
Report of Council House Growth Programme

Report to: Housing Advisory Board

Date: 21st November 2017

Subject: Council House Growth Programme – Delivery of Extra Care Housing Project Update

Are specific electoral wards affected? If yes, name(s) of ward(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input checked="" type="checkbox"/> Yes <input 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? If relevant, access to information procedure rule number: Appendix number:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

Summary of main issues

1. The purpose of this report is to update Housing Advisory Board on the progress of the Extra Care Project following approval of the Executive Board report in July 2017.

Recommendations

Housing Advisory Board is requested to note the contents of this report.

1. Purpose of this report

- 1.1 To provide Housing Advisory Board members with an update on progress made to deliver extra care housing for older people across the city as part of the Council House Growth Programme and supporting the Better Lives Programme.

2. Background information

- 2.1 As part of the Better Lives Programme, there has been a significant amount of research undertaken to determine how Leeds City Council should respond to the predicted increase in the number of older people living longer with long term health conditions, whilst improving individual choice in terms of how they access care and support.
- 2.2 A key element of this has been consideration of the role of extra care housing as an alternative model to residential care. A detailed demand analysis exercise including extra care has been carried out to identify the quantity and type of specialist older peoples housing required across the city currently and forecast to 2028. This has revealed a shortfall of extra care housing whilst predicting that the demand for residential care will decrease as the aspirations of people to live well in older age increases.
- 2.3 Through the Council House Growth Programme, the first council extra care scheme has been developed - Wharfedale View in Yeadon was completed in November 2016. The scheme contains 45 extra care apartments, is operated by Housing Leeds and the core care service was commissioned by Adults and Health. The scheme has provided homes over a mix of tenures with 35 apartments for council rental and 10 apartments for shared ownership.
- 2.4 The delivery of Extra Care Housing through the Council Housing Growth Programme ties in closely with the Best Council Plan 2017-2018 by providing housing as the city grows and supports the delivery of the Better Lives programme through:
- supporting the health and well-being of older people who wish to live independently
 - providing an alternative to residential care
 - ensuring that older people have a wider choice of housing and care options including the provision of person centred care and support
 - Increasing the supply of specialist homes for older people that are for rent, shared ownership and for sale.
- 2.5 Other work is being undertaken across directorates to encourage the wider delivery of extra care across the city. This has included exploring the potential for joint venture arrangements in the future, discussions regarding S106 contributions and how we can encourage developer contributions for the delivery of extra care housing through pre-planning engagement and discussions with developers/providers who are independently developing extra care across the city.

3. Main issues

- 3.1 **The vision for extra care** - The Leeds vision for extra care housing is to work with partner organisations to construct more than 1000 units of extra care housing by

2028 to meet the growing demand for this accommodation type and population forecasts. As part of the Council House Growth Programme, the Council intends to invest in the development of extra care to enable the initial delivery of up to 200 council-owned extra care apartments, with the intention that this investment acts as a catalyst to promote the wider development of extra care across the city.

3.2 **Executive Board approval and procurement strategy** - An Executive Board report was approved in July 2017 which included recommendations on the budget being made available as part of the Council House Growth Programme, agreement on the six sites being dedicated to the delivery of extra care, the intended procurement strategy and needs assessment already undertaken to provide the evidence base for extra care delivery.

3.3 Executive Board considered a number of options for delivery including:

1. Delivery through established procurement frameworks
2. A new open procurement process for one or more schemes
3. Development of a new long term partnership through a joint venture
4. Utilising a specialist framework for the delivery of extra care housing promoted by North Yorkshire County Council.

3.4 Executive Board agreed that the Council should use the North Yorkshire County Council for the following main reasons:

- North Yorkshire’s track record in delivering extra care housing over the last 10 years and similarities in approach and vision with the approach we want to adopt in Leeds.
- Expertise of the framework partners who have all been selected due to their experience in delivering extra care housing.
- Speed of use – the framework saves significant time in comparison with an open procurement or the time it would take to establish a joint venture proposal.
- The approach to sites – the framework enables and encourages developers to bring forward their own sites where these meet the Council’s needs and to provide greater flexibility around the delivery of schemes with both privately owned and Council owned homes, which it is hoped will help stretch the available investment much further.

