

CHESHIRE EAST COUNCIL – AFFORDABLE HOUSING SCHEME

FORMER HOLLINS VIEW CARE HOME, MACCLESFIELD

Market Consultation

1. Purpose of the Market Consultation.

Cheshire East Council's ("the Council") Local Plan creates a vision for the future which is to deliver jobs-led growth and sustainable vibrant communities. Affordable housing in Cheshire East plays a fundamental role in realising this ambition.

Whilst Cheshire East is not a stock holding authority, we have the responsibility of administering the Council's Social Housing Waiting list and addressing housing need. We have seen an increased demand for social housing both for rent and to purchase.

The Council are committed to exploring ways to increase affordable housing provision and are looking at ways to utilise surplus land assets to bring forward this much needed provision as well as securing a financial receipt.

The former Hollins View Care Home off Clarke Terrace, Macclesfield has been declared surplus and consideration is being given to the development of an affordable housing scheme on the site.



The Council wishes to consult with organisations that have relevant experience in the delivery, development and management of affordable housing schemes.

The purpose of the consultation is to seek the views of market participants and to help the Council in planning and conducting the appropriate procurement procedure.

2. Background to Cheshire East Council

2.1 Cheshire East

Cheshire East is a fabulous place to live, work and visit and we want to work with all regional and local partners to make it even better and sustain that success into the future for our residents.

Cheshire East has an estimated population of 378,800. The population density of Cheshire East equates to 325 residents per square km.

Cheshire East is the 3rd largest Unitary Authority in the North West, and the 16th largest in the country and covers an area of over 1,100km².

As a place we have a mix of rural and urban environments. However the most important element of Cheshire East is its people and we will strive to make sure we have a Council that serves its diverse community well and delivers value for money. Part of this is ensuring that we have a good mix of housing including affordable homes.

2.2 Hollins View, Clarke Terrace, Macclesfield

Hollins View is a former care home of 1,668.8 sq. m (17,963 sq. ft.) that is no longer considered fit for purpose. It is situated on a site of 1.15 acres, adjacent to St Barnabas School and the Brocklehurst Centre.

All three buildings share the same point of access from Clarke Terrace, but due to the plans for the school and continued services within the Brocklehurst Centre, there is not an opportunity to consider the site as a whole development opportunity. We are only considering the development of the Hollins View site.

Initial feasibility work have considered a net development area of circa 1.05 acres and estimate that in the region of 18 to 22 dwellings per acre can be accommodated on the site.

Planning permission to demolish the Hollins View buildings was granted on the 1st of August 2018. This is due to be completed by the end of January 2019 by the Council's contractors to provide a clear development site.

2.3 Housing Need and mix

The Council's Social Housing Waiting list demonstrates a significant need for rented accommodation for all types of provision. There are currently over 800 applicants registered for the Macclesfield area.

We are looking to develop good quality family accommodation on the site and would like to see a mix of 2/3/4 bedroomed houses along with 2 bedroomed bungalows. The Councils Integrated Commissioning are also scoping the possibility of provision for specialist housing on the site, provision that supports independent living for those with low level support requirements. This could be in the form of cottage style flats.

We are looking to secure all provision on the site as affordable rent. The expectation is that the rent will not exceed current Local Housing Allowance rates. Social Housing rents would be looked upon more favourably.

2.4 Housing Management

The Council do not have the mechanisms to manage the new housing provision as Cheshire East is a none stock holding authority and therefore we would be looking for an organisation that have a proven track record in relation to the development and management of social housing.

Through our procurement route we will be looking to test an organisation's experience of social housing development and management and the services provided to their tenants. The expectation is that the organisation who will be managing the accommodation will be registered with Homes England and will be suitably qualified to effectively manage and retain the affordable properties.

3. Procurement

The Council's preferred route is an OJEU compliant procurement process in order to achieve its objectives of delivering a mix of affordable homes for rent and securing the best value for the site either through a one off payment (capital receipt) or an annual revenue receipt (rent). The type of procurement procedure currently being considered is Competitive Procedure with Negotiation.

4. Market Consultation

Before finalising the choice of delivery model and procurement procedure, the Council is seeking the views of potential market participants through responses to the questions in Appendix 1.

The views of the responding organisations will be carefully considered by the Council in finalising the choice of delivery model and development of the procurement procedure. The Council is keen to understand the attractiveness to the market of the opportunity and any modifications or features that will help deliver the Council's Aims and Objectives.

There are no restrictions on the word count or format of the completed questionnaires. Respondents are asked to provide the name and contact details of the person submitting the questionnaire on the organisation's behalf.

When submitting a response to the questionnaire, responding organisations should clearly indicate which (if any) part of their response they view as commercially confidential. Any such response must be clearly marked "Confidential" and the responding organisation must set out the reason(s) why.

Questionnaires should be submitted via the Chest and are required by 12 noon on the 11/02/2019.

Appendix 1 – Questions

Question 1 – The Council's preferred procurement route.

- The Council are looking to procure a development partner through an OJEU compliant process who can develop the site, subject to the Council's requirement to secure the required affordable housing provision. Are there any other models which you feel the Council should consider, bearing in mind any restrictions on the Council in terms of public procurement requirements?

Question 2 – Tenure and Housing mix.

- Do you feel our suggested housing mix would work on this site? Do you have any comments or suggestions which would assist us in the preparation of our specification?
- If you do not feel it would work, why not and what would be preferable to you?
- We are looking to procure all affordable rent on the site. Do you feel this would work on the site, or should we be considering incorporating an element of intermediate housing for sale? For example 65% rented 35% intermediate.
- Consideration would need to be given to the right to acquire and the availability to tenants and how this would this be facilitated? How do you feel this could be accommodated given the requirements below?

Question 3 – Requirements

- We are considering the option of a disposal of the site by freehold sale or grant of a 125 year lease, which would you find more preferable and why?
- We are considering options to secure a one off receipt for the sale or a premium and/or an annual revenue payment as rent for a lease. Which would you consider to be the most viable option and why? Do you have an alternative option which you feel we should consider?

Question 4 – Housing Management

- What additional tests would you expect to see in relation to housing management experience other than the requirement to be registered with Homes England. For example should we be asking for an organisation's Judgements? Their proximity to the site to ensure effective management?

Question 5 - Surveys

- What surveys or other information about the site would assist you prior to submitting a proposed scheme?

Question 6 – Other

- Do you have any further comments you would like to make?