



Homes &  
Communities  
Agency



Department  
of Health

# CARE AND SUPPORT SPECIALISED HOUSING FUND: PHASE 2

Bidding prospectus

February 2015

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*In London, the Mayor's Care and Support Specialised Housing Fund Phase 2 will be managed by the GLA and will be targeted at stimulating the private housing market working with development partners to deliver private sale, rent or mixed tenure developments for older persons and disabled adults. The bidding prospectus will be launched separately; any queries regarding the fund in London please email [Phase2mcshf@london.gov.uk](mailto:Phase2mcshf@london.gov.uk).*

## Ministerial Foreword

The Care and Support Specialised Housing Fund (CASSH), launched in October 2012, is part of the biggest reform of the care and support system in 60 years. The Care Act sets out a powerful framework, shifting the care and support system from one that responds when people are in crisis, to one that focuses on wellbeing, and an individual's ability to live independently for as long as possible; a valuable shift from intervention to prevention.

Suitable housing is a vital part of wellbeing, as defined by the Care Act. It offers positive solutions for those with care needs who want to continue living in – and potentially owning – their own property, remaining as independent as possible for as long as possible in an environment suited to their changing needs. We know that living in well-designed specialised housing can be instrumental in improving the health and wellbeing of many people.

Organisations in the health, care and housing sectors have recently agreed to a step change in terms of their collaboration and have developed a pioneering Health and Housing Memorandum of Understanding. This will support the principles and aims of the CASSH fund and encourage joint action on improving health through the home and improving integration between health, housing and social services.


Phase 1 of the Care and Support Specialised Housing Fund is already showing success in meeting the need for affordable specialised housing for older people and disabled adults. The Homes and Communities Agency (HCA) and the Greater London Authority have allocated funds for over 4,000 specialised homes to be built as part of Phase 1.

The country still needs more well-designed specialised housing to keep pace with the needs of our ageing population and others in need of care and support. There is a continuing need to stimulate the specialised market as a whole and to generate greater awareness of the opportunities offered by specialised housing. The launch of Phase 2 of the fund will build upon the successes of Phase 1, delivering important developments in the housing market and the care and support sector.

I am pleased that this phase of the CASSH fund will give particular focus to providing specialised housing for those living with mental health conditions and learning difficulties, as part of fulfilling the Government's Closing the Gap commitments. We look forward to working with mental health providers and other groups in the mental health sector to promote partnerships for these important client groups and maximise engagement. We hope that this will build upon the expertise offered to the Department of Health by the Mental Health and Housing Forum.

In addition to the affordable housing that will be funded through Phase 2, I hope that the programme will also serve to stimulate the private sector through mixed tenure provision. These schemes will increase the range of housing options available to older people and those with mental health problems and learning disabilities, and increase awareness around the benefits of specialised housing. I am delighted that we will again be able to work in partnership with the HCA in delivering this programme.

I want to encourage as many developers as possible to apply to the scheme. This is an excellent opportunity to develop a buoyant specialised housing market that can respond positively to demand, allowing more people to make the housing choices they want in order to live a more independent life.



