

## **Feedback from the Soft Market Testing (SMT) Exercise - Annex A**

**The care village market is not yet a mature one in the UK.** Of those care villages that have been built, many have been wholly developed as retirement/lifestyle choice villages on a commercial model in areas (predominantly in the South) where there is greater affluence, higher unit sale prices and considerable owner occupier interest. Consequently, there are not yet any care villages that have been designed, built and operated by a local authority on its own. There are, however, care villages that have been built by developers working in differing partnership arrangements with a local authority.

**Care villages work best with a single operator for the whole site.** Examples were given of multiple care providers and a separate landlord and the consequent lack of synergy that emerged in provision not being joined up. A number of operator solutions are possible on the Lowfield site. For example the council could provide the operating staff for the Care Home but the community support provider within the other accommodation could be commissioned from an independent sector provider. The landlord, depending on the model chosen could be from a third organisation. In such a scenario there is potential for lack of coordination and confusion on the part of residents about who is responsible for what and who to contact when there is a problem.

**Good design is of crucial importance.** A clear message from the SMT exercise was that the (care) operator needs to be working with the architect from the very start to ensure that the site and the lay out of accommodation work to achieve the maximum possible synergy both from the perspective of the community and operational efficiency.

**Detailed pre-build market research of what facilities should be available in the community or social hub will be key to its success.** Examples of community hubs in other locations were discussed and the difficulties experienced around sustainability and viability of services were highlighted. The relationship between the community hub and the wider community has to be properly thought through. Duplication or counterproductive competition could cause loss of sustainability. Questions around which facilities could work on the site to encourage involvement or participation from the local community, and what existing facilities in the locality would care village residents choose to use in preference to those on site, were particularly relevant when considering the location of the Lowfield site to the wider Acomb community.

The council currently favours the idea of connecting the Community Hub to the care home so that residents (and their relatives) can access its facilities. The Hub would have a separate entrance for other users. Detailed market research will be necessary to gauge exactly what facilities might be wanted/needed on this specific site, given the close proximity of many key services and facilities in the surrounding Acomb community. At present, the council would envisage the Hub including a community cafe, flexible community space/activities room, and perhaps a very small shop for essential items (bread, milk, newspapers).

**The mix and density on site must be carefully determined and needs to satisfy a number of key stakeholders.** Whilst there is a need for clarity around what will work most efficiently and effectively from an operator perspective, there is also a need to be clear about the appeal of each type of building to prospective residents – that is, what style of buildings would sell or rent best in order to make the development financially viable? This is very dependent on local market conditions. Any prospective developer/partner would need to undertake a comprehensive market research exercise in order to determine precisely what is built on the site and to establish how much it might command for sale or rent.

It is expected that the final design of the Lowfield site will have been the subject of extensive local market research and consultation and this will be what ultimately determines the precise nature of the mix and density of accommodation on site. However, following on from the SMT exercise, further work on market assessment has been undertaken. This work confirms that the density of the site could be substantially increased without causing detriment to the look and feel of the care village. This work also confirms that a mixture of apartments and bungalows on this site would be an attractive proposition for people living in Acomb and surrounding area.

**Building design needs to be flexible to ensure future proofing and adaptability.** Internal construction of rooms should be movable to allow room sizes to scale up and down. Utilities should be designed into external walls so that dividing walls can be moved. This would, for example, provide the flexibility to change between one and two bedrooms if future demand dictated. Designed in flexibility, will allow a switch between care provision in the future should the balance of demand and provision change significantly.

**Health partners need to be involved as soon as possible** in helping shape the village design and input into the services delivered. These health related services could include intermediate care to help people 'step-down' from a stay in hospital, on site nursing care, or the location of an on-site GP surgery.

## **Other influencing factors on the Lowfield site**

### **Affordable Housing**

25% of the mix of accommodation, excluding the Care Home, would be designated as affordable housing (ie housing provided to specified eligible households whose needs are not met by the market). These will be "pepper-potted" across the site and so indistinguishable from the other housing.

### **Nomination Rights**

The residential Care Home would be registered with the Care Quality Commission (CQC). There would be an expectation that CYC would have full nomination rights to the 2 x 45 registered care beds. Should the council decide to tender for a partner then there is an expectation that an Allocations Panel consisting of key stakeholders (including council staff from Adult Social Care and Housing) would determine the suitability of prospective residents for the other on-site accommodation.

### **Service Charges**

Services and charges should be kept to a minimum but would be determined after market analysis, local research and would be fully understood at the point of any tender award. However, it would be the intention that any charges would be in relation to accommodation service and not to public amenities such as the community hub or the gardens.

### **Outdoor Space**

The council recognises the importance of outdoor space to the success of the site. It is important that there are enough landscaped and communal areas where residents can enjoy the better weather. It is intended that private outdoor space (eg patios and balconies) will be a feature of all types of accommodation. Similarly the garden areas of the Care Home will be crucial for all residents and will be secure and safe and of a good size. Community-allotments/gardens and greenhouses could also feature on the site.

## **Phasing**

Phasing of the build is an important consideration. There may be a preference, both from the council and a developer, to build apartments and market them early in the development so as to generate a capital receipt. There is also a requirement to build the Care Home in the first phase in order to facilitate the next phase of council care home closures, scheduled in the modernisation programme for April 2014.

Following the information gained from the SMT exercise and the subsequent local assessment of market demand, build costs and potential sale there is considerable confidence that the non-residential, care elements of the Lowfield development could be self financing. The exact mix, site density and split between sale, rent or shared ownership would determine the amount of surplus available to fund the Community Hub as well as producing some capital receipts. Overall, the consensus from the SMT was that finance is available, and that architects, developers and operators are ready, enthusiastic and willing to work in partnership with City of York Council to deliver a care village that can help meet the needs and aspirations of York's ageing population over the next 30-40 years.