

Brighton & Hove City Council

Cabinet

Agenda Item 110

Subject: Housing Management for Brickfields Development

Date of meeting: Thursday 22nd January 2026

Report of: Cabinet Member for Communities, Equalities and Adult Social Care

Lead Officer: Name: Corporate Director for Homes & Care

Contact Officer: Name: Heather Barfoot, Anne Richardson-Locke

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Ward(s) affected: Wish;

Key Decision: Yes

Reason(s) Key: Expenditure which is, or the making of savings which are, significant having regard to the expenditure of the City Council's budget, namely above £1,000,000.

For general release

1. Purpose of the report and policy context

- 1.1 This report seeks Cabinet approval to grant a 125-year lease to a Registered Provider to provide the landlord and housing management function for the Brickfields building, which will be the site for the new Brickfields Supported Living Service.
- 1.2 The report outlines the background to the development and the rationale for granting a lease to a Registered Provider rather than the alternative options. It sets out the preferred option and how this will ensure maximum revenue to the council.
- 1.3 This proposal accords with the Council Plan 2023 – 2027, specifically:

Outcome 2: A fair and inclusive city: Homes for everyone.

This development will contribute to the council's goal of delivering accessible, affordable homes for the residents of Brighton & Hove.

Outcome 3: A healthy city where people thrive: Living and ageing well.

The supported living service will meet a current gap for people with acquired brain injury and physical disability. The lack of available supported living in the city means that too often, people are living inappropriately in residential care or have to move out of the city.

Outcome 4: A responsive council with well-run services.

People living at Brickfields will need effective housing management from a Registered Provider with the right experience to work with the commissioned support provider. This will ensure that people have a well-run supported living service that is responsive to their needs.

2. Recommendations

- 2.1 Cabinet agrees to the principle of granting a 125-year lease to a Registered Provider for the Brickfields building, along with transfer of liability for the Homes England grant.
- 2.2 Cabinet delegates authority to the Corporate Director – Homes and Adult Social Care in consultation with the Director of Property and Finance and Cabinet Member for Communities, Equalities, Public Health & Adult Social Care to enter into a 125-year lease for the Brickfields building together with all necessary ancillary documentation with a Registered Provider subject to the following conditions:
 - The council's developments costs have been met; and
 - The council achieves the best consideration that can reasonably be obtained when generating the capital receipt for the property.

3. Context and background information

- 3.1 In January 2020 the Health & Wellbeing Board supported the preferred option to develop supported living on the site of the Knoll House care home for people with physical disabilities and acquired brain injuries.
- 3.2 The Supported Living service (now known as Brickfields) will comprise of 27 one-bedroom flats and one two-bedroom flat. It will provide care and support and accommodation for people with acquired brain injuries and/or physical disabilities. It is fully wheelchair accessible throughout, with shared communal spaces on each floor, a laundry, guest room and office & flat for staff. A specialist care and support provider will provide care and support 24 hours a day. Further details of what this includes are set out in 3.13. below.
- 3.3 The development includes 4 flats for young people clustered together with their own communal space and 2 larger flats for people who have larger bodies who have been assessed as needing supported living, and who may need bigger and heavier equipment or wheelchairs. There is also a cluster of 4 flats for people with acquired brain injuries who may need restrictions in place due to memory or cognitive impairments that affect their mental capacity. People in the service may require short term support if they are recovering from an injury or require a period of assessment to ascertain their skills, before moving on to more independent living. Alternatively, people may require longer term support if they have a long term or progressive condition.

3.4 A business case was developed in 2020 and engagement with the market indicated that whilst there was a lot of interest from support providers in a contract to provide the specialist care and support there was a reluctance from Registered Providers to put in the capital required to fund the development. The Covid-19 pandemic resulted in high development costs and a cautious market.

3.5 The decision was therefore made that the council would develop the building and in July 2021 Policy & Resources Committee approved of the demolition and building of the 3-storey supported living service and a capital programme budget of £10.5m was agreed, to be financed through capital borrowing and a Homes England bid.

3.6 Delegated authority was given to the Executive Director of Health and Adult Social Care (in consultation with the Executive Director Finance & Resources) to enter into the necessary contracts (including with a development partner as necessary) to secure:

- (i) the demolition of the existing building;
- (ii) the Design and Build operations required to complete the development of the Supported Living service at Knoll House as described in this report; and
- (ii) the housing management, repairs and maintenance function

3.7 At this point the decision on whether the council would retain the landlord function or lease it to a Registered Provider had not been made. The option for the council to provide both the landlord and management function in-house has since been considered but the council has limited experience and capacity to manage a specialised supported living service with the level of responsiveness that is required.

3.8 The option for the council to remain as landlord and to procure a managing agent was also considered but it would still mean that intensive housing management benefit costs could not be recouped and the council would require additional resources to procure and contract manage the service. This is explored in more detail in 4.2 below.

3.9 The recommended option is therefore to lease the building for 125 years to a Registered Provider that has the expertise to manage Specialised Supported Living. Homes England have confirmed that this is acceptable, with grant liability transferring to the Registered Provider. All the intensive housing management benefit costs would be recouped.

