

**NORTH SOMERSET COUNCIL  
DECISION**

**DECISION OF: THE EXECUTIVE MEMBER FOR STRATEGIC  
PLANNING, HIGHWAYS, HOUSING AND ECONOMIC DEVELOPMENT  
WITH ADVICE FROM: DIRECTOR OF PEOPLE AND COMMUNITIES  
DIRECTORATE: PEOPLE AND COMMUNITIES**



**DECISION NO:** 2018/19 Scheme, PC25

**SUBJECT:** GRANT FUNDING FOR AFFORDABLE EXTRA CARE HOUSING AT NORTH  
END, YATTON

**KEY DECISION:** YES

**BACKGROUND:**

Bloor Homes were granted Planning permission to develop up to 200 dwellings including specialist housing units (e.g. Extra Care), at Land Off Arnolds Way Yatton. The Section 106 agreement was agreed and signed in July 2017 and the Extra Care scheme secured Reserved Matters approval in July 2018. As part of the S106 agreement Bloor Homes are required to provide a serviced site at nil cost to the council for the delivery of an Extra Care scheme at Land Off Arnolds Way, Yatton in lieu of the policy compliant Affordable Housing requirement.

The provision of an Extra Care scheme at this site will provide a high-quality alternative to residential or domiciliary care for older people who will live independently at the scheme, with appropriate care and support and will help achieve Medium Term Financial Plan savings.

Housing and Care 21 (H & C 21) were selected as the housing provider for this scheme following interviews with several Registered Providers, who specialise in the provision of extra care housing.

Initially a tenure mix of 20 affordable rented, 25 shared ownership and 15 market sale units was agreed and based on this tenure mix H&C 21 bid for funding through the Shared Ownership and Affordable Homes Programme 2016 - 21, for the 45 affordable units, securing £1,415,000 grant funding.

Following further negotiations and consideration, it is proposed to bring the site forward to provide 100% affordable housing by changing the 15 market sales to affordable units; providing an additional 5 shared ownership and 10 affordable rented homes and giving a revised mix of 30 affordable rented and 30 shared ownership extra care units. This will help better meet the needs of older people who have recourse to Adult Support and Safeguarding services. The provision of the additional affordable housing required further subsidy and Homes England were approached to seek support for the revised 100% affordable extra care housing scheme and to secure additional funding.

Homes England agreed in principle to fund the additional 10 rented units at the same grant rate as the original allocation and the additional 5 shared ownership units at a slightly higher rate, resulting in a revised allocation of £1,963,750 grant funding, subject to the council funding the shortfall as set out below.

The revised allocation, together with the revenue from the shared ownership sales and funding from Housing and Care 21, will leave a shortfall of £670,000 which the council has been asked to fund.

A further bid for funding to convert the 15 sales units to 10 rented homes and 5 shared ownership homes, will be made to Homes England following confirmation the council will fund the £670,000 deficit.

All the extra care units will be 2 bedroomed and built to the standards and principles of the Housing our Ageing Population: Panel for Innovation (HAPPI).

The council will have 100% nominations for the rented units at the scheme. Nominations and Eligibility selection will be via a panel which will have NSC Housing and Adult Social Care representation, to ensure the Housing and Care needs of the prospective resident are matched and met.

**DECISION:**

The council to enter into a contract with Housing and Care 21 that on payment of £670,000 by the council to Housing and Care 21, 60 units of 2 bedroomed affordable extra care housing will be provided at Land of Arnolds Way Yatton, comprising 30 units of shared ownership housing and 30 units of affordable rented housing.

**REASONS:**

The provision of the funding will enable the development to provide 15 additional units of affordable housing in place of market housing, which will better meet the needs of older people who are Adult Support and Safeguarding service users and contribute to Medium Term Financial Plan savings.

The additional affordable housing units contribute towards the council's target to provide at least 150 affordable homes per year.

**OPTIONS CONSIDERED:**

Not providing the funding – the 15 units would be provided as market housing rather than affordable housing.

**FINANCIAL IMPLICATIONS:**

The additional affordable housing units will support the delivery of Medium Term Financial Plan savings associated with the deferred admissions of older people into care homes.

Provisional modelling indicates that there are significant savings associated with the provision of this accommodation. Based on assumptions modelled on a similar scheme at Tamar Court in Worle, it is estimated that savings in the region of £10,000 per resident per annum could arise. These are likely to be a combination of cash savings where existing clients move from a residential placement or, cost avoidance savings where the future alternative placement would be in a residential home. Further work is being done on the

modelling, but material savings are expected to be incorporated within the Medium Term Financial Plan, with the majority falling in 2020/21.

### **Costs**

H&C 21 have submitted their development appraisal calculations for the site, which has been scrutinised by Housing Development team. Following the review of the appraisal the shortfall in funding was confirmed and the grant from NSC is needed to deliver the preferred 100% affordable extra care housing scheme

We are satisfied that without the £670,000 grant from NSC, Housing and Care 21 would not be able to convert the 15 market sales units to affordable housing.

### **Funding**

The funding requirement will be met using commuted sums which are ring-fenced to be used towards the provision of affordable housing.

### **LEGAL POWERS AND IMPLICATIONS**

Housing and Care 21 have submitted a Grant Application and will enter into a separate Funding Agreement with North Somerset Council for this funding, if approved. The agreement will set out the terms of payment and transfer on commencement and completion of the extra care housing scheme.

They are also members of the HomesWest Housing Partnership and as such will adhere to the principles and conduct set out in this Partnership.

Following funding approval, the council will enter into a Nominations and Eligibility agreement for the Extra Care scheme with Housing and Care 21.

### **CONSULTATION**

This proposal has been submitted following negotiation and consultation with Adult Social Care, Homes England and Housing and Care 21.

There has also been extensive liaison with Planning and Legal Services to ensure the Extra Care scheme is delivered to meet our current standards and requirements.

### **RISK MANAGEMENT**

The funding will only be available following the signing of the Grant Agreement.

There is a low risk Extra Care Scheme is not delivered; if this occurred Bloor would under the terms of the S106 agreement pay NSC a commuted sum of £2,661,400. If the extra care scheme is not delivered there would be a loss of savings to the Adult Social Care budget.

There is a low risk the Homes England do not approve the additional funding to support the 15 units being provided as affordable housing instead of market housing. If this occurred these units would be provided as market housing and the £670,000 grant from the council would not be payable.

**EQUALITY IMPLICATIONS**

Have you undertaken an Equality Impact Assessment? No - only positive impacts identified.

**CORPORATE IMPLICATIONS**

This proposal will contribute to the delivery of the Corporate Plan aims of Quality Places and Improving Health and Well-being.

Adult Social Care have been involved in the proposal from the earliest stages and fully support the delivery and funding.

Supporting the delivery of the 15 extra care housing units as affordable housing (in addition to the 45 units of affordable housing) will contribute to the council's Core Strategy target to provide 150 affordable homes per year.

**BACKGROUND PAPERS**

Housing Strategy

Section 106 Agreement LAND OFF ARNOLDS WAY, YATTON, NORTH SOMERSET (Phase 2)

Planning Application reference number 15/P/1488/O

Planning Application reference number 18/P/2170/RM

**SIGNATORIES:**

**DECISION MAKER(S):**

Signed: ..... 

Title: Executive Member for Strategic Planning, Highways, Housing and Economic Development

Date: ..... 9/10/18

**WITH ADVICE FROM:**

Signed: ..... 

Title: Director, People and Communities

Date: ..... 8.10.18

**Footnote: Details of changes made and agreed by the decision taker since publication of the proposed (pre-signed) decision notice, if applicable:**