



Report of the Chief Regeneration Officer

Inner North East Area Committee

Date: 19 October 2009

Subject: Round 6 PFI Lifetime Neighbourhoods for Leeds Update

<p>Electoral Wards Affected: Chapel Allerton Moortown Roundhay</p> <p><input checked="" type="checkbox"/> Ward Members consulted (referred to in report)</p>	<p>Specific Implications For:</p> <p>Equality and Diversity <input type="checkbox"/></p> <p>Community Cohesion <input type="checkbox"/></p> <p>Narrowing the Gap <input checked="" type="checkbox"/></p>	
<p>Council Function <input checked="" type="checkbox"/></p>	<p>Delegated Executive Function available for Call In <input type="checkbox"/></p>	<p>Delegated Executive Function not available for Call In Details set out in the report <input type="checkbox"/></p>

Executive Summary

The purpose of this report is to update the Area Committee on the principles of the Private Finance Initiative (PFI) Round 6 Lifetime Neighbourhoods for Leeds (LNL) project in advance of the formal consultation between November and December 2009.

The Lifetime Neighbourhoods for Leeds project seeks to strengthen existing neighbourhood regeneration strategies by focusing on the provision of high quality homes and services for older people (55+). It acknowledges the crucial role played by older people in building and maintaining sustainable cohesive communities and their beneficial impact on the economy, social activities and family life.

In July 2009 the Homes and Communities Agency (HCA) approved the Expression of Interest (EoI) and requested submission of an Outline Business Case (OBC). All proposals are also subject to detailed consultation with ALMO Boards and affected tenants and residents and approval of the Outline Business Case (OBC) by the Homes and Communities Agency (HCA). It is currently anticipated that the OBC will be submitted in late autumn 2009 with approval gained by spring 2010.

The Lifetime Neighbourhoods for Leeds project has the potential to make a significant positive impact on communities across the City and contribute to key national, regional and local policy drivers including area based regeneration and place making, the provision of sustainable and affordable housing, the modernisation of care and support services and the promotion of independence and wellbeing.

1.0 Purpose of this Report

- 1.1 The purpose of this report is to provide information and to update the Area Committee on the principles of the Round 6 Lifetime Neighbourhoods for Leeds (LNL) project. Further information on the project scope and specific proposals relating to the Inner North East area, remain subject to approval but will be circulated as appendices prior to the Area Committee Meeting.
- 1.2 All proposals are also subject to consultation with other stakeholders including ALMO Boards and affected tenants and residents and approval of the Outline Business Case (OBC) by the Homes and Communities Agency (HCA). It is currently anticipated that the OBC will be submitted in late autumn 2009 with approval gained by spring 2010.
- 1.3 The Committee is asked to note the principles of the project and the consultation plan at appendix 2.
- 1.4 The Committee is asked to advise the Project Team on any further stakeholders whom may need to be included as part of the consultation process.

2.0 Background Information

2.1 Introduction

- 2.1.1 The Lifetime Neighbourhoods for Leeds project seeks to strengthen existing neighbourhood regeneration strategies by focusing on providing a mix of high quality affordable Lifetime Homes and Extra Care Services for older people (55+).
- 2.1.2 **Lifetime Homes** are designed to make life as easy as possible for as long as possible. They provide accessible and adaptable accommodation for everyone, from young families to older people and individuals with a temporary or permanent physical impairment. Many planning policies already require the Lifetime Homes standard in new developments.
- 2.1.3 **Extra care housing** delivers a new kind of lifestyle for older people: they enjoy the independence of their own homes, but with security and an appropriate level of support. Residents are encouraged to participate in on-site activities that promote fitness and wellbeing, and relatives have peace of mind knowing that the older members of their families have 24-hour access to assistance if they need it.
- 2.1.4 The Lifetime Neighbourhoods for Leeds project is responding to a need for quality, modern homes aligned to a range of local supported services and facilities to enable independent living and to give older people the choice to remain in their homes. It acknowledges the crucial role played by older people in building and maintaining sustainable cohesive communities and their beneficial impact on the economy, social activities and family life.
- 2.1.5 The project focuses on the impact that delivering transformational change in services and housing for older people can make to the long term sustainability of local neighbourhoods.
- 2.1.6 The project is closely aligned with existing regeneration activity in EASEL, West Leeds Gateway/Leeds Bradford Corridor, South Leeds and Town & District Centres, the Leeds Affordable Housing Strategic Partnership (LAHSP) and NHS Leeds' LIFT programme.

