

Committee: Cabinet

Agenda Item

Date: 15 January 2015

8

**Title: Extra Care Scheme, Radwinter Road,
Saffron Walden**

Portfolio Holder: Cllr Redfern

Key decision: Yes

Summary

1. This report considers funding for an Extra Care Housing Scheme at Radwinter Road, Saffron Walden (the former Willis and Gambier site).
2. The report details the various funding streams required to deliver the project, including a request for Cabinet to allocate £500,000 of commuted sums to the project.

Recommendations

3. That Cabinet approves the allocation of £500,000 towards the delivery of this Extra Care Housing Scheme

Financial Implications

4. The council has received £148,000 in payments in lieu of on site provision of affordable housing on two developments and under a third agreement is due to receive a further £395,000 as a development under construction is occupied. These receipts will enable the council to fund a £500,000 contribution to the extra care scheme.

Background Papers

None.

5.

Communication/Consultation	Local residents, Town Council, Essex County Council and other external agencies
Community Safety	N/A
Equalities	N/A
Health and Safety	Detailed method statements will be required to ensure Health and Safety requirements are met.
Human Rights/Legal Implications	N/A

Sustainability	This development will provide a thermally efficient, purpose built building for the frail elderly.
Ward-specific impacts	Saffron Walden
Workforce/Workplace	Housing Development

Situation

6. This site is the affordable housing element of a larger development in the control of Countryside Homes PLC. Countryside Homes received detailed Planning Permission for 52 private sale houses on land immediately adjacent this part of the site (please see attached location plan). The S106 for this application stipulated that Countryside Homes PLC had to make land available, at nil cost, for a 60 bed Extra Care Scheme. This provision meets one of the key targets contained in UDC's Housing Strategy. The affordable housing land has Outline Planning Permission for a 60 bed Extra Care Scheme.
7. The terms of the S106 state that the land is to be transferred to UDC at nil cost, and that the site is to be cleared, fully serviced and remediated of any contamination.
8. In order to deliver the Extra Care Scheme, it has been necessary to work with one of our partner Registered Providers. Due to their long-standing involvement in this scheme, UDC is working in partnership with East Thames Housing Association. East Thames HA has engaged architects and other consultants to progress the scheme, and a Detailed Planning Application has been submitted (see attached drawings). This application will be considered at Planning Committee on the 14th January 2015.
9. The drawings show that the application is for a 73 bed Extra Care Scheme. This will consist of self-contained, fully accessible and energy efficient apartments for independent living. There will also be a communal hub that provides residents with support, services and activities. This includes a café/restaurant, hairdressing salon, treatment room and assisted bathing.
10. In order to assist with financial viability, the Detailed Planning Application is for 73 apartments. This will consist of 40 apartments for Affordable Rent, 20 for Shared Ownership and 13 for private sale. The different tenures will be spread across the scheme to ensure a sense of community is established. In terms of unit types, there will be 49 x 1 bedroom and 24 x 2 bedroom apartments. All apartments will have a balcony, and will also have access to a roof garden.
11. Considerable amounts of funding have been secured to ensure the delivery of this scheme, as follows:
 - i. Essex County Council capital funding - £983,000

- ii. HCA Funding NAHP 2015/18 - £1,217,000
 - iii. East Thames HA recycled grant - £500,000
 - iv. East Thames HA internal profit - £600,000
 - v. UDC Commuted Sum - £500,000 **(to be considered by Cabinet)**
12. The remainder of the cost of the scheme, which is estimated to be in the region of £10,500,000, is funded by East Thames HA development loan facility.
13. Uttlesford District Council will receive nomination rights to the affordable housing element, with an allocations protocol being set up in partnership with Essex County Council and East Thames HA.
14. Despite recent changes to National Planning Guidance, which will have a detrimental impact on the level of Commuted Sums that the Council can expect to receive, the following payments either have been paid or will still be due:
- i. Friends School Development - **£28,000** – paid
 - ii. Keers Green Nurseries - **£120,000** – paid
 - iii. Churchill Retirement Living, Radwinter Road, Saffron Walden - **£395,000** – due prior to the occupation of the 16th dwelling.
15. Therefore, the total amount of Commuted Sums that UDC is guaranteed, despite the recent change in National Planning Guidance, is **£543,000**.
16. The allocation of £500,000 of this Commuted Sum pot will enable this much needed development to be delivered.
17. Subject to planning and completion of the land transfer, it is anticipated that the development will start on site during the summer of 2015.

Risk Analysis

18.

Risk	Likelihood	Impact	Mitigating actions
Not achieving planning permission	1 Planners supportive	4 Development not possible or delayed	Pre-planning discussions with planners
Start on site initially required	3 Delay until summer 2015	3 Essex County	Essex County Council has confirmed that

by end of March 2015 to secure ECC funding.	likely.	Council funding not available	their capital grant allocation can be rolled over into the following financial year.
Contribution from Churchill Retirement Living scheme is not received because trigger point for payment is not reached	1 Units are in demand and are being actively marketed	3 Will need other sources of funding becoming available to bridge the gap	Seek out other appropriate sites for commuted sums

1 = Little or no risk or impact

2 = Some risk or impact – action may be necessary.

3 = Significant risk or impact – action required

4 = Near certainty of risk occurring, catastrophic effect or failure of project.