

Grants to Support the Development of Extra Care and Supported Living in Northumberland

Northumberland County Council (the Council) is committed to the development of Extra Care and Supported Living services and approved a revised version of the Extra Care and Supported Living strategy in February 2024.

[Northumberland County Council - Long-term support](#)

The Council's Extra Care and Supported Living Strategy sets out in section 6:

'Northumberland County Council will consider financial support to projects that meet the strategic objectives set out in this strategy. This may be via capital support and/or a form of rent guarantee in the event of the Council having nomination rights to accommodation, and to cover void risk.

As an alternative to capital funding the Council may offer land to be used for the development of extra care housing or other supported living. In these situations, the Council will use its procurement portal to advertise opportunities which are likely to be offered to Registered Housing Providers.'

About this funding opportunity

Where there is evidence that a development is not viable without additional capital funding, the Adults Ageing and Wellbeing Fund (AA&W) may help to fund via a grant the development of high-quality Extra Care and Supported Living across Northumberland, supporting the Council's strategic objectives. These grants will be targeted at the following groups:

- older people
- people with support needs including those with a learning disability, enduring mental health conditions and autism
- people with a physical disability and/or medical condition
- young people with health and social care needs transitioning into Adult Services.

Funding will be focused on the delivery of a range of accommodation across Northumberland. Accommodation should be central to communities wherever possible and be the focal point for inter-generational community activity where appropriate.

There is no single model in terms of design, shape and accommodation size. The Council will work with providers and developers to design accommodation that complement and are sympathetic to the locality, local amenities, and facilities, with a preference for self-contained accommodation. Homes will be in many forms including blocks of apartments, bungalows, and individual houses.

The grant funding will not support:

- Short-term residential rehabilitation services such as domestic violence refuges or temporary homeless accommodation.
- CQC registered residential and nursing care services.
- Accommodation delivered by landlords that are not registered with The Regulator of Social Housing as a Registered Housing Provider.

Eligible Developments and Accommodation

This call is for schemes that will help create high quality accommodation for people across Northumberland, with a preference for main towns and service centres, close to local services and amenities. There should be easy access to transport links.

Applications for funding should reflect the following where appropriate:

Extra Care

- Accommodation will be developed in line with the HAPPI principles and the potential to provide a base to offer “extra care” into the community.
- Communal areas will include space to socialise, avoid isolation, promote health, wellbeing, and offer facilities to host external organisations, the voluntary sector, health, and social care services. This can include an activity room, lounge, café, and hairdressers, providing social spaces for the residents to mingle.
- Some units can be adapted for people with early onset and mid-term dementia or other specific needs such as bariatric care.

Supported Living

- Accommodation for people with learning disabilities, autism and mental health issues with varying levels of need as described in the Framework for Adult and Young People (16-18 years) Specialist Service.
- A range of self-contained accommodation options with properties such as bungalows, houses and apartments
- Some flats to be designed as M4(2) adaptable and accessible.
- Some flats to be designed as fully compliant M4(3), located on the ground floor, with all communal areas to be accessible (including refuse, cycle store and garden areas).
- Wet rooms
- Adaptable technology
- Communal space
- Staff and office space, plus facilities such as a sleep-in room
- External communal gardens/outdoor space and off-street parking.

Parameters

Priority Projects

Capital projects - to be eligible for funding there will be a requirement that the accommodation is in a location the Council considers strategically important as referenced in the revised strategy, is judged to be the right size and scope, supports a service user group that is a priority to the Council, and that the landlord is registered with The Regulator of Social Housing as a Registered Housing Provider.

Dates & Deadlines

This call for applications will remain open until April 2026, or until the capital funding is depleted. However, we encourage applicants to submit applications as soon as possible, even if your project proposal is not fully worked up at the time.

As the funding available is limited, Northumberland County Council (the Council) is keen to understand the range of schemes that are likely to seek funding so it can gauge which it may be able to support within the available funds. Housing developers and Registered Providers should discuss potential financial support with council officers in the first instance.

Fund Allocation Minimum and Maximum Application Values

Capital grants will typically not exceed £500,000; however, the Council recognises that the costs of Extra Care schemes can be significant. Therefore, applications that fall above this level may be considered in exceptional circumstances, where there is a particularly strong proposal. If your proposed grant request exceeds the maximum grant award, please contact the Council for guidance on whether your application is likely to be eligible.