3.5 **Sites for extra care**

A considerable amount of work has been undertaken to try and identify suitable sites for development in the areas of greatest need in the city. So far six sites have been identified for the potential delivery of extra care as set out in the table below –

Committee Area	Site/ Location	Size (ha)
Outer South (2017 under supply 158 units)	Windlesford Green, Rothwell	0.71
	Westerton Walk. West Ardsley	0.99
Inner West (2017 under supply 69 units)	Middlecross, Simpson Grove, Armley	0.79

Committee Area	Site/ Location	Size (ha)
Inner East (2017 under supply 66 units)	Former Seacroft Library, Seacroft Crescent, Seacroft	1.41
Outer North West (2017 under supply 24 units)	(Land off) Farrar Lane, Holt Park	1.31
Inner South (2017 under supply 30 units)	Middleton Skills Centre, Middleton Park Avenue, Middleton	0.62

- 3.6 There are a number of areas where we are still seeking sites to meet the needs identified across the city and we are encouraging potential partners to bring forward opportunities in those areas.
- 3.7 **Market engagement** – Following the approval of the procurement approach at Executive Board, market engagement has been undertaken with the six providers on the North Yorkshire County Council (NYCC) Extra Care Framework and 1:1 sessions were held with four of the six providers. This provided the project group with an opportunity to discuss with providers the proposed procurement route, their interest in the proposed opportunities and any barriers to delivery/areas to consider on how we can structure our individual procurements.
- 3.8 **Phasing strategy** - Following this engagement, work was undertaken to develop the phasing strategy for the schemes, with the intention to tender the schemes in packages of two, but as individual lots at the request of the providers. Framework providers will be able to bid for one or both of the schemes. The first package of sites to be tendered via the framework will be Westerton Walk and Windlesford Green.
- 3.9 **Due diligence exercise** - A full due diligence review of the NYCC Extra Care Framework documents has been undertaken and the development of the first tender package is underway including the development of LCC's specific works, care and housing specification.
- 3.10 **Land Forum** - A Land Forum group has been established as part of the project to ensure all required site information is collated prior to schemes being issued for tender, including the commissioning of required surveys. The Land Forum is also responsible for identifying any viability issues and options to deal with these issues prior to tender release and working with the planning department prior to tender to ensure any planning constraints are clearly identified to bidders.
- 3.11 An initial piece of work has been undertaken to identify all site background information including site visits and any previous site investigations undertaken. The Land Forum group through wider consultation with colleagues in City Development and Housing Growth have agreed on the contents of a technical pack that will be issued with each of the sites. For Westerton Walk and Windlesford Green, all site investigations have been commissioned.
- 3.12 Further funding has been secured to enable surveys for the remaining four sites to be commissioned by the end of November 2017. For three of the sites, demolition is still required for the full or part of the site and surveys will be commissioned in co-ordination with the demolition timescales. Two of the sites requiring demolition are vacant but Middleton Skills Centre is still operational; Asset Management are currently undertaking a piece of work to identify an alternative location for the

services located on this site. Members of the Land Forum group are liaising with Asset Management on this site especially around the timescales for proposed decant.

- 3.13 **Tenant and resident involvement** - To ensure continuous improvement and tenant involvement in future schemes, an evaluation strategy has been developed for Wharfedale View. This will cover three areas; a Wellbeing Assessment, Staff Survey and New Build Design Questionnaire. Undertaking the surveys commenced on site during October and will be completed during November. Results from each of the surveys will be fed back to the relevant stakeholders and the outcomes will be incorporated in the tender documents for the six schemes where relevant.

4. Corporate considerations

4.1 Consultation and engagement

- 4.2 Both the Housing Growth Executive Members Steering Group and Extra Care Members Working Group have steered the approach of the extra care project and have been consulted as part of establishing this project and agreeing the basis of the Executive Board report.
- 4.3 Ward Members in areas with potential sites have been kept up to date with progress on the project. A comprehensive Stakeholder and Engagement Plan has been developed for the project that builds on previous engagement with stakeholders around housing for older people and to ensure all relevant stakeholders are consulted with and communicated with as required throughout the programme of proposed work. A Cross Party working group is being established to monitor progress on the project.