3.10 The lease will be a full repairing lease whereby the Registered Provider will undertake all landlord functions, including planned and major works, issuing and terminating tenancies; supporting people to maintain their tenancy and to make Housing Benefit claims; managing, maintaining and repairing the building; and dealing with neighbour disputes or complaints about anti-social behaviour. Appropriate covenants will be put in place to ensure that any

change to the use of the building can only be carried out with the council's agreement. They will work closely with the support provider and the council to ensure that people with disabilities and brain injuries are housed and supported appropriately and comply with the Supported Housing (Regulatory Oversight) Act 2023.

3.11 The Brickfields supported living service will be added to the council's allocation policy in order to nominate suitable people to live in the service. The council will have 100% nomination rights on initial lettings and all future re-lets.

3.12 In line with the Homes England grant requirements, the units will be let at social rent levels on assured tenancies with additional service charges for the intensive housing management support required by tenants. The council will be able to recoup the full amount from central government so long as the landlord is a Registered Provider.

3.13 The table below sets out the roles and responsibilities of the Registered Provider and the Care and Support Provider.

Registered Provider	Care and support provider
<p>Landlord for tenancy purposes – responsible for consumer standards under the Social Housing (Regulation) Act 2023</p> <p>Rent setting and collection</p> <p>Capital investment in planned and major works</p> <p>Repair & maintenance of external fabric of building</p> <p>Insuring the building</p> <p>Maintaining Fire Risk Assessment under The Regulatory Reform (Fire Safety) Order 2005</p> <p>Issuing tenancies</p> <p>Enforcing tenancy conditions and taking court action to obtain possession as necessary</p> <p>Tenant support with tenancy sustainment</p> <p>Setting service charges</p> <p>Internal repairs, maintenance and servicing</p> <p>Voids management</p> <p>Cleaning all communal areas and guest room, and waste management</p> <p>Grounds maintenance and building security</p> <p>Coordinating activities to promote outward-facing community building</p>	<p>24-hour care and support</p> <p>Assistance with daily living (e.g. cooking, cleaning, personal care)</p> <p>Support with medication</p> <p>Support with physical and mental health</p> <p>Help with budgeting and managing finances</p> <p>Coordinating activities to promote inward-facing community building</p>

- 3.14 A suitably qualified and experienced housing provider will be sought and market engagement indicates that there is interest from the market of Registered Providers in the council's Affordable Housing Delivery Partnership and specialist providers working nationally.
- 3.15 The procurement of a care and support provider is already underway as set out in the Annual Procurement Forward Plan agreed at Cabinet on 13 February 2025. It is a three-stage Competitive Flexible Procedure, that includes a dialogue stage. The first stage of the procurement has been completed, and the second stage was published at the end of October. The current procurement timeline has the contract award at the end of May 2026. There will be a three-month mobilisation period starting in June 2026, with the service starting in September 2026 (subject to appropriate housing management, repairs and maintenance being in place).
- 3.16 Tenants will be assessed as to whether they need to contribute to or fully fund their care and support. Community care funding will cover someone's care costs if they have been assessed as not needing to make a contribution, or cover the rest of their care costs minus any contribution they have to make. A tenant will need to fully fund their rent costs if they are not entitled to Housing Benefit. If they are, then they will be supported to apply for this which will either pay some of or all of their rent and eligible service charges.

4 Analysis and consideration of alternative options

- 4.1 In considering the housing management at Brickfields two alternative options were explored as well as the recommended option.
- 4.2 **Alternative option 1: Council acts as landlord and procures an external managing agent** This option would be acceptable to Homes England and meet the grant conditions but the council would not be able to recoup any of the intensive housing management benefit paid out to Brickfields' tenants in subsidy. Additionally, most tenants would acquire secure tenancies for life, with the associated Right to Succession. This could lead to people without care and support needs living in the building after the main tenant had died. There would also be no limitations on their need for the care and support provided,, so people whose support needs had changed and could no longer be met by the care and support provider or who no longer had support needs could continue to live in the building. A Registered Provider would have grounds to seek possession in these cases under the Renters Rights Act. Tenants would not however have the Right to Buy their homes.
- 4.3 **Alternative option 2: Council act as landlord and provide the housing management.** This option would be acceptable to Homes England and meet the grant conditions but the council has limited experience of managing a specialist supported housing service. The council would also be accountable for meeting the Consumer Standards under Social Housing (Regulation) Act 2023, and would have to build new capacity to satisfactorily deliver a specialist supported housing service at a time when teams are

under significant pressure with the LPS work and implementing the requirements of the Social Housing (Regulation) Act 2023 across the entire HRA stock, The associated issues of tenants having secure tenancies from the council outlined in paragraph 4.2 would also apply.

4.4 **Recommended option:** Grant a 125-year lease to a Registered Provider and transfer the Homes England grant liability for the reasons outlined in 3.9 above.

5 **Community engagement and consultation**

5.1 There has been ongoing community engagement during the planning and construction phases of the Brickfields development. There has been broad local support for the service, and the gap that it will fill in meeting the needs of people with physical disability and acquired brain injury. The Registered Provider will need to demonstrate suitable experience and capacity to ensure that neighbours' concerns about the Brickfields supported living service are addressed and that the Brickfields tenants are able to integrate into the local community. To date, the main areas of concern expressed by the community are the alterations being made to landscaping and paths in shared areas to accommodate wheelchair users.