Geographical Scope

Funding will be awarded for schemes delivered across Northumberland. However, preference will be given for the main towns and service centres including, but not limited to:

- Haltwhistle
- Hexham
- Corbridge
- Prudhoe
- Ponteland
- Morpeth
- Amble
- Ashington
- Blyth
- Cramlington
- Bedlington
- Alnwick
- Berwick

The Council will also consider funding schemes that fall outside these target areas, which are located in rural areas of Northumberland and meet the other eligibility criteria set out in Appendix 1 of this document.

Eligible Applicants

Applicants must be legally constituted at the point of signing a Funding Agreement and be able to enter into a legally binding Funding Agreement.

The Applicant will be the organisation that, if the application is successful, enters into a contract with the Council and therefore carries the liability for ensuring that the terms of the Funding Agreement are met by them and to all delivery partners.

The landlord is registered with The Regulator of Social Housing as a Registered Housing Provider.

Other financial contributions

Applicants must include details of all known/expected 'match-funding' contributions to the project costs with a funding breakdown for the rest of the development costs excluding the AA&W funding being sought, together with the status of each contribution.

Subsidy Control

Grants to organisations are often considered to be a subsidy. Please read Appendix 2 for more information on subsidy control.

Procurement

Successful applicants must follow the Public Procurement Principles when appointing contractors to undertake the work and provide evidence of the procurement process.

Contact

Please direct all enquiries to: contracts@northumberland.gov.uk

Monitoring Returns

Progress will be monitored with on-site Project Engagement Visits (PEV) to ensure the milestones identified in the Grant Award letter and Grant Funding Agreement are satisfactorily met, and whether the trigger points have been met for releasing payment of the funding instalments and final payment.

Next Steps

NCC Officers will assess grant applications. Grant awards will be decided by a panel consisting of Council representatives from Housing and Adult Social Care. If your application is approved, you will be asked to sign a grant agreement with Northumberland County Council.

Application Assessment Criteria

When completing your application, please provide as much detail and supporting evidence as possible about your project to enable the Council to assess the strength and deliverability of your proposal.

The Council will assess and score each application on the extent to which it meets the following criteria. Only those projects scoring highly against all criteria will be considered for funding including:

- Supporting the Council to meet the objectives of the Extra Care and Supported Living Strategy, the Local Plan and Market Position Statement.
- Meeting all the eligibility rules set out in Appendix 1 of this document.
- Projects demonstrating that they can start/complete delivery by April 2026 will be prioritised. However, there is potential for projects that are currently at an early stage to be developed further during 2024/5 ready for delivery in 2026-28 to be considered.
- Able to evidence need and demand for the scheme.
- Can evidence support for the scheme from commissioners and other stakeholders.
- The ability to meet the requirements of the Public Sector Equality Duty.

Applying for Funding

The process for applicants seeking to secure funding is as follows:

1. In advance of any written submission, any application for financial support must be discussed with relevant Council officers namely the Service Development Manager in Adults, Ageing and Wellbeing, via contracts@northumberland.gov.uk.
2. Applications should be obtained from contracts@northumberland.gov.uk
3. Applications for the Adults, Ageing and Wellbeing funding will be considered through the appropriate Council governance route.
4. In the event further information is required the applicant will be notified accordingly.
5. Each applicant will be notified of the outcome of their application and if successful, the origin of the funding source, within 14 days of decision.

Appendix 1: Eligibility Guidance

This list is not exhaustive and is subject to change.

Eligible Applicants

Registered Providers of Social Housing

Eligible Expenditure

Capital projects are eligible for AA&W funding. An explanation of the eligible capital costs is provided below.

Capital Expenditure

Land Acquisition: The cost of purchasing land which is not built upon. There must be a direct link with the development of extra care and/or supported living accommodation.

Building Acquisition: The cost of acquiring a building if there is a direct link between the purchase and the development of extra care and/or supported living accommodation.

Site Investigation: The cost of investigations and inspections of sites to collect information and report potential hazards or risks of a site which are unknown.

Site Preparation: The costs associated with demolition of existing buildings and structures, clearing of building sites, excavation, levelling, drainage, and other preparation prior to construction.

Building and Construction: This should include external/ internal refurbishment and conversion of existing buildings, new build premises, provision of services, and landscaping.

Fees: This should include fees and salaries for design and supervision. Fees include legal consultancy fees, notarial fees, and the cost of technical and financial experts if they are directly linked to the development and are necessary for its completion.

