

Full Business Case (FBC): Stag House

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Executive Summary

1. Barnet Homes has been commissioned to act as development agent on behalf of the Council to develop a pipeline of affordable Extra Care housing.
2. Extra Care housing provides accommodation and support for older people with higher levels of needs. Extra Care allows residents to live independently in their own flats, while accessing flexible 24-hour onsite support. The levels of support and care are flexible and can vary as residents' needs fluctuate through their lifetimes.
3. This Full Business Case builds upon the Outline Business Case approved by the Assets, Regeneration and Growth Committee on 27 November 2017. This Full Business Case revisits the case for change and options set out on the Outline Business Case, and endorses the OBC's proposal to provide a high quality new Extra Care through developing the Stag House site in Burnt Oak, thereby delivering savings to the Medium Term Financial Strategy (MTFS).
4. A development pipeline of 227 Extra Care units was agreed by the Adults and Safeguarding Committee on 10 November 2016. The first scheme, a 53 unit development at Ansell Court (Milespit Hill in Mill Hill ward, referred to in previous reports as Moreton Close), is on site and projected to be completed in 2018/19. The Adults and Safeguarding Committee approved two further Extra Care sites to be funded through the HRA budget. Stag House represents the second scheme of the pipeline, and will deliver 51 additional Extra Care units for 2020-21.
5. The report considered by the Adults and Safeguarding Committee in November 2016 outlined significant potential annual revenue savings to the MTFS that could be secured by the development of Extra Care units.
6. Compared to residential care, Extra Care represents a saving of £308 per unit per week. Wider evidence indicates that Extra Care represents a cost-effective approach which is an attractive option for older people who prize independence and quality of service delivery.
7. Reducing Adult Social Care Services by providing a range of alternative services – including Extra Care – is the priority focus for the Adults and Safeguarding Committee's savings proposals. The Policy and Resources Committee on 28 June 2016 tasked the Adults and Safeguarding Committee with developing proposals for savings of £15.070m between 2016 and 2020. The Adults and Safeguarding Committee has budgeted accordingly on the basis of making these savings through Extra Care development.
8. The Council, with Barnet Homes as its development agent, is already pursuing this Extra Care development pipeline through the Ansell Court scheme. Stag House is the next major stage in the development pipeline. Stag House represents a large developable site (it is currently a large building and car park), with capacity for 51 affordable rent Extra Care units. The site consists of a freehold belonging to the Council, four leasehold flats, and a ground floor commercial lease. The site is located in a busy and active environment on Burnt Oak Broadway which contrasts to the more suburban setting of Ansell Court. It is expected that

this environment will attract a different client who will enjoy this cosmopolitan and lively neighbourhood.

9. Following the approval of the Outline Business Case in November 2017, work is continuing to progress on preparing the Stag House scheme. Architects have been contracted to design the scheme and an application for planning permission was submitted in December 2017 and validated in January 2018.
10. Capital funding from the Housing Revenue Account (HRA) to develop an additional Extra Care scheme of around 50 units was originally agreed as part of the 2016-2017 Capital Programme. This funding allocation has further developed into a wider Extra Care Pipeline capital budget line which will enable the building of the 51 units at Stag House as well as a further 75 unit scheme planned for Cheshir House on the Fosters Estate.
11. The greatest risk to the scheme identified at this time, and to the forecasted savings for Adults and Safeguarding budget, is time delays associated with vacant possession.
12. Due to the significant risk of programme delay because of vacant possession and the associated financial implications, authorisation was provided by the Assets, Regeneration and Growth Committee to make a Compulsory Purchase Order for the leaseholder flats at Stag House. The Council is now seeking a further updated recommendation for a Compulsory Purchase Order against the wider red line boundary of Stag House to ensure there is no impediment to the delivery of this scheme in the event that another unknown interest is identified at the site (such as a statutory undertaker). The Council will use Compulsory Purchase Powers as a last resort and will first carry out negotiations with the aim of voluntary acquisition of any interests via private treaty. Barnet's Property Services Team is engaging with the current leaseholders at Stag House in order to reach a negotiated agreement, with the understanding that compulsory purchase powers may be used as a matter of last resort.