**Norman Lamb**  
Minister of State for Care and Support

# Introduction

1. Housing plays a critical role in helping older people and adults with disabilities or mental health problems to live as independently as possible, and in helping carers and the wider health and social care system offer support more effectively. Evidence shows that Government investment in specialised housing for these groups is cost-effective, with a positive impact on health and social care spend, through, for example, the prevention of falls, or a reduction in the levels of re-admittance to hospital. Poor or inappropriate housing has been shown to put the health and wellbeing of people at risk. Evidence also demonstrates that a wide variety of outcomes are better for those living in specialised housing compared to regular housing<sup>1</sup>.
2. The Care Act 2014 makes it clear that housing is a health-related service as it plays a vital role in supporting people to maintain good health, independence and improve quality of life. Increasing the availability of specialised housing options will enable older and more vulnerable people to find housing that is more suited to their needs, reducing the need for them to go into care homes or hospitals. Housing forms part of the Care Act's definition of wellbeing.
3. Specialised housing for people with learning difficulties and autism enables individuals to live independently in a safe and secure environment, instead of a hospital or residential care, where this is appropriate. The positive relationship between good mental health and good housing is well known and core to social inclusion and recovery from mental illness.
4. The Department of Health published *Closing the Gap: Priorities for essential change in mental health* in January 2014 and one of its 25 priorities is to enable more people with mental health problems to live in homes that support recovery. Housing is a key part of the acute care and recovery pathway that supports independent living in community setting. Good quality, well designed housing is important in providing a safe and stable environment and can contribute to the co-ordination of care and support the recovery and rehabilitation of service users. It can provide an alternative to residential and hospital based care either as a step-up or step-down provision and repatriating people from out of area placements. The Department of Health hosts a national forum to bring together stakeholders and system partners to explore the barriers and issues in relation to access to suitable housing for people with mental health problems.
5. However, there are currently not enough specialised housing options available for older people and adults with disabilities or mental health problems. This especially applies to those who wish to own their own home, or who are currently home-owners and wish to downsize or move into more appropriate owner-occupied housing.
6. The lack of an adequate supply means people are not able to make suitable housing choices, and are forced to stay in less suitable accommodation when, given the opportunity, they may wish to move. Furthermore, there is a lack of public awareness of the wider variety of housing models or solutions available.
7. The Care and Support Specialised Housing Fund was announced in the White Paper *Caring for our future: reforming care and support*, published in July 2012. The primary aim of this fund is to support and accelerate the development of the specialised housing market, particularly at a time when macroeconomic factors may place limitations on the growth of the market. It aims to stimulate the market, for both affordable and private homes, primarily by providing financial incentives to the affordable housing sector in order to increase supply.
8. The Department of Health initially made available £200 million of capital funding nationally for housing providers to bring forward proposals for the development of specialised housing to meet the needs of older people and adults with disabilities or mental health problems. Additional funding of £115 million was announced on 5 December 2013 to boost the CASSH fund. On 24 July 2013, the Minister for Care and Support, Norman Lamb, announced the allocations for Phase 1 of the programme to deliver more than 3,000 specialised affordable homes outside London.
9. This prospectus launches Phase 2 of the fund and makes available up to £120 million of the

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<sup>1</sup> [www.housinglin.org.uk/ library/Resources/Housing/Research\\_evaluation/PSSRUsummary.pdf](http://www.housinglin.org.uk/library/Resources/Housing/Research_evaluation/PSSRUsummary.pdf)

capital grant for innovative and well-designed affordable housing outside London that offer good value for money and meet local needs. Bids are welcomed for all forms of affordable housing for older people and adults with disabilities or mental health problems.

10. Priority will be given to housing for adults with mental health problems and to affordable housing provided as part of mixed tenure sites.
11. Phase 2 aims to encourage private sector developments through the provision of mixed tenure developments. Whilst CASSH funding can only be used for the affordable housing provision on such schemes, mixed tenure developments will extend the range of specialised housing options available including private market developments and helps to stimulate the market further.
12. All schemes within the programme must complete by 31 March 2018.

## Who should bid?

13. Bidding is open to all organisations who are, or intend to become, qualified as Homes and Communities Agency (HCA) investment partners. This includes housing associations, local authorities, private sector developers and community groups among others.
14. Organisations that are not already qualified as investment partners with the HCA will need to submit an application for qualification. Applications for investment partner status assess an applicant's financial capacity, capacity to manage development and undertake an agreed programme of new supply, and the organisation's good standing.
15. Providers must have achieved HCA investment partner status before any payment of funding can be made.
16. Further information on the investment partner qualification and requirements for application can be found on GOV.UK at <https://www.gov.uk/government/publications/affordable-homes-programme-2015-to-2018-qualification>. For community-led organisations, we will seek to ensure that our assessment processes are proportionate to the scale of funding sought, in order to improve access to funding for community organisations where proposals meet an identified need and offer value for money.
17. It is a requirement of HCA-funded affordable housing that the landlord of the property must be a registered provider of housing.
18. Unregistered providers must achieve registered provider status with the social housing Regulator (HCA) if they intend to become the landlord of grant-funded affordable housing (including for Affordable Rent and affordable home ownership) under this fund. Full details of how to register are available on GOV.UK at <https://www.gov.uk/register-and-de-register-as-a-provider-of-social-housing>.
19. Bidders should note the indicative timescales for registration included in the Regulator's guidance are for illustrative purposes only and timescales can be longer or shorter depending upon the volume of applications being processed at the time of application. Providers will need to demonstrate as part of their bid that they are likely to achieve registered provider status within a short timescale to ensure that they will be able to achieve delivery of new supply within the timeframes envisaged. Bidders that are considering whether to register to become registered providers of social housing are encouraged to talk to the Regulator's Registration team at the earliest opportunity. Success in receiving an allocation under this programme is no guarantee that a provider's registration will be approved.
20. Unregistered providers who do not intend to be the landlord must include, as part of their bid, details of the registered provider who will take ownership of the property on completion and become the landlord.

