

	<b>ACTION TAKEN UNDER DELEGATED POWERS BY OFFICER 29 June 2017</b>
<b>Title</b>	<b>Initial Funding for Extra Care Scheme</b>
<b>Report of</b>	Deputy Chief Executive
<b>Wards</b>	Burnt Oak
<b>Status</b>	Public
<b>Enclosures</b>	None
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## Summary

The purpose of this report is to release initial funds to carry out a full scheme design for an Extra Care scheme and continue to work towards gaining planning permission prior to a Full Business Case coming to the Asset Regeneration and Growth Committee in December 2017.

## Decisions

- 1. To authorise £164k of funds for a full scheme design of the Extra Care scheme in order to achieve planning permission for an identified site that could deliver a further 50 flatted Extra Care scheme.**

### 1. WHY THIS REPORT IS NEEDED

- 1.1 This report seeks to release funds up to £164k under the authority of the Deputy Chief Executive to instruct a planning submission for a 50 unit Extra Care scheme in Barnet.

- 1.2 The Adults and Safeguarding Committee, 10 November 2016, approved two further Extra Care sites to be funded through the Housing Revenue Account (HRA) budget. Moreton Close is on site and this scheme represents the first of these with a further 75 flatted scheme expected to be delivered on another site.
- 1.3 The funds will be used to instruct the architect and commission all the supporting reports required to submit a full detailed planning submission for the scheme.

## **2. REASONS FOR DECISIONS**

- 2.1 The Adults and Safeguarding Committee, 10 November 2016, approved two further Extra Care sites to be funded through the HRA budget. Moreton Close is on site and this scheme represents the second scheme of 50 units with a further 75 unit scheme incorporated into another identified site. There is another scheme at outline feasibility stage.
- 2.2 Barnet Homes already has approvals for this scheme in principal through Capital funding from HRA of £12.4m to develop an additional 50 places agreed as part of the 2015-2016 Capital Programme.
- 2.3 In order to progress the scheme, full planning permission will need to have been secured, a contractor appointed and a contract sum agreed. This will then be included in the Full Business Case that will be presented to ARG later this year. At that stage, planning permission will have been secured.
- 2.4 By releasing £164k now Barnet Homes will be able to progress design work with a view to submitting a planning application in late summer and initiate a tender process to give us firm costs for the December ARG.

## **3. ALTERNATIVE OPTIONS CONSIDERED AND REJECTED**

Due to the substantial amount of work required to achieve planning with outside consultants such as architects, planning consultants and Employer's Agents, there is no alternative. Barnet Homes cannot instruct them to carry out the necessary work without this approval.

- 3.1 Barnet Homes has a draft fee proposal from an architect to ensure that a full planning permission can be delivered within this budget. The Employer's Agent for Moreton Close has also reviewed the proposal and estimates that the planning can be achieved within this budget.

#### **4. POST DECISION IMPLEMENTATION**

Once the decision has been given Barnet Homes will issue a Letter of Instruction to the architect and proceed to planning.

Subject to planning approval Barnet Homes will work with the Employer's Agents to finalise the procurement process for the Design and Build contractor for this scheme.

Once cost certainty is achieved the Full Business Case will be submitted to Assets Regeneration and Growth Committee for approval prior to awarding the contract.

#### **5. IMPLICATIONS OF DECISION**

##### **5.1 Corporate Priorities and Performance**

5.1.1 The Corporate Plan 2015 – 2020 sets out the Council's vision and strategy for the next five years based on the core principles of fairness, responsibility and opportunity to make sure Barnet is a place:

- of opportunity, where people can further their quality of life
- where people are helped to help themselves, recognising that prevention is better than cure
- where responsibility is shared, fairly
- Where services are delivered efficiently to get value for money for the taxpayer.

5.1.2 Extra care housing is included within a number of the Council's plans as a method of achieving savings by diversifying the Council's housing offer for individuals eligible for care and support.

5.1.3 The Barnet Housing Strategy (2015–2025) identifies the need for the borough to secure new types of housing for Barnet's older population and working age adults with additional needs. One of the areas identified for expansion is the provision of extra care housing.

5.1.4 The Adults and Safeguarding Committee's Commissioning Plan (2015 – 2020) identifies the expansion of extra care housing schemes as a key mechanism for managing demand for residential care places for older people.

- Developing best practice social care, focused on what people can do and how they can help themselves.
- Diversifying Barnet's accommodation offer to help more people live independently.

- Transforming day care provision to ensure that people remain active and engaged through access to employment and volunteering.
- Integrating health and social care services to prevent crises and help individuals stay well and in their own homes.
- Improving the borough's leisure facilities to support and encourage active and healthy lifestyles.

5.1.5 The Council's Medium Term Financial Strategy (Medium Term Financial Strategy) includes savings of £1.225m for adult social care through the replacement of residential care with extra care places for older people with additional needs.