- 2.1.7 An important ambition in the project is to deliver housing with minimal environmental impact and to reduce fuel poverty. Therefore, as part of the project the Council is aiming to build all new houses, where possible, to meet the **Code for Sustainable Homes Level 5**.

Code Homes are built to the standards set in the Code for Sustainable Homes (the Code). They are more energy and water efficient, produce fewer carbon emissions and are better for the environment. Code Homes also encourage their owners to live a more sustainable lifestyle and are built in a more efficient way, using materials from sustainable sources. This creates less waste and also means Code homes have lower running costs.

There are nine categories in the Code covering energy, water, the materials used in the home through to health and wellbeing and pollution with points assigned to each category.

2.2 Outcomes

Lifetime Neighbourhoods for Leeds will aim to:

- Transform housing, health and social care services in Leeds, enabling people to live independently in their own homes for as long as possible;
- Provide affordable homes and extra care options as an alternative to residential care;
- Promote independence and choice and make a contribution to developing harmonious and cohesive communities in which older people play an integral part;
- Replace existing stock, in particular bed-sits, that are no longer fit for purpose;
- Provide a modern alternative to residential care and hospital based care;
- Support the move away from day centre and clinic provision of social and health care to delivering care in community facilities closer to home;
- Improve the quality of life of older people through providing a range of housing options, care and support services;
- Try and prevent premature admission to residential care;
- Provide training and sustainable employment opportunities linked to the contract throughout its duration and beyond; and
- Strengthen the use of local organisations throughout the project's supply chain, contributing to the sustainability of local employment markets.

3.0 **Main Issues**

3.1 Key Progress:

November 2008:

- Expression of Interest (EoI) submitted to Homes and Communities Agency (HCA).

January 2009:

- In response to a request from the HCA, LCC 'scaled-back' proposals.
- Involved some compromise on city-wide ambition of the EoI.

July and August 2009:

- HCA approved scaled back EoI and request submission of Outline Business Case (OBC);
- Project scope revisited;

- Briefings with Council's Corporate Leadership Team, Leaders of the Council and the Lead Member for Neighbourhoods and Housing on the revised scope;
- Stage 1 site checks commissioned for all proposed sites;
- Older Persons Housing Market Assessment completed by Outside UK which indicates broad support for proposals and areas for refinement of OBC;
- HCA's PFI Team visited Leeds for an OBC development meeting on 19 August 2009.

3.2 Outline Business Case

From September the focus for the Round 6 Project Team (Regeneration/PPPU/Partners) has been to further refine the project scope. At Appendix 1 a list of the agreed sites to date is attached. The team will continue to work on identifying other suitable 'reserve' sites to mitigate against any issues that may arise in terms of site suitability. Please note the sites specific to your area.

Work continues by Round 6 Project Team to develop the OBC with the intention of submitting to HCA in late autumn 2009.

3.3 Communication Plan

See Appendix 2 for an overview of the stakeholder consultation approach.

Between September and November 2009 (following approval by HCA of the revised scope) the key tasks will be around consultation and negotiation on site specific proposals with wider stakeholders including:

- Area Committees;
- ALMO Chief Officers and Boards;
- Older Peoples Reference Groups;
- Affected tenants and residents.

Subject to the consultation and prior to submission of the OBC detailed reports on the full scope and proposals of the project will be presented to:

- Round 6 Strategic Client Team;
- PFI Project Board;
- Council's Corporate Leadership Team;
- Council's Executive Board.