## Types of housing covered by this fund

21. This fund covers specialist housing for older people and for adults with disabilities or mental health problems. We expect bids to include homes which provide a long-term solution rather than a temporary stay. These homes should be aimed at individuals who do not require residential care, but who would benefit from a home which is adapted to suit their individual needs.
22. Bids are not restricted in the exact level of care or support provision that they offer. However, since bids will be judged on how well they are responding to local needs, bidders may wish to consider a mixture of provision within the same development.
23. All housing provided through the fund is expected to offer safe and convenient access to local amenities and local health, social care and community services. Decisions around site location for schemes should be made with access to local facilities in mind.

## Housing for older people with care or support needs

24. For older people, the fund is aimed at specialised housing designed specifically with older people in mind, with access to personal care and/or support and with the flexibility to increase the level of care and/or support within the same home as individual needs change.
25. For the purposes of this programme, bidders are expected to focus on specialised housing models as illustrated within the spectrum of care in the *Housing our Ageing Population: Panel for Innovation (HAPPI) Report*. This includes models such as Extra Care, sheltered housing or retirement villages. More information is available at <https://www.gov.uk/government/publications/housing-our-ageing-population-panel-for-innovation>.
26. Additionally, bids which provide innovative housing opportunities for older people, including independent living for those suffering from dementia, or for those wanting to provide mutual support through community-led housing models, are acceptable. Such bids are welcomed where they meet the programme objectives and include some of the required features listed below.
27. Funding is not available to support the development of traditional residential care homes or for general needs housing developments that are restricted to older people.
28. Bids are expected to include the following features:
  - Individual dwellings with their own front door;
  - Flexibility to adapt or install equipment or assistive technology in the home;
  - Varying level of personal care and support available to individuals, including access to GP or other health services. This might be provided directly as part of the scheme or through locating the scheme near easily accessible and appropriate local facilities;
  - For housing for older people, communal areas must be included, for example, a lounge.
29. For further guidance on the features of housing that are pertinent, bidders should refer to the definitions of specialised housing as outlined in the HAPPI Report 2009, as well as definitions outlined in the forthcoming sector-led toolkit *Planning ahead*.
30. Funding is also available for specialised dementia developments, in line with the Prime Minister's Challenge on Dementia. For further information on this form of housing, prospective bidders may wish to refer to the Housing Learning and Improvement Network (LIN) guidance for assistance in the design of their schemes, at [www.housinglin.org.uk/Topics/browse/HousingandDementia/Provision/](http://www.housinglin.org.uk/Topics/browse/HousingandDementia/Provision/).

## **Housing for adults with disabilities or mental health problems**

31. Proposals are welcomed for specialist housing under the following 3 client group headings:

- People with learning disabilities or autism;
- People with physical or sensory disabilities;
- People with mental health problems.

32. The fund is expected to help contribute towards housing for adults (18+) with disabilities or mental health problems that will support greater independence. This includes both semi-independent\* (see note below) and independent living, provided the housing units are in some way tailored to meet current and future individual needs. To this end, the provision of personal care and support as an integral part of the development is *not* a requirement for all proposals, since many adults with disabilities may only require accessible or suitably adapted homes. It is recognised that, depending on the planned care needs of the residents, wheelchair adapted homes would not necessarily require on-site or on-call care and support services.

33. Similarly, for adults with mental health problems, any care packages on offer would have to be tailored to the individual tenant or home owner's needs, but there may not be a need for personal care.

34. Bidders should demonstrate how their proposed scheme would meet individual requirements for care and/or support for the people they are intended for.

35. Bids are welcomed which offer supported housing for adults with disabilities or mental health problems, including housing specifically designed for people with learning disabilities or autism.

36. These schemes should include:

- Individual dwellings with their own front door\* (see note below);
- Flexibility to adapt or install equipment or assistive technology in the home;
- The potential for varying level of personal care and support available to individuals, including access to a GP or other health services. This might be provided directly as part of the scheme or through locating the scheme near easily accessible and appropriate local facilities.

\*Note: It is generally expected that all schemes funded under this programme will be individual dwellings with their own front door. However, schemes for people with mental health needs or learning disabilities who would more suitably be housed in a shared home with care will be considered in this round by exception. Bidders intending to bring forward schemes of this nature should include within their supporting statement details of how the design of the shared accommodation has been developed to support people to increase their independence and well-being. It is not expected that these homes will be large multi-unit buildings.