5.1.6 The 2016-2017 Addendum to the 2015-2020 Adults and Safeguarding Commissioning Plan includes the following commissioning priorities:

- Developing best practice social care, focused on what people can do and how they can help themselves.
- Diversifying Barnet's accommodation offer to help more people live independently.
- Transforming day care provision to ensure that people remain active and engaged through access to employment and volunteering.
- Integrating health and social care services to prevent crises and help individuals stay well and in their own homes.
- Improving the borough's leisure facilities to support and encourage active and healthy lifestyles.

The expansion of extra care provision in partnership with the Barnet Group supports delivery of these priorities. It also supports the priorities of the Joint Health and Wellbeing Strategy (2015–2020) and the strategy's themes of wellbeing in the community and care when needed. The expansion of extra care contributes to meeting the commitments of the Dementia Manifesto for Barnet, supporting people with dementia to live a full and active life, and enabling them to live at home for longer.

## **6. RESOURCES (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)**

6.1 Barnet Homes complies with the Council's requirements on procurement as shown through the delivery of Tranche 0 and currently Tranche 3 and Moreton Close Extra Care. Barnet Homes will offer a saving on this project through utilising the experience and expertise they have developed from these first projects.

6.2 Barnet Homes instructs Employer's Agents to demonstrate value for money through the procurement process. Currently, Barnet Homes is using Network Housing Association's framework to identify consultants and contractors that can satisfy all Barnet and OJEU requirements as well as managing a Dynamic Purchasing System for any other consultants required. Both systems allow Barnet Homes to identify contractors and consultants who have the necessary insurances, expertise and financial capacity. They are then invited to tender

for schemes through our Employer's agents – a full tender report highlighting value for money through the procurement process will form part of the Full Business Case at ARG.

6.3 Through previous development programmes Barnet Homes has demonstrated that it is able to work with the Borough's governance structure as it forms part of the Barnet family. This understanding of the Boroughs restrictions and requirements allows Barnet Homes to resource new projects effectively hence offer additional value to the Borough.

6.4 To date Barnet Homes has worked effectively with:

- Barnet Finance Department – in taking up Right to Buy receipts in a timely manner.
- Asset Regeneration and Growth, Adults and Safeguarding and Policy and Resources committees in presenting our reports for growth to meet targets in the Corporate Plan.
- Development Pipeline Project Board – on scheme progress and changes through Highlight Reports.
- Project Boards – these have been established for Tranche 0 (delivery of 40 new build homes - completed), Tranche 3 (delivery of 320 new build homes) and Extra Care (currently Moreton Close with 53 flats - on site).

6.5 **Project Approach** - The project will be managed by Barnet Homes in accordance with LBB project management toolkit, which has been adopted for the delivery of this scheme and its predecessor at Moreton Close, this incorporates monitoring and controls to ensure the project is delivered effectively and that budgets and programme are maintained and reported back through the appropriate channels. Scheme progress will be reported at the Extra Care Project Board and the Development Pipeline Project Board on a six week basis.

6.6 **Project Controls** - The Extra Care Project Board currently consists of Adults Wellbeing Strategic Lead (LBB), Lead Commissioner – Development Pipeline (LBB), Strategic Housing Lead (LBB), Head of Development New Build (BH), Head of Estate Management (LBB) and Programmes & Resources Advisor (LBB). The Project Board has responsibility for:

- Design sign off
- Programme
- Managing and appointing external consultants
- Budget
- Report and Review
- Delivering project outputs and benefits
- Producing monthly reports for project board and development pipeline board

This project will report upwards through the Extra Care Project Board and the Development Pipeline Project Board and relevant strategic commissioning boards to communicate progress and for approval of all key decisions.

6.7 **Financial Impact** - Barnet Homes expects the budget costs below to be funded through the HRA as set out in the report that went to the Adults and Safeguarding Committee in November 2016.

This report seeks to demonstrate the benefits of continuing with the current strategy of providing savings to the Medium Term Financial Savings budget through the provision of new extra care within the Borough. So far a programme of 227 extra care units has been agreed by the Adults and Safeguarding Committee (10 November 2016). The first scheme is currently on site (Moreton Close) and this scheme represents the second of the pipeline with a further two schemes at master-planning and outline feasibility stage respectively.

This project has approval from Capital Allocations through a Report of Policy and Resources Committee – Business Planning 2017–2020 report that went to the 7 March 2017 committee.

6.8 Barnet Homes will work in conjunction with Property Services in order to gain vacant possession of this site as it has done on previous schemes. Through partnership working the process should be straightforward and ensure that vacant possession is delivered in order to start on site on schedule.

6.9 **Staffing** – Barnet Homes now has an established staff team delivering new build for the Borough. The team have proved effective in delivering Tranche 0 and 3 and, currently it is envisaged that this project can be delivered using the current staff compliment.

6.10 **IT** – there are no IT implications for this decision.

6.11 **Sustainability** – the new building will achieve full up to date Building Regulations and all planning guidelines will be met.

## 6.12 Legal and Constitutional References

The Council’s Constitution, Contract Procedure Rules, Paragraph 7.1 and Appendix 1, Table A, set out authorisation and acceptance thresholds for works, supplies and services. Provided the procurement is within budget, the Director or Assistance Director can authorise procurement with a value of £164,176 and below.

