

Classification: Open	Decision Type: Key
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Report to:	Cabinet	Date: 13 March 2024
Subject:	Proposed Redevelopment of The Elms for the Delivery of Accommodation for Older People	
Report of	Cabinet Member for Housing Services	

1.0 Summary

- 1.1 This report seeks approval to dispose of The Elms in Whitefield for the delivery of an independent living scheme for the over 55's subject to procurement, to facilitate delivery of the Housing Strategy and generate savings to adult social care budgets.
- 1.2 The Elms is a long-term disused council owned brownfield site, located within a well-established residential area in the Unsworth Ward, Whitefield. The site was occupied by a 2.5 storey Victorian building comprising 5 flats, which had fallen into significant disrepair and had been empty for five years.
- 1.3 A condition survey was undertaken in October 2021 by Arcus Consultants who confirmed that reinstatement/refurbishment costs were unviable, and demolition was the best option.
- 1.4 Cabinet approval for the demolition of the building was obtained in June 2022. Demolition was delayed due to the need for two independent bat surveys which can only be carried out at certain times of the year. The building was finally demolished in December 2023. Works costs were funded through the Housing Revenue Account (HRA).
- 1.5 In May 2023 Continuum Consultants were commissioned to undertake a feasibility study and options appraisal to determine the future of the cleared site.
- 1.6 The feasibility study considered a range of options for the site, initially 9 in number, applying a detailed analysis, viability assessment and soft market testing exercise against each one. This study concluded in January 2024 and Continuum recommended that the delivery of an independent living scheme for the over 55's would be the best use of this site. A scheme of this nature would enable older people to live independently for as long as possible thus generating cost savings to adult social care budgets.

2.0 Recommendation(s)

That Cabinet:

2.1 Approve the proposals for the disposal and redevelopment of The Elms as set out within this report, to expedite delivery of the priorities within the Housing Strategy.

2.2 Request a report back to Cabinet on the offers received with a recommendation as to the preferred bidder.2.3

3.0 Reason for recommendation(s)

3.1 Facilitate the Councils 'brownfield first' approach to housing delivery and reduce revenue costs for holding, maintaining and securing long-term disused sites.

3.2 Delivery of much needed, affordable homes for older people to reduce the need for more costly interventions and relieve pressures on housing waiting lists.

3.3 Considerable benefits in health and community care with substantial savings on out of borough placements and the Council's adult social care budgets.

3.4 Create wider social, environmental, and financial benefits including additional council tax revenue and the potential to generate a capital receipt.

4.0 Alternative option(s) considered and rejected

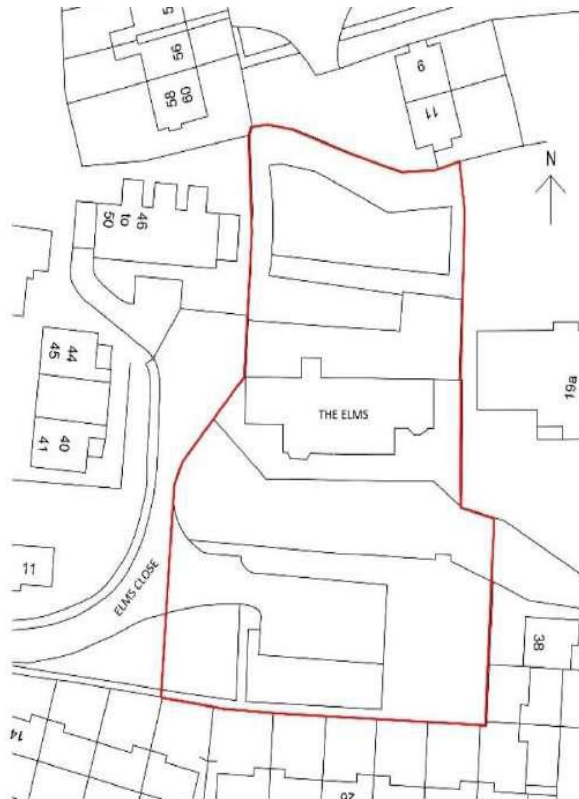
4.1 Do nothing: Bury has high levels of need for affordable housing for older people and supply is required in the marketplace immediately. This is a brownfield site in an area of high demand which is suitable for affordable housing for this cohort, to do nothing would not be an option.

4.2 A range of alternative housing options were considered as part of the feasibility study undertaken (refer to item 1.6) – a number were discounted based on the assessment criteria utilised to arrive at the preferred option.

5.0 Background

5.1 The Elms is located off Elms Close on the Elms estate in Whitefield. The site is circa. 0.3 ha and consists of a landscaped area and a shared car park which includes spaces for the adjacent retirement bungalows. The site also includes land to the rear of the former property which is currently fenced off and comprises several mature trees.

5.2 The site is in a predominantly residential area, with sheltered housing to the south and west. These are in the form of bungalows and two storey apartments. The properties to the north are a mix of bungalows and two storey terraced social housing and there is a large bungalow to the east. Immediately adjacent to and opposite the site are traditional terraced housing. A range of local services including a post office, takeaway, doctor's surgery and hairdressers are within walking distance of the site. The site falls within Flood Zone 1, an area of low probability flooding.



5.2 Based on recent assessments, the site has capacity for circa 24 apartments / flats or, between 5 to 10 houses depending on the design and mix of accommodation.

6.0 Proposed development

6.1 The Council's integrated commissioners for adult social care consider this site to be suitable for a housing development for older people, to help meet the needs of this cohort.

6.2 The new development would offer up to 24 apartments for social/affordable rent (the Council's preference is for social rent where possible). Grant subsidy from Homes England would be required to support development costs should a registered provider be selected to develop this scheme.