## **Remodelled existing housing**

37. Proposals to remodel existing schemes where it can be shown as representing value for money are acceptable. This is subject to local authority agreement that the existing scheme is no longer suitable, and that the remodelled project will continue to meet local needs over the long term. Bids should include details of any public funding that has previously gone into the scheme.



## Innovation

38. Bids will be welcomed that demonstrate a commitment to work with public bodies to use their land holdings in a mutually beneficial way that optimises their land receipts and delivers specialist accommodation for the benefit of local communities. This may include, for example, using mechanisms where, following land disposal, a deferred land receipt can deliver increased value.
39. Of particular interest are proposals where bidders are engaged with NHS providers, commissioners and partners and where the delivery of new specialised accommodation will help reduce the burden on stretched health and care budgets.
40. There is a recognition that some of the best developments are designed using a degree of innovation employed in response to the local area or the needs of specific client groups.
41. Proposals are encouraged which challenge pre-conceptions of what older people, people with disabilities and people with mental health problems want or need, offering new housing types in great neighbourhoods. In particular, schemes located so that they can share existing local facilities and amenities or open up proposed facilities to local wider communities, and schemes which demonstrate housing as an integrated part of care pathways.
42. Bidders are encouraged to consider recent publications and research, to develop new ideas and concepts, and to build on appropriate good practice to develop schemes that are innovative in terms of design, delivery, management, tenure and location.
43. Solutions should have a positive effect on the long-term usability of homes for their residents and to offer good value to the programme as a whole, including through making sustainable savings to local health budgets.
44. Innovation may include a consideration of different forms and models of housing, such as mutual or co-housing, as depicted in the HAPPI Report, although the tenure must be eligible for affordable funding as set out below.

## Types of affordable housing

45. Funding is available for schemes that offer Affordable Rent and/or affordable home ownership (shared ownership).
46. Bidders should work flexibly with local authorities to understand the needs of the local area and tailor the level and type of affordable housing on a scheme to meet those needs. However, one of the priorities of this programme is to increase the availability of housing for home ownership, and therefore, priority will be given to those schemes that best meet the programme's aims.

### Affordable home ownership

#### Shared ownership

47. The provision of homes for owner occupation is a priority of the fund. Shared ownership is an affordable home ownership product that is designed to help people who are in housing need and who cannot otherwise afford to purchase without assistance. Through shared ownership the purchaser buys a share of the property on a leasehold basis and pays a low rent on the unsold share, typically not more than 2.75% of the value of the unsold share.
48. Initial shares can start at 25% and rise to an initial maximum purchase of 75%. Shared owners have the ability to 'staircase' - the process of obtaining further shares in 10% increments - until they are the outright owners of the property. The rent payable on the unsold share is reduced in accordance to the percentage of the additional shares purchased.
49. More information on shared ownership can be found in the HCA's Affordable Housing Capital Funding Guide at [http://cfg.homesandcommunities.co.uk/cfg?page\\_id=5523&page=55](http://cfg.homesandcommunities.co.uk/cfg?page_id=5523&page=55).

#### Older people's shared ownership

50. Older people's shared ownership is a variation of the standard shared ownership product. It is designed to enable older people to buy a home with support on a shared ownership basis (usually using the equity released from the sale of their existing home). It supports choice and enables older people to continue to live independent lives.
51. The older people's shared ownership product has the same features as standard shared ownership but with additional parameters, set out in the Affordable Housing Capital Funding Guide at [http://cfg.homesandcommunities.co.uk/cfg?page\\_id=5524&page=56](http://cfg.homesandcommunities.co.uk/cfg?page_id=5524&page=56).
52. The key points are:
  - A restriction on sales (and future re-sales) to people over 55;
  - A 75% ceiling on staircasing purchases, with no rent charged on the unsold share where 75% has been bought; and
  - Provision of access to a warden service.

### Affordable Rent

53. Homes for Affordable Rent are made available at a rent level of up to 80% of gross market rents including service charge. Affordable Rent housing is let by registered providers of social housing to households who are eligible for social rented housing.
54. Registered providers offering properties let at an Affordable Rent need to ensure that they comply with the social housing regulator's tenancy standard. This includes an expectation that tenancies should be for a minimum of 5 years. Providers also have the flexibility to offer longer tenancies, including lifetime tenancies, where more appropriate for the needs and circumstances of the prospective tenant. Allocations and nominations processes for Affordable Rent homes funded through this programme should mirror local authorities' and registered providers' existing

frameworks.