## 7. Risk Management

Initial risks identified are:

6. RISK	PROBABILITY	IMPACT	TOTAL	ACTIONS TO MITIGATE	CONSEQUENCE	CURRENT STATUS
Time delays – vacant possession	2	5	10	Negotiations will take place with current leaseholders.	Barnet Homes is working with Property Services and will instruct them to negotiate with the leaseholders on our behalf.	If the scheme is delivered later than the 2018/19 financial year then Adult Services budget savings will not be realised and a future programme of Extra

						Care scheme could be in jeopardy.
Time delays – the scheme delivery	3	4	12	Barnet Homes has carried out feasibility for planning purposes.  Our current consultants are experts in the field of Extra Care.	The site will be delivered through a Design and Build contract and all site surveys will be carried out in advance of tenders in order to secure as firm a price as possible.	Barnet Homes has an expert consultant team in place that is keen to deliver this second scheme.  The Extra Care Project Board will be monitoring the progress of this scheme.
Time delays – revenue savings	3	4	12	If the scheme is delayed later than predicted then we will not achieve the predicted revenue costs savings.	The predicted savings to MTFS will not be met	Barnet Homes has put a realistic delivery programme together – however releasing £164k is required at this stage in order to deliver to this programme
Planning Permission	3	4	12	Barnet Homes will need to ensure that the scheme proposed meets all planning requirements and is compliant.	Barnet Homes has met with the planners and they are happy to see an extra care scheme in this location	Barnet Homes was successful with Moreton Close so are confident we know what the planners require here..
Occupancy	2	4	8	There could be delays in moving clients into the scheme which would reduce in year savings	Barnet Homes will be employing a manager and advertising the scheme to suitable customers	Barnet Homes is developing a communications and is just signing off an allocations procedure for Moreton Close which will form the basis for this scheme.
Demand and Future Proofing	2	4	8	Previously, sheltered accommodation was deemed adequate for older people’s housing provision and has now proved to be unpopular. It is critical to ensure that any new scheme can be used for a variety of uses if there are changes in legislation or political changes that make the scheme no longer viable.	Contractors will be asked to provide a strategy for converting all ancillary areas within the scheme back into self-contained accommodation should the use of the building change in the future. This included the provision of tails, draining and ducting to facilitate future remodelling.	The need for reverting to general needs accommodation is highly unlikely for the foreseeable future.

## **8 Equalities and Diversity**

- 8.1 Section 149 of the Equality Act 2010 sets out the public sector equality duty which obliges the Council to have due regard to the need to: eliminate unlawful discrimination, harassment, victimisation; advance equality of opportunity between those covered by the Equalities Act and those not covered e.g. between disabled and non-disabled people; and foster good relations between these groups. The protected characteristics are age, disability; gender reassignment; pregnancy and maternity; religion or belief; sex; sexual orientation.
- 8.2 By section 149 (2) of the Equality Act 2010, the duty also applies to 'a person, who is not a public authority but who exercises public functions and therefore must, in the exercise of those functions, have due regard to the general equality duty'. This means that the council, The Barnet Group LTD, Your Choice (Barnet) Limited and Barnet Homes LTD will need to have regard to their general equality duty.
- 8.3 An equalities impact assessment (EIA) has been carried out for a similar care and support service at Moreton Close. This has shown that overall there will be a significant positive impact on equalities strands and in particular for older and disabled residents and there are no equalities risks associated with the proposals.
- 8.4 Based on the Moreton Close EqIA, it is anticipated that for all extra care schemes developed, there will be an overall significant positive impact on equalities strands and there are no equalities risks associated with the proposals. An equalities impact assessment will be completed the scheme. In addition an EqIA was appended to the 10<sup>th</sup> November committee report.

## **9 Consultation and Engagement**

- 9.1 Carer and service user representatives have been involved in research into good practice in care and support in ECH schemes, through in-borough visits and out of borough visits. This has informed the development of the Barnet model of extra care. A focus group was held with residents at one of the borough's existing ECH schemes - co-facilitated by carer representative.
- 9.2 A detailed consultation and engagement strategy is being developed for the project.

## **10 BACKGROUND PAPERS**

10<sup>th</sup> November 2016, Adults and Safeguarding Committee, Item 9, Extension of Extra Care Services,  
<https://barnetintranet.moderngov.co.uk/ieListDocuments.aspx?CIId=698&MIId=8674&Ver=4>

7<sup>th</sup> March 2017, Council, item 11, Report of Policy and Resources Committee – Business Planning 2017 – 2020



## 11 DECISION TAKER'S STATEMENT

- 11.1 *I have the required powers to make the decision documented in this report. I am responsible for the report's content and am satisfied that all relevant advice has been sought in the preparation of this report and that it is compliant with the decision making framework of the organisation which includes Constitution, Scheme of Delegation, Budget and Policy Framework and Legal issues including Equalities obligations.*

## 12 OFFICER'S DECISION

**I authorise the following action**

**Release £164k of funds in order to achieve planning permission for an identified site that could deliver a further 50 flatted Extra Care scheme.**

**Signed**



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**Cath Shaw  
Deputy Chief Executive  
LB Barnet**

**Date**

**29.06.2017**

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