6.3 The incoming developer will be encouraged to build the new properties to a high-quality specification incorporating low carbon technologies where possible to reduce fuel bills, support natural sustainable drainage and inspire wildlife, offering significant benefits to residents, the Council and the environment.

6.5 This development would help set a standard for which future homes can be built, balancing cost benefits and lifestyles for residents. It would be developed in conjunction with the Council's integrated commissioners for adult social care.

6.6 All properties would be owned and managed by a registered provider but, the Council would retain 100% nomination rights to all homes in perpetuity.

Generally, the Council would only be entitled to 100% nomination rights on all first lets and 50% thereafter.

7.0 Housing need and intelligence

- 7.1 There is an increasing shortage of specialist housing for older people in Bury and the number of older people is set to increase significantly by 2030. Approximately one quarter of all households currently living in the borough are older person households.
- 7.3 A Housing Market Position Statement undertaken in 2021 suggests that Bury needs an additional 114 units of accommodation for older people between now and 2025.
- 7.4 A key focus of the Housing Strategy is to address the shortfall in housing provision for older people, to drive better quality outcomes for individuals and enable more people to live independently in the borough for as long as possible. The proposed re-development of the Elms seeks to deliver on this.

8.0 Next steps

- 8.1 Senior officers from Housing and the Council's integrated commissioners for adult social care will generate a procurement brief, setting out the Council's requirements and desired outcomes for the scheme. Strategic delivery partners and members of the Council's Registered Provider Partnership Framework will be invited to submit bids through The Chest.
- 8.3 Applications from providers will be assessed against a range of performance criteria and quantitative and qualitative assessments, including previous experience and expertise of developing and delivering similar projects. The successful provider will work with the Council to deliver the proposed scheme.
- 8.4 A project plan with risk register, key milestones and timelines will be established to monitor progress, enabling the Council to take control and accelerate delivery.

9.0 Links with the Corporate Priorities:

- 9.1 This proposal contributes towards meeting the Council's priorities across a range of policy areas including increasing the supply of affordable housing to meet the current and future housing needs of older people.
- 9.2 It sets out plans for the delivery of a housing development on brownfield land and an opportunity to create successful and inclusive neighbourhoods in conjunction with the ambitions of the Bury 2030 Let's do it Strategy.

10.0 Equality Impact and Considerations:

- 10.1 This proposal demonstrates a positive impact on people with protected characteristics. It recognises the specific housing needs of older people.
- 10.2 The redevelopment of this site will result in the regeneration of the area, which will help improve the local environment by reducing opportunity for anti-social behaviour including fly-tipping. The development will also provide much needed affordable homes for the borough's older generation.

11.0 Environmental Impact and Considerations:

- 11.1 The new scheme will be built to current building regulations standards and therefore deliver a high specification and design.
- 11.2 Nesting bricks will be encouraged to side elevations in shaded areas to provide nesting and wildlife opportunities.

Assessment and Mitigation of Risk:

Risk / opportunity	Mitigation
The scheme doesn't get delivered.	This is unlikely as there is early interest in this site from strategic delivery partners and registered providers (that are entitled to grant subsidy from Homes England to support development costs).
The Council fails to achieve best value for the land in accordance with s123 of the Local Government Act 1972	Disposal of the land through the Chest to strategic delivery partners / Registered Provider Partnership Framework would ensure that best value is achieved.

12.0 Legal Implications:

- 12.1 A full site due diligence exercise is currently being undertaken with the Land & Property Team, the results of which will be fed into the tender exercise.
- 12.2 A public open space notice process will need to be undertaken prior to disposal. The notice pursuant to s123 (2A) of the Local Government Act 1972 will give members of the public the opportunity to comment on this disposal. The Council will consider any comments/objections received to the proposed disposal within 28 days of the publication of the notice.
- 12.3 Approval to dispose of this land has not previously been agreed for this purpose. The Council must ensure that it meets the obligations of the best value requirements of s123 of the Local Government Act 1972. A RCIS Red Book valuation has been undertaken to determine the open market value of the land. Detailed legal advice will be provided at all stages.

13.0 Financial Implications:

- 13.1 This scheme will enable the construction of affordable homes for older people. The new homes are expected to generate savings to adult social care budgets. There is also a saving from reduced revenue costs for maintaining and securing long-term disused sites.
- 13.2 Disposal of land usually necessitates the expenditure of fees to support technical due diligence, marketing costs and legal fees. As this proposal will be a direct transaction, cost savings can be assumed apart from in-house legal fees.
- 13.3 The development proposals when complete would generate additional council tax revenue and contribute towards housing growth targets.
- 13.4 The Council would retain 100% nomination rights to all social rent/affordable rent properties in perpetuity. This means that these properties would constantly be available to applicants on the Council's housing waiting lists.
- 13.5 The costs will be funded through the Housing Revenue Account.

Report Author and Contact Details:

Name: Ged Gallagher / Jackie Summerscales

Position: Housing Growth & Delivery Manager / Unit Manager Housing Strategy

Department: BGI

E-mail: G.Gallagher@bury.gov.uk / J.ASummerscales@bury.gov.uk

Background papers:

Cabinet Report 1st June 2022 Demolition of the Elms, Whitefield -

<https://councildecisions.bury.gov.uk/documents/s31626/Demolition%20of%20the%20Elms%20Whitefield.pdf>

Please include a glossary of terms, abbreviations and acronyms used in this report.

Term	Meaning
The Chest	The Northwest e-portal for procurement where local authorities (and some other public bodies) advertise some of their tenders.
Registered provider	Also known as a housing association.