The Round 6 PFI Lifetime Neighbourhoods for Leeds Project Team will attend the December/January Area Committee meeting to provide Members with further programme details of the project scope including specific sites, numbers of units, types etc.

4.0 Implications for Council Policy and Governance

4.1 Adult Social Care

The project links well with the on-going review of residential care by Adult Social Care (Cordis Bright). The provision of new Extra Care schemes as part of this project will also assist with the modernisation of day care services.

4.2 Wider Sheltered Housing Strategy

The Round 6 Project Team are also committed to supporting the development of a wider strategy for sheltered housing stock to pick up issues not dealt with as part of this programme, particularly bed-sits, in conjunction with Housing Strategy & Solutions Group, Affordable Housing Team and ALMOs;

Options/suggestions likely to include:

- Conversion of further suitable sheltered schemes to Extra Care;
- Conversion of adjoining bed-sits to 1-bed units;
- Closure and inclusion of sites in Affordable Housing Strategic Partnership;
- Re-classification of some sheltered units as general needs stock.

5.0 Legal and Resource Implications

5.1 Legal Implications

The legal and contractual requirements by which the Contractor and the City Council shall adhere to in delivering the required works and services as part of the Round 6 Project are documented in the PFI Project Agreement. This is a binding document developed as part of the procurement process which integrates all of the project financial and technical components and establishes each party's contractual obligations and responsibilities. It leads to better planning of the work and greater cooperation between the partners, thereby limiting potential disputes or speeding up the settlement of any misunderstanding / complaint.

5.2 Resource Implications

The Resource Plan for the OBC and subsequent procurement of the project is being developed as part of the PID (Project Initiation Document), this will clearly identify the roles and responsibilities for the key project team members. This will be aligned with the resource requirements for the Little London, Beeston Hill & Holbeck PFI project to monitor the use of resources across both projects to ensure they are used effectively.

The financial elements for the procurement are currently being developed in conjunction with the client based on experience gained on previous projects and experience to date in developing the EOI and OBC. In developing the project plan and programme for the procurement this will further inform the level of financial commitment required to deliver the Round 6 Project.

6.0 Conclusions

6.1 The Lifetime Neighbourhoods for Leeds project seeks to strengthen existing neighbourhood regeneration strategies by focusing on the provision of high quality homes and services for older people (55+). It acknowledges the crucial role played by older people in building and maintaining sustainable cohesive communities and their beneficial impact on the economy, social activities and family life.

6.2 The Lifetime Neighbourhoods for Leeds project has the potential to make a significant positive impact on communities across the City and contribute to key national, regional and local policy drivers including area based regeneration and place making, the provision of sustainable and affordable housing, the modernisation of care and support services and the promotion of independence and wellbeing.

- 6.3 In July 2009 the Homes and Communities Agency (HCA) approved the Expression of Interest (EoI) and requested submission of an Outline Business Case (OBC).
- 6.4 The project team continues to work on refining the project proposals and scope.
- 6.5 All proposals are subject to consultation with ward members, ALMO Boards and affected tenants and residents and approval of the Outline Business Case (OBC) by the Homes and Communities Agency (HCA). Following approval by HCA of the revised scope, the key tasks will be around consultation and negotiation on site specific proposals with a wide range of stakeholders. It is currently anticipated that the OBC will be submitted in autumn 2009 with approval gained by spring 2010.

7.0 Recommendations

- 7.1 The Committee is asked to note the principles of the Round 6 Lifetime Neighbourhoods for Leeds (LNL) project.
- 7.2 The Committee is asked to note that all proposals are also subject to consultation with other stakeholders including ALMO Boards and affected tenants and residents and approval of the Outline Business Case (OBC) by the Homes and Communities Agency (HCA).
- 1.3 The Committee is asked to note the further project details at appendix 1 and to note the principles of the project the consultation plan at appendix 2.
- 1.4 The Committee is asked to advise the Project Team on any further stakeholders whom may need to be included as part of the consultation process.

Background Papers

PFI Round 6 Submission of Interest Report to Executive Board, 5th November 2008.