

Step 9: Exploring commercial options

Introduction



This step is about exploring revenue, capital and investment options to fund the development of housing options for older adults, particularly housing with care and support, but also opportunities for housing that enables people to age in place. It is important to think innovatively about all potential sources of funding available including but not limited to national funding streams, private investors/developers and/or housing associations and providers in your local area, local partnerships or consortiums, grants from charitable organisations as well as funding from local authority revenue and local health commissioners/ICBs. Equally important is identifying potential and suitable sites for housing with care and support developments, owned privately or by the council.

What will it add?



This step will improve your business plan by clarifying the investment required by developers or investors and that which could be contributed by the local council or national funds.



KEY QUESTIONS

- What funding is available at the national level and how can this be accessed and deployed?
- Who are the local or regional housebuilders, developers/providers that have historically been active investors in the development of housing with care and support for older people?
- Are there any local or regional partnerships or consortiums that have a particular interest in funding housing with care and support for older people?
- What public sector grants or revenue sources are available at the local level to help fund housing with care and support?
- What capital or revenue funding is available from the local council to help fund the development of housing with care and support?
- What other sources of capital funding, e.g. borrowing, are available at the local level?
- What privately, council or other publicly owned land sites are available for development of housing with care and support?
- What is the process and pathway by which investors or developers can register their interest?

How to?



- Understand the different grants and funding programmes that are available at the national level and what types of housing developments these can be accessed for. For example, the Affordable Homes Programme run by Homes England, the Mayor's Care and Support Specialised Housing Fund run by the Greater London Authority and the Better Care Fund. It will be important to understand any time constraints regarding when such grants can be accessed and need to be disposed of, as well as any restrictions or requirements attached to these funding streams.
- Identify local housing associations, developer and providers that have been active in housing developments historically and with whom the local authority already has good working relationships. It is also important to identify potential new developers/providers that are keen to enter the market and invest in building housing with care and support developments.
- Identify any local partnerships or consortiums, for example consortiums that include local housing associations, real estate investment companies, providers and developers that have an interest in housing with care and support development.
- Identify local or national charitable organisations that provide capital and/or revenue grants for housing development.
- Identify other sources of capital funding such as borrowing and loans, private equity and social finance. Architects and academic institutions working with housing for older adults may also have schemes, funding or projects that could support you.
- Identify your local council's sources of capital and/or revenue that can be used to help fund housing with care and support developments.
- Identify privately, council or publicly owned land sites and assess their suitability for disposal for the development of housing with care and support, and their associated costs.
- Consider any potential opportunities through planning obligations (also known as section 106). This is an agreement between a developer and a local planning authority regarding measures that the developer must take to reduce their impact on the community, for example by providing contributions for local infrastructure.
- Develop a robust pathway for investors and developers to register their interest, access further information if needed, and be kept engaged and up-to-date as plans develop.





SOURCES OF INFORMATION AND RESOURCES

- [Department of Health and Social Care.](#)
- [Department for Levelling up, Housing and Communities.](#)
- [Housing LIN.](#)
- [Homes England.](#)
- [Affordable Homes Programme.](#)
- [GLA Affordable Homes Programme.](#)
- [Better Care Fund.](#)
- [Homes England Land Hub.](#)
- [Using land for homebuilding and regeneration.](#)
- [Older Persons Shared Ownership \(OPSO\) scheme.](#)



PARTNERS TO INVOLVE

- Local authority from adult social care, housing, planning and regeneration, finance and resources and land management.
- NHS, Integrated Care Partnership and Better Care Fund managers.
- Homes England and the Greater London Authority.





TIPS ON CO-PRODUCTION

The 'I' and 'We' statements below are illustrative examples of co-production outcomes associated with this step. We encourage housing partnerships to adapt them as they see fit to best reflect their local context.

For individuals:

- I am aware of the different ways that housing for older people can be funded in my local area.
- I understand the role that different organisations play at the national and local level, in funding housing for older people.
- I help decide how the funding information gathered should inform the investment options described in the business case.

For the partnership:

- We facilitate individuals' understanding of the objectives and process of commissioning, local organisations and partnerships involved, and how these affect individuals' access to services and the local market for housing for older people.
- We have conversations and take on board individuals' views on the key messages that need to be communicated when describing the local commissioning landscape.

Further information about the benefits of and principles of co-production, as well as examples of co-production in the housing sector can be found [here](#).



CASE STUDY

Appleby Blue Almshouse, Southwark

Opened in 2023, Appleby Blue Almshouse is run by United St Saviour's Charity. The 57-apartment development was designed by Stirling Prize-winning architects, Witherford, Watson and Mann, and has already won awards, being described as "setting a new benchmark for older people's housing, highly improving the quality of their lives by creating a thriving and supportive community".

Built on the site of a 1960s former care home on Southwark Council freehold land, Appleby Blue was funded via a Section 106 agreement (an affordable housing requirement) on a major private sector development called Triptych Bankside, situated elsewhere in Southwark, near to the Tate Modern. This was developed by JTRE London and instead of encompassing affordable housing within that development, Southwark Council set a requirement that Appleby Blue was to be developed on another local site, providing purpose-designed social housing for older adults in Southwark.

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Toolkit available at: <https://www.scie.org.uk/housing/toolkit-for-place-based-plans-for-housing-for-older-adults/>