Other Capital: Any eligible capital expenditure not covered by the categories above provided it can be clearly demonstrated that these are directly related to the delivery of the development.

Ineligible Expenditure

- Bidding costs
- Contingencies and contingent liabilities
- Statutory fines and penalties
- Criminal fines and damages
- Legal expenses in respect of litigation.

Appendix 2: Guidance on Subsidy Control (Formerly State Aid)

Under the Subsidy Control Act 2022, a “Subsidy” means any financial assistance given directly or indirectly through public resources by a public authority that confers a specific economic advantage on one or more enterprises, with respect to the production of goods or the provision of services, and which is capable of having, an effect on competition or investment within the United Kingdom or trade or investment between the United Kingdom and another country. This includes grant funding, free training and workshops.

Any financial assistance awarded will be checked by NCC for compliance with the Subsidy Control rules.

Definition of a Subsidy

A “subsidy” means financial assistance which includes grants, loans at a preferential rate and goods and services at a reduced cost – such as free training or events or subsidized consultancy.

- It must be awarded from a public body such as Northumberland County Council
- It must be made to an enterprise. An enterprise is any entity which provides goods or services on a given market, regardless of its legal status. This includes charities, non-profit organisations, sole traders and cooperatives – a profit does not have to be made. It is irrelevant whether the organisation has charitable aims or if profits will be directed towards activities for the public good. Offering goods and services occurs when goods or services are made available to users, even if a fee is not actually charged. A market exists when there is competition with at least one other organisation to provide goods or services to customers.
So Financial assistance to a recipient that does not provide goods or services on the market is not a subsidy (for example, a grant to NHS providers of health services is not a subsidy. Also support for an organisation that carries out non-economic activities with some ancillary economic activities is not a subsidy).
- It must confer an economic advantage for an enterprise. An advantage means a benefit not obtained under normal market conditions. Purchasing goods and services following appropriate public procurement processes at market rate is not an economic advantage.
- It must be specific and not available to all so that it benefits one or more enterprises over others. Measures which treat equally all enterprises in the area for which the authority exercises its responsibilities would not be a subsidy.
- It has, or is capable of having, an effect on competition or investment within the United Kingdom or trade or investment between the United Kingdom and another country. Financial support. Where the enterprise is operating in a market inherently without competition and there is no evidence of any potential market entry.

If all these criteria are not fulfilled, then the assistance is not a Subsidy.

If the Grant is a Subsidy

If the grant is a subsidy, then it can still be awarded but some additional paperwork will be required. There are two exemptions where organisations must declare previous financial assistance.

Minimal Financial Assistance (MFA)

Organisations (and any linked organisations) are allowed up to £315,000 in the current (from 1 April 2023) and previous two financial years. This allowance is cumulative and includes any subsidy previously received as 'de minimis' aid awarded under former EU State aid Rules (Commission Regulation (EU) No. 1407/2013) or as Minimal or Small Amounts of Financial Assistance under Article 364(4) of the Trade and Co-operation Agreement from any subsidy awarding body.

Services of Public Economic Interest (SPEI) Assistance

A similar allowance for SPEI Assistance given to an organisation if the total amount of MFA or SPEI Assistance given to the enterprise within the applicable period of three fiscal years does not exceed £725,000. SPEI can include social housing and rural bus services.

If these exemptions do not apply, then a subsidy will need to be assessed for compliance with the subsidy control principals.

Principle A: Subsidies should pursue a specific policy objective in order to remedy an identified market failure or address an equity rationale (such as local or regional disadvantage, social difficulties or distributional concerns).

Principle B: Subsidies should be proportionate to their specific policy objective and limited to what is necessary to achieve it.

Principle C: Subsidies should be designed to bring about a change of economic behaviour of the beneficiary. That change, in relation to a subsidy, should be conducive to achieving its specific policy objective, and something that would not happen without the subsidy.

Principle D: Subsidies should not normally compensate for the costs the beneficiary would have funded in the absence of any subsidy.

Principle E: Subsidies should be an appropriate policy instrument for achieving their specific policy objective and that objective cannot be achieved through other, less distortive, means.

Principle F: Subsidies should be designed to achieve their specific policy objective while minimising any negative effects on competition and investment within the United Kingdom.

Principle G: Subsidies' beneficial effects (in terms of achieving their specific policy objective) should outweigh any negative effects, including in particular negative effects on competition and investment within the United Kingdom, and international trade and investment.