55. More detail on the Affordable Rent product is available from the Affordable Housing Capital Funding Guide at [http://cfg.homesandcommunities.co.uk/cfg?page\\_id=5580&page=40](http://cfg.homesandcommunities.co.uk/cfg?page_id=5580&page=40) .
56. Bidders should note that converting existing social rent properties to Affordable Rent is not permitted under this programme.

### **Rent setting**

57. Providers will be able to let a property at an Affordable Rent (including service charges) of up to 80% of the local gross market rent for an equivalent home. The maximum rent level for Affordable Rent should be assessed according to the individual characteristics of the property. Landlords are required to assess the gross market rent that the individual property would achieve and set the initial rent (inclusive of service charges) at up to 80% of that level.
58. The housing developed through this fund is likely to include a range of services to support the particular needs of the client group. When setting an Affordable Rent, the gross market rent comparables should be based on similar types and models of service provision (for example private sheltered accommodation or other forms of supported housing where a similar level of care and/or support is offered).
59. Where there are insufficient comparables for similar types of provision in the local area, valuers should be requested to identify comparables from other areas, and extrapolate their best view of the gross market rent that would be applicable in the location in which the property is situated. Housing providers should set the initial rent at up to 80% of that level.
60. For further information on Affordable Rents and rent setting, bidders should read the relevant sections of the 2015-18 Affordable Homes Programme prospectus at <https://www.gov.uk/government/publications/affordable-homes-programme-2015-to-2018-prospectus>. They should also refer to the social housing regulator's guidance on the rent standard at <https://www.gov.uk/government/publications/the-regulatory-framework-for-social-housing-in-england-from-2012>.
61. Social rent provision may be supported in limited circumstances. In cases where an Affordable Rent would otherwise be lower than the target rent for a property, the target rent will constitute a 'floor' for the rent to be changed.
62. It is expected that housing for rent funded through this programme will be let at an Affordable Rent. Providers wishing to apply for funding for a scheme offering social rent should provide evidence, supported by the relevant local authorities, to demonstrate why Affordable Rent would not be a viable alternative. All such cases will be considered on their individual merits.

### **Mixed tenure opportunities**

63. Funding through this bid round is only available for the development of affordable housing. However, we are keen to see bids for proposals where the affordable housing is provided alongside private market housing on a mixed tenure site.
64. The funding through this programme must only be used to fund the affordable housing element of the scheme, not the wider development, and we would expect to see good value for money on such proposals arising from the availability of cross-subsidy from the private market element.

### **Delivery as part of a Section 106 developer contribution**

65. We expect CASSH funding will be agreed on Section 106 sites only very exceptionally and detailed scheme specific scrutiny will be undertaken where grant is sought, including seeking evidence that the funding will result in provision that is additional to that required through the Section 106 agreement.

66. Open book provision of data about the economics of the scheme will be required from both the developer and the long term owner of the affordable housing (if they are different). The economics of individual schemes will be tested through the HCA's Development Appraisal Tool, and we reserve the right to request other information to inform our decision making if necessary. More detail on the HCA's Development Appraisal Tool is on GOV.UK at <https://www.gov.uk/government/collections/development-appraisal-tool>.

### **Knowledge and information exchange opportunities**

67. Successful bidders will be required to supply the Housing LIN (Learning and Improvement Network) with details of their completed developments. This means they can be showcased on the online scheme directory of Department of Health funded schemes and local innovation shared across housing, health and social care communities. This will help stimulate further investment in the sector. Details of schemes that are already registered on the directory are at <http://www.housinglin.org.uk/Topics/ECHScheme/>. Please contact the Housing LIN for further details on [info@housinglin.org.uk](mailto:info@housinglin.org.uk).