5. Equality and diversity / cohesion and integration

- 5.1 An Equality, Diversity, Cohesion and Integration (EDCI) screening has been completed which looks at the potential impact of the delivery of up to 200 new Extra Care homes on equality, diversity, cohesion and integration as part of the wider Council Housing Growth Programme (CHGP). The proposals reflect differences in need in relation to existing and predicted supply of Extra Care housing across the city's neighbourhoods and seek to facilitate an increase in supply to meet current and predicted localised gaps in provision. A copy of the EDCI screening document is attached for reference at Appendix 1.

6. Council policies and best council plan

- 6.1 Making Leeds the Best City to Grow Old In has been highlighted as one of our seven Breakthrough Projects and a key strategic priority as set out on the Best Council Plan. We want Leeds to be an age-friendly city and one in which older people have a range of opportunities to live healthy, active and fulfilling lives. The Best Council Plan 2017-18 includes a number of the key priority areas will be supported by the delivery of extra care housing as follows:
- Good growth
 - Health and wellbeing
 - Better lives for people with care and support needs

- 6.2 In aspiring to be the 'Best city in the UK', the Core Strategy also takes forward the spatial and land use aspects of the Vision for Leeds, City Priority Plans and the Best Council Plan (in particular, Objective 2: to 'Promote sustainable and inclusive economic growth').
- 6.3 Supporting the delivery of housing growth including affordable housing is integral to the Housing Growth and High Standards in all sectors breakthrough project. The delivery of affordable housing underpins the Council's ambition for Leeds as a Strong Economy and a Compassionate City.
- 6.4 Implementing the Better Lives Programme is key to delivering the Council's 'Best Council Plan 2015-2020'. The Plan identifies specific priorities for 2017-18 to make Leeds "The Best Place to Grow Old in" and to provide "Early Intervention... reducing health inequalities". These priorities link closely with the realignment of services to be more responsive to older people's needs, giving them greater choice and control over their care and reducing the impact on longer-term care services. The Plan also refers to Leeds intention to "become a more efficient and enterprising council", which again is reflected by the move towards wider provision of extra care.

7. Resources and value for money

- 7.1 The day-to-day management of this project is jointly led by the Director of Resources and Housing and Director of Adult Social Care. A multi-disciplinary cross directorate team has been established to enable the project to progress at pace and to ensure all strands of the project are considered. The project team includes officers from Adults and Health, Housing Leeds and Council House New Build Team to ensure all strands of the project are considered. All project management tools have been established.
- 7.2 We have modelled the potential benefits of Extra Care versus Residential Care and it is evident that it will deliver significant efficiencies to the Council for each person funded by the authority living in Extra Care. Initial financial comparisons on the cost of residential care versus extra care (based on the actual tendered care package for Wharfedale View) reveal that extra care, even with all care recipients having high care and support needs, costs significantly less.

	Weekly cost of extra care	Weekly cost of residential care	Weekly cashable saving
Medium levels of care - 2 hours per day	£231.60	£621.80	£390.20
High care and support needs	£324.84	£621.80	£296.96

- 7.3 Extra Care would also bring about financial benefits to Self-Funders as the comparative weekly cost of Extra Care versus Residential Care is significantly lower. They would also have the option as owner/occupiers to retain the capital value of their apartment.
- 7.4 The total funding injected and available for the Council House Growth Programme at June 2017 is £108.3m. It is through this funding that the £30m has been identified for the delivery of extra care housing. The funding for the extra care project is made up of HRA borrowing, Right to Buy receipts and HCA grant.

7.5 At present the Council has a commitment to the funding of 35 homes for rent and 15 homes for shared ownership through HCA grant funding, and is looking at options to extend that subject to the needs of the programme. The exact mix of funding sources used for each extra care scheme delivered will be determined once the delivery route and tenure mix for each scheme is confirmed

8. Legal implications, access to information, and call-in

8.1 This report is not subject to call in.

9. Risk management

9.1 A risk log is being maintained throughout the project and risk are being escalated through the governance process as necessary.

10. Conclusions

10.1 The procurement and delivery phase of the project has now commenced and through the issuing of an Expression of Interest on 30th October for Westerton Walk and Windlesford Green. This EOI will provide some further feedback on our intended offer to the market and will enable us to refine our approach where required. It will also provide us with a final tender list for the issue of the first tender package which will be issued before the end of the calendar year.

11. Recommendations

11.1 Housing Advisory Board is requested to note the contents of this report and to seek a further update around the summer of 2018.

12. Background documents¹

12.1 None

¹ 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.