

## MINUTE EXTRACT

Cabinet Meeting.....3<sup>rd</sup> October 2013

1. Title of Item/Report

Care Ready Retirement Housing (Billingham)

2. Record of the Decision

Consideration was given to a report on Care Ready Retirement Housing (Billingham). Approval was sought for the sale of the 'car park site' (directly adjacent to Billingham Community Centre) for the provision of a mixed tenure, 'Care Ready', retirement housing scheme and to sought support for an additional one-off resource to fund the necessary car park re-provision.

A previous report was presented to Cabinet (November 2012) which sought approval for disposal of the same site (the car park site directly adjacent to Billingham Community Centre) for a 56 unit mixed tenure Extra Care Housing scheme and to support funding to provide like-for like car parking re-provision. Whilst Cabinet supported the need for accommodation of this nature (and the necessary car parking re-provision), the proposed new housing scheme did not secure planning consent and therefore did not proceed.

In light of changing demographics in the Borough (specifically an increasing aging population) and the continued demand for people to live independently in a home of their own; there was a clear need for additional elderly person's supported accommodation in Billingham that would complement the Boroughs three current Extra Care schemes (at Hardwick and Thornaby). Inevitably unless the Council were able to address this imbalance there would be increasing demands placed on housing, social care and health budgets. On this basis, further discussions had taken place between Housing / CESC colleagues and the Vela Group to consider alternative older persons housing schemes and if possible to identify alternative locations in the Billingham area. As it had not been possible to identify a viable alternative site within the Billingham area, a new older person's housing scheme for the same car park site had been worked up with Vela.

The new proposal did not include guest facilities, a bistro or on site ancillary services such as a hairdresser and as such cannot be classified as Extra Care. However it would still retain the following features:-

- \* Self-contained apartments (i.e. all 38 units will have their 'own front door' and will continue to support independent living);
- \* An assisted bathroom (providing bathing facilities for residents with specific bathing requirements);
- \* Appropriate staff/office accommodation;
- \* Buggy store (for electric wheelchairs etc);
- \* Furnished lounges and hobby areas for residents; and
- \* Private landscaped gardens and on-site car parking (sufficient for residents, staff and visitors).

The new scheme would continue to allow all properties to be 'care ready' i.e. each residents care and housing related support services would be able to adapt quickly should individual care needs change. As such the scheme would promote health, well-being and independence for older people with the

overarching aim of preventing (or as a minimum delaying) the need for accommodation and care in a registered care home. A scheme of this nature would make a positive contribution to a wide range of health, social care and public health outcomes.

Of the 38 units it was proposed that 28 would be made available for affordable rent, 5 on a shared ownership basis and 5 for outright sale. Whilst this would be the first older persons housing scheme to offer this tenure mix / choice within the Borough other examples do exist in neighbouring authorities.

The proximity of the housing scheme to Billingham Community Centre also offered learning opportunities for scheme residents as well as the option of using the café facilities (currently run by BCT Aspire a local social enterprise company).

The total scheme cost of the 'Care Ready Retirement Housing' scheme was anticipated to be in the region of £3.5million. Vela had been notified that they had successfully secured £366,000 from the Homes and Communities Agency (HCA) 'Affordable Homes Rent Guarantee Programme' (a new funding pot).

As reported to Cabinet in November 2012, Government via the HCA had driven down the level of grant awarded to Registered Housing (RP) providers over recent years and as such RPs were expected to fund the development of new homes via a mixture of rental income, reserves, borrowing and as is the case here income from sale units. At the same time the HCA also expected local authorities to make the best use of their assets which included the sale of land at less than open market value (if evidenced it is both necessary and appropriate).

A valuation exercise had been undertaken to assess the value of the land which the Council was considering to dispose of in accordance with the requirements of the Local Government Act 1972: General Disposal Consent (England) 2003. The unrestricted value of the cleared car park site (which was the best price reasonably obtainable for the land with no restrictions) was £400,000 (this assumed no significant abnormal cost of development). To make this scheme financially viable it was proposed (subject to satisfying the statutory requirements) that the Council sells the site at an undervalue. The valuation would be reassessed prior to the actual disposal to ensure that the assumptions remain appropriate.

Prior to the November 2012 Cabinet the survey of the car park concluded that its usage reached only a maximum 58% of its capacity and as the Borough wide parking strategy was yet to conclude, Members supported the proposal for 'like for like' car parking (in terms of numbers) and agreed to construct part of the new car park with macadam, with the remaining bays to be formed with a temporary construction. This solution was proposed to avoid any over-provision of car parking until the actual needs of the town centre were established. On this basis Cabinet supported £230k of capital resources to be set aside for this purpose.

In the intervening period, Technical Services had advised that to ensure on-going and appropriate levels of car parking provision for Billingham Town Centre it was appropriate that a permanent car park be provided on a 'like for like' basis. The existing car park site provided 87 spaces, the proposed new

car park to be relocated to the rear of the existing Community Centre would provide 89 spaces including 4 disabled spaces. This 'like for like' re-provision would ensure car parking was retained in the town centre for visitors as well as ensuring suitable car parking for Tees Achieve customers, employees and others attending community learning sessions in Billingham Community Centre.

The proposed layout indicated how the car park would be positioned and still retained the important trees that were visually prominent. It would be built to SBC standards, benefit from street lighting and be served by CCTV which would be monitored by the Councils surveillance centre. In addition it would include improved footpath linkage both within the car park and to the Causeway. As a result of the need to make all 89 spaces permanent and to include the features detailed the revised costing was £400,000.

Both the Vela Group and Technical Services had confirmed that they would be in a position to proceed with submitting a planning application (in tandem). Once both had secured planning permission the car park re-provision would then commence, only when complete would the 'original' car park site be released to Vela.

A definitive timetable which incorporated both developments was being drafted (to take into account of planning, tender and build timescales etc.), it was anticipated that once Vela commence works the build time for the new housing scheme would be 12 months. Once a firm timetable is agreed copies would be shared with Billingham Ward Members and appropriate Cabinet Members.

RESOLVED that:-

1. Subject to the Vela Group securing planning consent to dispose of the 'car park site' (car park directly adjacent to Billingham Community Centre) for the purpose of a mixed tenure 'Care Ready' retirement housing scheme be approved.
2. It be acknowledge that to secure a financially viable affordable housing scheme it will be necessary to dispose of the site at less than its unrestricted market value. On this basis Cabinet approved (subject to Vela securing planning consent) the sale of the site at an 'undervalue' in accordance with the General Disposal Consent. Whilst it is anticipated that there will be no initial capital receipt, disposal terms will include the provision for sharing future profits should any be generated from the granting of long leaseholds (i.e. the sale units).
3. Approval for the terms of the disposal be delegated to the Corporate Director of Resources in consultation with the Cabinet Member for Corporate Management and Finance.
4. Recommend to Council approval of an additional £170k from capital one-off resources (in addition to the £230k already set aside) to fund 'like for like' car parking re-provision to the rear of Billingham Community Centre. The revised cost of the new car park is £400k as detailed in paragraph 13 of the report.

RECOMMENDED to Council that:-

5. An additional £170k from capital one-off resources (in addition to the £230k already set aside) be approved to fund 'like for like' car parking re-provision to the rear of Billingham Community Centre.