## How to bid

68. Bids for this phase of CASSH must be submitted through the HCA's Investment Management System (IMS) by noon on 29 May 2015.
69. For housing providers who are already HCA IMS users there is no requirement to register for a separate IMS account. Access will be through your existing HCA IMS user account, and bidding for CASSH is available through the Offers module.
70. Providers who do not already have an HCA IMS account should email [Bids.CSDH@hca.gsi.gov.uk](mailto:Bids.CSDH@hca.gsi.gov.uk) to request a registration pack.
71. Guidance on entering bids through IMS is available on the Care and Support Specialised Housing Fund page on GOV.UK at <https://www.gov.uk/investment-management-system-guidance-documents>.
72. For those familiar with the Offers system used for the Affordable Homes Programme (AHP), bidding for this programme uses the same processes and screens as submitting an AHP offer. A short guide to the specific requirements for bidding to this programme is also available.
73. Bidders will be required to submit the following information:
  - Details of the bidding organisation, including who will be the landlord of the finished properties and (if different) who will manage the properties, and confirmation of the proposed landlord's status as a registered provider (or intention to apply to become a registered provider of social housing);
  - Information about the schemes for which they are applying for funding, including:
    - i. Number, size and tenure mix of the properties, including, where appropriate, details of the private market housing to be offered on the same site;
    - ii. Client groups to be housed;
    - iii. Breakdown of costs;
    - iv. Breakdown of cost contributions, including any contributions from providers own resources, including borrowing, and any sources of other public funding. Bids should demonstrate that the value for money is maximised and as such that the funding requested is the minimum required to support delivery;
    - v. For Affordable Rent, the proposed rent to be charged and the rent as a percentage of market rent;
    - vi. For affordable home ownership, the estimated initial sales value, proposed initial sales tranche and rent to be charged on the unsold share;
    - vii. The date that planning consent was achieved or is forecast to be achieved.
74. Supplementary written information should be provided in a short supporting statement covering the areas below. Supporting statements should be emailed to [Bids.CSDH@hca.gsi.gov.uk](mailto:Bids.CSDH@hca.gsi.gov.uk) by 29 May 2015. These should be saved with a file name or file names that clearly identify the provider and scheme name, ideally using the same names as in the IMS bid.

## **Additional information requirements**

### **Board approval**

- Evidence of the housing provider's Board approval for this bid.

### **Registered provider status**

- For providers who are not currently registered providers of social housing and who do not intend to register, details of the registered provider who will take ownership of the accommodation on completion.

### **Fit with local strategic priorities**

- Evidence of local authority support;
- Evidence that the proposal is in line with priorities outlined in the local authority's strategic needs statements or other evidence to show fit with local housing, health and wellbeing needs and strategic priorities.

### **Innovation and sustainability**

- Description of the scheme including, where appropriate, information on:
  - i. The level and type of care and/or support provided;
  - ii. Expected levels of revenue funding, including evidence of agreed funding where available;
  - iii. How the design of the scheme will be resilient to the future needs of the targeted client group (eg in terms of flexibility of use, robustness and environmental performance) including an exit strategy if local needs change;
  - iv. Any innovation in the use of communal/shared space which enhances recovery and well-being outcomes for the targeted client group and helps integration with the wider local community;
  - v. How the scheme will be integrated with local health and social care and community service provision;
  - vi. Partnerships with NHS providers and commissioners and how they will help to ensure resources will be utilised effectively and reduce the burden on health and care budgets.

### **Design statement**

- Description of the proposed design, including site and floor plans where appropriate, to show how the scheme will help residents to achieve an optimal quality of life within their homes, including consideration of their future needs;
- Where relevant, this statement should demonstrate where the scheme is meeting current good practice, for example by including a response to the 10 HAPPI design principles, which may apply to all client groups including people with disabilities or mental health problems, and/or provide examples of innovative design elements that will enable the owner or tenant to live independently, with support where necessary, for as long as they wish to.

## **Employment and skills statement**

- Description of how the proposed scheme or programme of will support employment and skills opportunities in the local area schemes (only one employment and skills statement is required per bidder regardless of how many individual schemes they are bidding for).

## Assessment criteria

75. The HCA will assess all bids received against key criteria including:

- Value for money;
- Deliverability within the timescales of the programme;
- Fit with programme priorities;
- Innovation and sustainability, including how the design of the building will allow for flexibility of future use as residents and local needs change; expectations of ongoing revenue funding and, where appropriate, innovative approaches to improving environmental performance and integration with the community;
- Design and Quality. Further to the main outcome of the Government's review of Housing Technical Standards, which has sought to bring housing standards into nationally described standards and building regulations, it is intended there are no longer any additional prescribed design standards for housing developments outside of the potential for nationally described space standards or Building Regulation optional requirements;

However, bidders will still be expected to demonstrate how the design of their proposals will help older or people with disabilities and mental health problems to achieve an optimal quality of life and to live independently within their homes, and how they have included consideration of residents' future needs. Priority will be given to those proposals that present innovative design solutions or best demonstrate good practice, for example through their response to the HAPPI principles;

76. Assessment will be on a scheme by scheme basis, with assessment and allocation decisions made on each scheme separately. This may lead to providers receiving an allocation for some of their schemes and having others rejected or put on a reserve list.