6. **Financial implications**

6.1 The capital receipt will need to cover the net development cost and unfunded borrowing cost for 50 years. With this option 100% of the intensive housing management costs can be recouped.

Name of finance officer consulted: Jane Stockton Date consulted: 07/01/26

7. **Legal implications**

7.1 The council has the legal power to dispose of the property pursuant to section 123 of the Local Government Act 1972 which allows the disposal of property subject to obtaining the best consideration reasonably obtainable.

7.2 It is proposed that the Registered Provider will be required to take on the lease with a requirement to enter into the contractual arrangements with the support provider as procured by the council. Further legal agreements may be necessary to secure use of the property in the same manner beyond the term of the proposed provider contract and this will be the subject of further legal advice.

Name of lawyer consulted: Siobhan Fry Date consulted: 23/12/25

8. **Risk implications**

8.1 The table below sets out the potential key risks and planned mitigations:

Risk	Impact / mitigation
Not being able to find an appropriate Registered Provider to lease the building to	<p>Initial market engagement of potential Registered Providers has been carried out, that indicates that there are Registered Providers who would be interested.</p> <p>If no Registered Provider can be found, then Alternative Option 1: Council acts as landlord and procures an external managing agent will be explored instead.</p>
The Registered Provider changing the use of the building from supported living	Appropriate covenants will be put in place to ensure that any change to the use of the building can only be carried out with the council's agreement.
Not being able to cover the council's development costs	An independent valuation will be sought and this risk is considered unlikely but would have a significant impact. If the council's costs cannot be covered then Alternative Option 1: council acts as landlord and procures an external managing agent will be explored instead.
<p>Delay in arranging a lease with an identified Registered Provider leading to a delay in the anticipated start date of the supported living service.</p> <p>It is already anticipated that there will be a period between the completion of the building construction and anticipated start of the care and support service, so the council will need to arrange and pay for security during this period.</p> <p>Any further delay would increase these costs.</p>	Legal and Estates resource for arranging the lease will be expedited and prioritised to mitigate this risk.

9. Equalities implications

9.1 The Registered Provider will be integral to ensure the supported living service at Brickfields is delivered well. The service will seek to fully meet the needs of people living there, ensure accessibility, prevent discrimination and promote independence. An Equalities Impact Assessment is in draft to be fully completed after the care and support tender is awarded and highlights the positive impact on people with a physical disability and acquired brain injury, as well as more specifically younger people and people with larger bodies.

9.2 The sourcing process for a Registered Provider would require interested Registered Providers to demonstrate their understanding of equalities and the kinds of needs that people living at Brickfields will have.

10. Sustainability implications

10.1 The Registered Provider selection process will require interested parties to demonstrate their organisation's corporate commitment to sustainability and how they will support the council's work to reduce carbon emissions and become a carbon neutral city by 2030.

11. Health and Wellbeing Implications:

11.1 The Brickfields supported living service is designed to address a significant gap in provision for people with acquired brain injuries and physical disabilities in Brighton & Hove and to improve both physical and mental health outcomes for residents. The council will select a Registered Provider who is committed to improving the health and wellbeing of its tenants and can demonstrate an understanding of equalities and will facilitate integration of tenants into the local community.

Other Implications

12. Procurement implications

12.1 The granting or assignment of a lease is exempt from the Procurement Act 2023 and therefore out of scope for Procurement. The provision of the separate Care and Support Contract is in-scope and is already being tendered as detailed above.

12.2 The Registered Provider selection process will require interested parties to demonstrate their corporate commitment to delivering social value through the Brickfields Supported Living Service, and in particular how they are or will work with their contractors and suppliers.

13. Crime & disorder implications:

13.1 The planned supported living service has been assessed as not having the potential to heighten community tension, reduce cohesion or contribute to crime and disorder.

13.2 The Registered Provider will need to have suitable experience to appropriately support people living in the service who may have additional support needs in relation to community safety and will need to work in partnership with the commissioned support provider to do this effectively.

13.3 The Registered Provider will also need to consider how crime and disorder may affect people living in the service and demonstrate how they will

manage anti-social behaviour exhibited towards tenants as part of the selection process.

14. Conclusion

14.1 The recommendation to grant a 125-year lease of the Brickfields Supported Living development to a Registered Provider is justified by the need to ensure high-quality, responsive housing management, in line with the council's strategic objectives. This approach addresses a significant local gap in supported living, enables the council to recoup intensive housing management benefit costs, and ensures compliance with Homes England grant requirements and the Social Housing (Regulation) Act 2023. Alternative options - such as the council acting as landlord or procuring an external managing agent - were discounted due to limited in-house expertise, resource pressures, and financial disadvantages. By selecting a Registered Provider with specialist experience, the council will secure a well-run, sustainable service that meets the needs of vulnerable residents, maximises funding opportunities, and supports the city's commitment to inclusive, high-quality care and accommodation.

