

**Report of :** Housing Growth Team

**Report to :** Director of Environment and Housing

**Date:** 13<sup>th</sup> September 2016

**Subject: Grant Funding Agreement – Care and Supported Specialised Housing Funding Phase 2**

Are specific electoral Wards affected?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
If relevant, name(s) of Ward(s): Ardsley and Robin Hood		
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If relevant, Access to Information Procedure Rule number:		
Appendix number:		

### Summary of main issues

- The purpose of this report is to secure the approval of the Director of Environment and Housing for the Council to enter into a grant funding agreement with the Homes and Communities Agency (HCA).

### Recommendation

- It is recommended that the Director of Environment and Housing provides approval to Legal Services to seal and complete the HCA's Care and Supported Specialised Housing grant agreement to facilitate draw down of the funding to allow the project to progress.

### 1 Purpose of this report

- 1.1 The purpose of this report is to secure the approval of the Director of Environment and Housing to enter into an agreement with the HCA in relation to Care and Supported Specialised Housing funding (CSSH). This will allow Legal Services to seal and complete the grant agreement to enable draw down of the funding.

## **2 Background information**

### **Council Housing Growth Programme**

- 2.1 In February 2015 bids were invited to Phase 2 of the Care and Support Specialised Housing Fund, a nationally competitive funding programme made available through the Department of Health and administered by the Homes and Communities Agency.
- 2.2 The purpose of the fund and therefore the objectives of the project are to:
- Increase the variety, quality and number of specialist homes available, particularly for sale or shared ownership;
  - Support the supply of well-designed, affordable schemes;
  - Contribute to the development of new and innovative housing offers;
  - Improve supply across the wider market;
  - Improve joined-up working at a local level between local authorities, housing developers, health professionals, social services and local planners.
- 2.3 Executive Board approvals on 9<sup>th</sup> January and 17<sup>th</sup> July 2013 saw the commencement of an investment programme to deliver additional Council homes across the city via a number of delivery routes. The detailed development of the investment programme was delegated by Executive Board to the Directors of City Development (in respect of land use) and Environment and Housing (in respect of programme and scheme details and cost).
- 2.4 The Westerton Walk scheme will be the second Extra Care Housing development to be delivered through the Council Housing Growth Programme (CHGP) and in the city. The total funding available for the Council Housing Growth Programme is currently £102.5m, with the overall authority to spend to date at £74.2m, which includes the delivery of the Westerton scheme.
- 2.5 The Westerton Walk scheme is on the site of a former West Ardsley Day Centre which was decommissioned following a review of Adult Social Care (ASC) Services. Demolition of the West Ardsley Day Centre was completed by Civic Enterprise Leeds (CEL), in February 2016.
- 2.6 Following notification that Leeds City Council's (LCC) bid for Westerton Walk was successful the HCA have issued the Care and Supported Specialised Housing grant agreement which sets out in detail the terms and conditions of the grant and the contract between the HCA and the Council. Legal Services have given consideration to the Agreement and are in a position to seal and complete the agreement on receiving the approval sought herein.

## **3 Main issues**

- 3.1 The Council's bid application to the HCA was based on a scheme of 45 units. In developing the designs, it became apparent that the site could accommodate 60 units. The Housing Growth Team is currently in the process of applying for further grant for the additional 15 units via the HCA's Continuous Market Engagement allocation.
- 3.3 The scheme will be developed to a very high standard and will be compliant with HCA standards and the best practice standards set by the Housing our Ageing Population: Panel for Innovation (usually referred to as the HAPPI standard), which

seeks to reduce the institutional feel of buildings and emphasises light, space and adaptability.

