in place for care homes for older people, which was agreed by the Health, Social Care and Housing Committee in 2008.
- 2.3 The accommodation strategy concluded that the 17 care homes for older people needed to be replaced, as they were no longer fit for purpose. The Council has developed five new homes to date, with the most recent Drumbrae, opening in May 2013. Each new home accommodates 60 rooms.
- 2.4 The next home to be developed will be at Royston, on the former primary school site. Planning permission has been obtained for the new home, with work due to start on site in early 2015, and completion due in spring 2016.
- 2.5 When complete, residents from Porthaven will be among those transferred. Consequently, Porthaven has been declared surplus to requirements and suitable for disposal.
- 2.6 Discussions have taken place with Port of Leith Housing Association (POLHA) regarding their possible acquisition of Porthaven.

Main report

- 3.1 POLHA owns the amenity housing complex on Constitution Street which adjoins the site of Porthaven Care Home. POLHA has expressed an interest in acquiring the home to convert the property into 24 flats, to enhance the provision

of amenity and elderly accommodation in the area. This provides synergies with the Council's plans for accommodation for elderly people in the city.

- 3.2 The sale of the subjects off market is justified in this instance, as it provides POLHA the opportunity to redevelop Porthaven, in conjunction with its existing accommodation which adjoins the site. This will lead to an improved level of much needed affordable accommodation in the area, which could not be guaranteed should the site be marketed. Further, POLHA is one of the Council's registered affordable housing partners.
- 3.3 In order to meet funding deadlines, POLHA is keen to secure the purchase of the property within the 2014/2015 financial year. As the new home at Royston will not be complete until 2016, POLHA will lease Porthaven back to the Council until such time as the home has been vacated. This will ensure the daily operation of Porthaven is not affected.
- 3.4 Negotiations have taken place with POLHA, and provisional agreement has been reached. The sale will be subject to the following main terms and conditions:
- Purchase Price POLHA will purchase the property for the market value of the property on the basis of conversion to 24 flats. The District Valuer has been instructed to value the property.
 - Lease The property will be leased back to the Council at a nominal rent of £1 per annum, until such time as the new home at Royston is complete and all residents from Porthaven transferred.
 - Right of Pre-emption In the event that the residents cannot be transferred from Porthaven, the Council will have a right of pre-emption to purchase the home back from POLHA at the same price as the disposal.

Measures of success

- 4.1 A capital receipt will be obtained for a surplus asset which will be redeveloped to enhance the level of amenity/elderly accommodation.

Financial impact

- 5.1 A capital receipt will be received in the financial year 2014/15.

Risk, policy, compliance and governance impact

- 6.1 If the Royston care home is not completed, then there is a risk that the existing residents of Porthaven could not be transferred. The Council will have a right of pre-emption purchase Porthaven back from POLHA if this is the case.

Equalities impact

- 7.1 Residents will be transferred to a new care home which meets modern day requirements. This will enhance residents' health, standard of living and individual, family and social life.
- 7.2 The development of the site for affordable housing units will improve the standard of living along with individual, family and social life.
- 7.3 The lease of the home back to the Council will ensure that the continued operation of the home is not affected, until the residents are transferred to the new facility. This will protect the physical and legal security of the residents.
- 7.4 A fully accessible development will have a positive impact on the elderly and those with a disability
- 7.5 The redevelopment of the property will have a temporary adverse effect on the surrounding area, however this will be mitigated as much as possible by any contractor.

Sustainability impact

- 8.1 The redevelopment of the property will be to modern standards, and will comply with current building regulations to minimise impact to the environment.

Consultation and engagement

- 9.1 Porthaven has been declared surplus through the Council's internal reporting procedures.
- 9.2 Staff and residents have been consulted regarding the future closure of the home and transfer of patients to Royston.

Background reading/external references

N/A

John Bury

Acting Director of Services for Communities

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Links

Coalition pledges	P17 – Continue efforts to develop the city’s gap sites and encourage regeneration. P42 – Continue to support and invest in our sporting infrastructure.
Council outcomes	CO7 – Edinburgh draws new investment in development and regeneration. CO8 – Edinburgh’s economy creates and sustains job opportunities. CO10 – Improved health and reduced inequalities.
Single Outcome Agreement	SO1 – Edinburgh’s Economy Delivers increased investment, jobs and opportunities for all. SO2 – Edinburgh’s citizens experience improved health and wellbeing, with reduced inequalities in health.
Appendices	Location Plan.



LOCATION PLAN

PHOTOGRAPHICALLY REDUCED NOT TO SCALE

SITE PLAN

EDINBURGH THE CITY OF EDINBURGH COUNCIL SERVICES FOR COMMUNITIES EDINBURGH	
PORTHAVEN CARE HOME 16 WELLINGTON PLACE EDINBURGH	
DATE	9/2/15
SURVEYED BY	
DRAWN BY	Mark Ballantyne
SCALE	N.T.S.
NEG. NO.	A3/1546

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