



ADULT SOCIAL CARE AND HEALTH COMMITTEE

18 JANUARY 2021

REPORT TITLE	<i>Extra Care Housing Capital</i>
REPORT OF	Director of Care and Health

REPORT SUMMARY

This report concerns the funding requirements for a development of Extra Care Housing. This is in line with Council plans and includes a request for authorisation of a payment of a grant of £3,685,400 to enable the delivery of 80 extra care housing units by Housing 21. The report details the funding requirements and conditions of the proposed scheme. The scheme will contribute to reducing future demands for more expensive forms of care.

This is a key decision.

RECOMMENDATION

The Adult Social Care and Public Health Committee are recommended to

- a) Authorise payment of a grant of up to £3,685,400 to Housing 21 (H21) from the Council Extra Care Capital Programme to enable the delivery of 80 Extra Care Housing units by Housing 21.
- b) Note that the Council will hold nomination rights and that appropriate legal agreements will be put in place to ensure that the Council's financial contribution and nomination rights are protected.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

- 1.1 The strategic priority to deliver extra care has been both a priority for the former Wirral 2020 Plan and the Wirral Housing Strategy. The former Wirral Plan committed to the development of 300 extra care units by 2020. The scheme being proposed relates to that commitment. This work also supports the delivery of the current Wirral Plan 2025 'Active and Healthy Lives' theme: "Working for happy, active and healthy lives where people are supported, protected and inspired to live independently."

2.0 OTHER OPTIONS CONSIDERED

- 2.1 The council is required to comply with the current legal requirements under Article 5 ECHR. Other specialist housing options for people with assessed needs under the Care Act include sheltered accommodation, residential and nursing care.

3.0 BACKGROUND INFORMATION

- 3.1 The approved 2020/21 Capital Programme includes £3.586 million of funding related to Extra Care Housing. This involves developing extra care housing units in Wirral with Strategic Housing Delivery Partners to support people to live independently. This will contribute significantly to the shift required from residential and nursing care placements to community-based living and will reduce the proportion of adult social care expenditure for people aged 65+ on residential / nursing care. Housing partners are registered social landlords who support the provision and development of specialist housing.
- 3.2 Extra Care Housing is housing designed with the needs of frailer older people in mind and with varying levels of care and support available on site. People who live in Extra Care Housing have their own self-contained homes, their own front doors and a legal right to occupy the property. Extra Care Housing is also known as very sheltered housing, assisted living, or simply as 'housing with care'. It comes in many built forms, including blocks of flats, bungalow estates and retirement villages. It is a popular choice among older people because it can sometimes provide an alternative to a care home. The Strategic Housing Market Analysis identifies a need for 2,985 additional units of specialist older persons accommodation up to the period 2035. Specialist older people's accommodation is made up of age exclusive housing, sheltered, enhanced sheltered housing, extra care housing and residential care and nursing care.
- 3.3 The total estimated cost to develop out this scheme is £15,156,210. Housing 21 are approaching Homes England for grant and are themselves contributing £7,470,810 of their own resources. There is still a shortfall in funding of up to £3,685,400 (£46,068 per unit) which they have requested from Wirral Council in order to make the scheme financially viable.
- 3.4 If successful in securing grant and securing planning permission, H21 intend to start building works in late summer 2021. It is estimated that this scheme will be completed and ready for occupation in early 2023

- 3.5 Housing 21 have requested support via a formal funding agreement. The funding needs to be available and awarded for this scheme before it can progress towards planning application, primarily due to the risk of abortive costs. A decision is therefore required urgently in this case to ensure Housing 21 can purchase the land whilst their option to purchase the land remains open.
- 3.6 Officers confirm that the scheme has been taken through an assessment process that has reviewed the Extra Care Housing scheme against essential criteria for grant funding including strategic fit, value for money, nominations into the scheme, delivery, design and quality and affordable rent levels. This includes an assessment to ensure the scheme meets strict State Aid rules. At the time of writing, the position on State Aid is due to be updated and this will further inform the assessment. The scheme will contribute to reducing future demands for more expensive forms of care.

4.0 FINANCIAL IMPLICATIONS

- 4.1 The request is for a grant of up to £3,685,400 (£46,068 per unit) for Housing 21's proposed extra care housing scheme on Moreton Road Upton. The financial profile of this investment will be £2,764,080 in 2021-22 and £921,360 in 2022-23. This investment will be met from the current approved capital programme.
- 4.2 The scheme will also contribute to reducing future demands and cost pressures relating to more expensive forms of care. The cost of extra care can be on average a third of the cost of residential care at Local Authority rates.

5.0 LEGAL IMPLICATIONS

- 5.1 The Council will have a funding agreement in place with Housing 21 in relation to the grant provided, which will ensure the scheme is developed as agreed and full nomination rights are in place for Wirral Council to place appropriate people into this scheme via the current Extra Care Allocation procedures.
- 5.2 The grant requested has been assessed by the Director of Finance as meeting state aid requirements

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

- 6.1 The resource implications are the support Council staff provide to enabling developments of this type of housing, commissioning the care provision that is on site and that people with care act eligible needs access the tenancies.

7.0 RELEVANT RISKS

- 7.1 The key risk at this stage is that the scheme may not be able to progress without the Council's support and insufficient extra care schemes in Wirral increase the likelihood of people having to move to residential care, as their care and health needs increase.

7.2 In addition, a funding agreement would be drawn up, if agreement is secured to provide grant funding for this scheme, which would clearly protect Wirral Council's financial commitment in terms of having 100% nomination rights into this scheme for eligible applicants that Housing 21 also need to secure Homes England Affordable Housing Programme funding to deliver this scheme on top of any Council funding secured. If they do not secure that funding then the scheme will not be able to progress

8.0 ENGAGEMENT/CONSULTATION

8.1 There has been consultation with key partners on the needs for extra care in Wirral. There is also a Strategic Housing Market Analysis that identifies this need.

8.2 Wide consultation on the proposed scheme will take place as part of the Planning decision process.

9.0 EQUALITY IMPLICATIONS

9.1 There is an existing Equality Impact Assessment for Extra Care Housing, which will be refreshed.

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

10.1 The proposed development will increase the number of housing units in the borough by 80, increasing carbon emissions from the housing sector. However, the emissions from these extra units will be below the average for new homes due to the property type being apartments. The properties will have a minimum Energy Performance Certificate Band B rating upon completion.

10.2 However, as thermal fabric standards are being specified that are above current building regulations, along with higher levels of air tightness and mechanical heat recovery ventilation, the housing units may reach an EPC A rating. Housing 21 will not be specifying gas heating for the proposed development and as part of the design brief will be seeking innovative solutions that will meet the required heating strategy of providing non-fossil fuel, individual heating systems as an alternative to electric panel heaters.

10.3 A Whole Life Carbon Assessment will be undertaken of the design proposals to enable construction options to be considered to reduce embodied carbon.

10.4 A minimum of two electric vehicle charging points are to be provided within the communal parking area.

REPORT AUTHOR: Simon Garner
Lead Commissioner All Age Independence
telephone: (0151) 666 3726
email: simongarner@wirral.gov.uk

BACKGROUND PAPERS

Wirral Plan 2020

SUBJECT HISTORY (last 3 years)

Council Meeting	Date