### Value for money

77. There is no set level of funding per unit, reflecting the understanding that different forms or specialist housing and levels of care and/or support may require different levels of government funding. The HCA will assess bids based on the value for money that they demonstrate to ensure that the programme can deliver maximum impact for the funding available.

78. Bidders will be expected to demonstrate where they have maximised their other sources of funding, for example as a result of joint working with local partners, to lessen reliance on central government funding.

### Deliverability

79. This phase of the fund will run for 3 years, from 2015 to 2018. All schemes must be fully completed by 31 March 2018.

80. Priority will be given to schemes which have already achieved, or are well advanced in the process of achieving, planning consent and, for this phase of the funding, a particular priority for those schemes which can start in 2015/16.

### Fit with programme priorities

#### Local strategic priorities

81. Local authorities have a strategic role in identifying local needs and how best to meet those needs, including plans for specialist housing. The Department of Health and the HCA will wish to ensure that proposals are in line with locally identified strategic priorities.



82. Bidders should provide information to demonstrate that their proposal is in line with priorities outlined in one of the following strategic needs statements or other evidence to show fit with local needs and strategic priorities.

### **Strategic Housing Market Assessments**

83. As part of their local strategic housing policy, local authorities are expected to undertake assessment of the local housing market, including current and future trends for demand. Many local authorities undertake this in the form of Strategic Housing Market Assessment (SHMA), which should specifically take account of the demand for older people. Some authorities are undertaking a market position statement (MPS) which will incorporate an assessment of the local housing market. Bidders should demonstrate how their proposal fits within the priorities of the local authority with reference to older people and adults with disabilities or mental health problems.

### **Health and Wellbeing Boards, Joint Strategic Needs Assessments and Joint Health and Wellbeing Strategies**

84. Health and Wellbeing Boards were set up in April 2013 in every upper-tier local authority in England. They are the place where local health and social care commissioners, including the local NHS, develop joint leadership across health and care services, including influencing services which act upon health, such as housing.
85. Health and Wellbeing Boards have a statutory duty to undertake Joint Strategic Needs Assessments (JSNAs), which assess the current and future health and social care needs and assets of the local community. Based on this they must develop Joint Health and Wellbeing Strategies (JHWSs), to address those identified needs, and these must underpin local commissioning plans across health and care services, and possibly beyond. Bids should contain clear references to evidence from their JSNAs and JHWSs, demonstrating how the completion of their proposed development will benefit their local community's health and wellbeing.
86. We would expect that proposed bids demonstrate evidence of buy-in by members of the local Health and Wellbeing Board, based on the opportunities for improving local health and wellbeing, as well as potential joint savings for local health, social care and housing budgets. We also expect that discussions will take place to explore which commissioners would be willing to contribute resources towards the proposal.

### **National programme priorities**

87. The main priority for the fund is to improve the housing options, available for older people and adults with disabilities or mental health problems, including affordable home ownership.
88. For this phase of the programme, where bids offer good value for money and meet the other key criteria for assessment, we will prioritise bids for adults with mental health needs and schemes on mixed tenure sites where the affordable housing is provided alongside private market housing.

### **Innovation and sustainability**

89. Bidders should ensure that there is an exit plan in place for all of their schemes including potential alternative uses of the building should the scheme no longer be required for its initial client group. The design of the building should accommodate such a change of use without the need for significant additional expenditure.
90. The HCA will only support bids which have clear local authority support. In addition to confirming the fit with strategic priorities outlined above, local authorities will be asked to confirm the availability of any revenue funding required to support any proposal.
91. Bids should demonstrate how they have responded to the innovation challenges outlined above in terms of tenure, location and design to provide a long-term housing solution which people clearly want within a local area.