- 3.4 The scheme will be mixed tenure – comprising units for affordable rent and for shared ownership.
- 3.5 The completed scheme will remain in LCC ownership with the Council providing housing management services in the normal way via Housing Leeds and the care provider to be commissioned through ASC's framework.
- 3.6 The Housing Growth Team will be responsible for the project management of scheme delivery.
- 3.7 The Council can approve entering into the HCA grant agreement on the basis that the grant amounts that become repayable on a sale of the scheme or on the sale of dwelling units within the scheme, property sale, other disposals such as staircasing sales on shared ownership units, demolition or disuse will be no more than the amount of grant initially allocated to the scheme or to the dwelling unit as the case maybe, without any interest on, or increases in, the repayment amounts as a result of efflux of time, or as a result of increases in the values of subject properties, or increases in property valuations more generally, or increases in any other index or other functions or factors.
- 3.8 A future report will be submitted to seek approval of the procurement route and setting out the development programme.

## **4 Corporate Considerations**

### **4.1 Consultation and Engagement**

- 4.1.1 The Executive Members for Communities, Regeneration, Transport and Planning and Health, Wellbeing and Adults and have been briefed via the Elected Members Steering Group and are supportive of proposals for the provision of an extra care facility on the site.
- 4.1.2 Ward Members have also been briefed on the proposals and are supportive.

### **4.2 Equality and Diversity / Cohesion and Integration**

- 4.2.1 An equality screening exercise has been undertaken for the Council Housing Growth Programme. The main outcomes of the screening were that the delivery of affordable housing through this programme could have positive implications for equality groups who are economically disadvantaged and in the case of Westerton Walk positive implications for older people.
- 4.2.2 An Equality, Diversity, Cohesion and Integration Screening is attached at Appendix A.

### **4.3 Council Policies and City Priorities**

- 4.3.1 The development of new council housing will address priorities within the City Priority Plan to provide additional affordable housing and support housing growth. The development will contribute to the delivery of one of the Council's Breakthrough Projects, 'Housing Growth and High Standards'.

4.3.2 The City Priority Plan contains a commitment to develop services to maintain older people in their own homes for as long as possible and increase housing choice and affordability within sustainable neighbourhoods. The development of an extra care Housing scheme on this site will contribute towards achieving this objective. This procurement forms part of a wider work programme and contributes towards the following Best Council Plan 2015-20 objectives:

- Promoting sustainable and inclusive economic growth
- Delivering the Better Lives programme

#### 4.4 **Resources and Value for Money**

4.4.1 Leeds City Council will receive £1.575m from the HCA Phase 2 Care and Supported Specialised Housing funding to help deliver and implement the bid proposals. The scheme will be delivered via the Council Housing Growth Programme. Total funding available is £102.5m, with the overall authority to spend to date at £74.2m, which includes the delivery of the Westerton scheme.

#### 4.5 **Legal Implications, Access to Information and Call In**

4.5.1 The proposal constitutes a significant operational decision and is therefore not subject to call in.

#### 4.6 **Risk Management**

4.7 The delivery of the New Build Council Housing Programme is managed by the Housing Growth Team. The team manages a risk log for the programme which is reviewed by the Council Housing Growth Programme Board on a regular basis. Escalation of the risks is via the Housing Growth Team.

4.8 The following key risks relating to the procurement and delivery of the works have been identified:

- Failure to achieve delivery date of March 2019 due to tight timescales involved
- Withdrawal of funding if end completion date cannot be met
- Under the terms of the lease to a neighbouring Independent Living Scheme, vehicular access must be maintained at all times

### 5 **Conclusions**

5.1 Following a successful bid to the HCAs Care and Supported Specialised Housing funding programme the Council have received a conditional offer of £1.575m grant. The grant agreement has been reviewed by Legal Services and final approval is requested in order to allow the document to be signed and completed so that the funding may be drawn down.

5.2 Further dialogue will continue with the HCA regarding the Council applying for additional grant, through Continuous Market Engagement, for the extra 15 units. The Director of Environment and Housing will be kept informed of the outcome.

### 6 **Recommendations**

6.1 It is recommended that the Director of Environment and Housing approves the sealing and completion by Legal Services of the HCAs Care and Supported Specialised Housing grant agreement to enable draw down of the Care and

Supported Specialised Housing funding so that the scheme can progress towards completion before 31<sup>st</sup> March 2019.

## **7 Background Documents<sup>1</sup>**

Appendix A – Equality, Diversity, Cohesion and Integration Screening

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<sup>1</sup> The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.