## Design and Quality

92. The Government's Housing Technical Standards review seeks to reduce the burden on providers that are developing housing by streamlining requirements.
93. For CASSH Phase 2, bidders are expected to demonstrate how the design of their proposals would help residents to achieve an optimal quality of life within their homes including consideration of their future needs and any care and support needs.
94. For further information, bidders may wish to refer to the HCA's publication *Non-Mainstream Housing Design Guidance* for sources of good practice and as an additional source of information to consider in the design process. This is available at <http://www.prparchitects.co.uk/our-work/research/research-publications/2012/non-mainstream-housing-design-guidance.html>.
95. For bids that focus on provision for older people, bidders should demonstrate how they have met the *Ten components for the design of housing for older people* as highlighted in the HAPPI Report (p38) at <https://www.gov.uk/government/publications/housing-our-ageing-population-panel-for-innovation>. These good practice principles may also be a useful reference point for housing for other client groups.
96. Further good practice is available in the Housing LIN's report *Deck access, balconies and bungalows: new trends in HAPPI award-winning buildings*. This provides case studies of the best residential schemes from the HAPPI category at the Housing Design Awards: [http://www.housinglin.org.uk/Topics/browse/Design\\_building/HAPPI2/?parent=8649&child=9403](http://www.housinglin.org.uk/Topics/browse/Design_building/HAPPI2/?parent=8649&child=9403)
97. For people with disabilities or mental health problems, bids will be welcomed which offer:
  - Supported housing for adults with disabilities or mental health problems, including housing specifically designed for people with learning disabilities or autism;
  - Wheelchair adapted homes. Please note, bids for housing that meets the needs of physically disabled adults are not necessarily required to include a care element.

## Equality and Diversity

98. Local authorities and the HCA are subject to both general and specific equalities duties introduced by the Equalities Act 2010 from 1 April 2011. This means that we must have regard to the need to eliminate discrimination, advance equality of opportunity and foster good relations in the exercise of our functions.
99. We want to be sure that, although specialist and aimed at particular client groups, housing funded under this programme will meet the diverse housing needs of all sections of our communities.
100. Bidders will be asked to confirm as part of their bid that their proposals will meet key equalities priorities that are identified and agreed by local authorities. Further information on discussions with local authorities will be sought for through quarterly contract management reviews with successful providers.

## Role of the social housing regulator

101. The social housing regulator's review of bids from registered providers will form part of the overall assessment process for CASSH Phase 2.
102. The regulator will provide advice on whether the registered provider(s) involved are:
  - Currently in compliance with the regulators standards, including their Governance and Viability Standard; and
  - Likely to be able to continue to meet their standards, including the viability element of the Governance and Viability Standard if the bid is approved.

## **Payment of grant**

103. As with Phase 1, payment under Phase 2 of the Care and Support Specialised Housing Fund is on a per scheme basis.

104. For registered providers, funding will be paid 50% at start on site and 50% upon practical completion. Separate start on site and practical completion payments are not available to unregistered providers (including house builders), who will be paid 100% of the funding at practical completion of the scheme, in order to avoid the need to take cumbersome additional security.

## Contacts

105. If bidders have any questions about the programme or how to bid, they are advised to email the HCA at [Enquiries.CSDH@hca.gsi.gov.uk](mailto:Enquiries.CSDH@hca.gsi.gov.uk). Bidders should note that where questions raised may be of general applicability to all prospective bidders, these and our response will be published on GOV.UK at <https://www.gov.uk/government/collections/care-and-support-specialised-housing-fund-guidance-and-allocations#documents>.

106. To discuss particular scheme proposals, bidders are invited to contact the HCA's area investment teams. Details of area leads for this programme are as follows:

HCA Operating Area	Area lead contact name	Email address	Phone number
East and South East	Becky Ashley	<a href="mailto:Becky.Ashley@hca.gsi.gov.uk">Becky.Ashley@hca.gsi.gov.uk</a>	01223 374001
Midlands	Dan Jackson	<a href="mailto:Dan.Jackson@hca.gsi.gov.uk">Dan.Jackson@hca.gsi.gov.uk</a>	0121 2349987
North East, Yorkshire and The Humber	Neil Cawson	<a href="mailto:Neil.Cawson@hca.gsi.gov.uk">Neil.Cawson@hca.gsi.gov.uk</a>	0191 497 7547
North West	Jacqui Walsh	<a href="mailto:Jacqui.Walsh@hca.gsi.gov.uk">Jacqui.Walsh@hca.gsi.gov.uk</a>	01925 644621
South and South West	Lisa Clayton	<a href="mailto:Lisa.Clayton@hca.gsi.gov.uk">Lisa.Clayton@hca.gsi.gov.uk</a>	0117 9377211

## Timetable

<b>Date</b>	<b>Description</b>
17 February 2015	Launch of CASSH Phase 2
Noon 29 May 2015	Deadline for applications
June – October 2015	Assessment and moderation of bids
Late October 2015	Announcement of allocations

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# Homes & Communities Agency

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The Homes and Communities Agency is committed to providing accessible information where possible and we will consider providing information in alternative formats such as large print, audio and Braille upon request.

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