1. Strategic Case

- 1.1. **This document represents the Full Business Case for the proposed Extra Care scheme at Stag House.**
- 1.2. This report builds on the Outline Business Case approved by the Assets, Regeneration and Growth Committee on 27 November 2017. The Outline Business Case set out the Strategic, Economic, Commercial, Financial and Management Cases for the Stag House Extra Care scheme development, considering critical success factors and a number of options, recommending the preferred option of developing a high-quality Extra Care scheme for affordable rent on the Stag House site in Burnt Oak.
- 1.3. The Outline Business Case in turn developed upon a Strategic Outline Case submitted to the Development Pipeline Board on 11 August 2017 by Barnet Homes. The Strategic Outline Case set out the initial strategic rationale behind continuing to provide Extra Care housing in the borough. This document provides further evidence to support the business case, drawing on local and national context and up-to-date information on the proposed scheme.
- 1.4. This Full Business Case report revisits and updates the case for change, assessment of options, and forecasted programme for the Stag House development set out in the Outline Business Case, reviewing these arguments to ensure that the case for spending remains robust and up-to-date.
- 1.5. So far a development pipeline of 227 Extra Care units has been agreed by the Adults and Safeguarding Committee (10 November 2016). The first scheme, at Ansell Court, is on site and projected to be completed in 2018/19. Stag House represents the second scheme of the pipeline, with a further scheme at feasibility stage at Upper and Lower Fosters.
- 1.6. The below sections set out the strategic context for this development in terms of corporate priorities, the national policy landscape, and the local need for specialist housing for older residents. This Full Business Case confirms that the scope of the project and the case for spending remains as set out in the Outline Business Case.

Corporate Priorities and Performance

- 1.7. 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; and where services are delivered efficiently to get value for money for the taxpayer.
- 1.8. The 2017/18 Addendum to the Corporate Plan outlined the key areas of strategic focus for the Council for 2017/18. These included:
 - Responsible growth, regeneration and investment; and
 - Building resilience in residents and managing demand.

- 1.9. Within these priority areas, the Addendum to the Corporate Plan included commitments to undertake specific activities. Specifically, the Responsible Growth priority area included a commitment to “regeneration and investment in infrastructure... delivering a pipeline of new homes on Council land.”
- 1.10. Within the Building Resilience priority area, the Addendum included a commitment to “diversifying Barnet’s accommodation to ensure that it supports older people, people with learning disabilities and autism, and mental health conditions to live independently for as long as possible.”
- 1.11. By delivering new homes on Council land where older residents can enjoy independence, security of tenure, and flexible levels of care, the Extra Care development pipeline supports the above priority activities and contributes to the Corporate Plan priorities.
- 1.12. The 2017-18 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; and
 - Expanding evidence-based prevention and early support, including technology, to make sure people can use services closer to home to help them stay independent for as long as possible.
- 1.13. 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. In addition, The Right Home Commissioning Plan, which was approved by Adults and Safeguarding Committee in June 2017, supports the use of Extra Care to extend residents’ independence as they get older. The expansion of Extra Care also 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 as part of an active and supportive Extra Care community.
- 1.14. So far on this strategy we are developing Ansell Court, Full Business Case agreed at ARG on 19 October 2016. The Ansell Court scheme will be a state of the art, Extra Care scheme consisting of 53 flats with communal areas including a café, and office space for support staff. The budget for this scheme is £15.6m and the scheme is currently on site with a completion date in 2018/19.
- 1.15. In addition the Adults and Safeguarding Committee, 10 November 2016, approved two further Extra Care sites to be funded through the HRA budget. Stag House

represents the first of these, with a further 75 flat scheme expected to be delivered on Upper & Lower Fosters.

- 1.16. The quality of the Stag House design is in keeping with current best practice with large spacious flats, communal areas that have multi-functions and will be well-used, a café and communal laundry as well as a guest suite, assisted bathing and substantial staff accommodation all on site. Outside there are landscaped areas. The whole scheme will be fully wheelchair accessible.

Local context

- 1.13. 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.
- 1.14. The Barnet Housing Strategy (2015 – 2020) identifies the need for the Council 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.
- 1.15. 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.
- 1.16. The Council's MTFs (MTFs) includes savings of £0.465m per annum from 2018/19 for adult social care through the replacement of residential care with Extra Care places for older people with additional needs.
- 1.17. The Right Home Commissioning Plan, approved by Adults and Safeguarding Committee in June 2017, supports 'Increased supply of Extra Care and sheltered plus provision for older people as an alternative to residential care'.
- 1.18. Barnet is currently over reliant on residential care, in the absence of alternative forms of accommodation and support. The lack of alternatives to residential care has been identified as one of the factors influencing families, individuals and professionals when choosing residential care. The chart below shows Barnet's comparative performance for the number of adults aged over 65 with permanent admissions to sheltered accommodation.
- 1.19. The graph below shows that Barnet has a high number of older people admitted to residential and nursing care when contrasted with other comparable outer London boroughs. While the number of elderly clients has not decreased, residential admissions have declined more recently due to changes in the approach taken by Barnet Council's Adults Services: this includes moving away from residential care provision, making better use of existing Extra Care facilities, and accommodating residents' wishes to remain in their own homes.

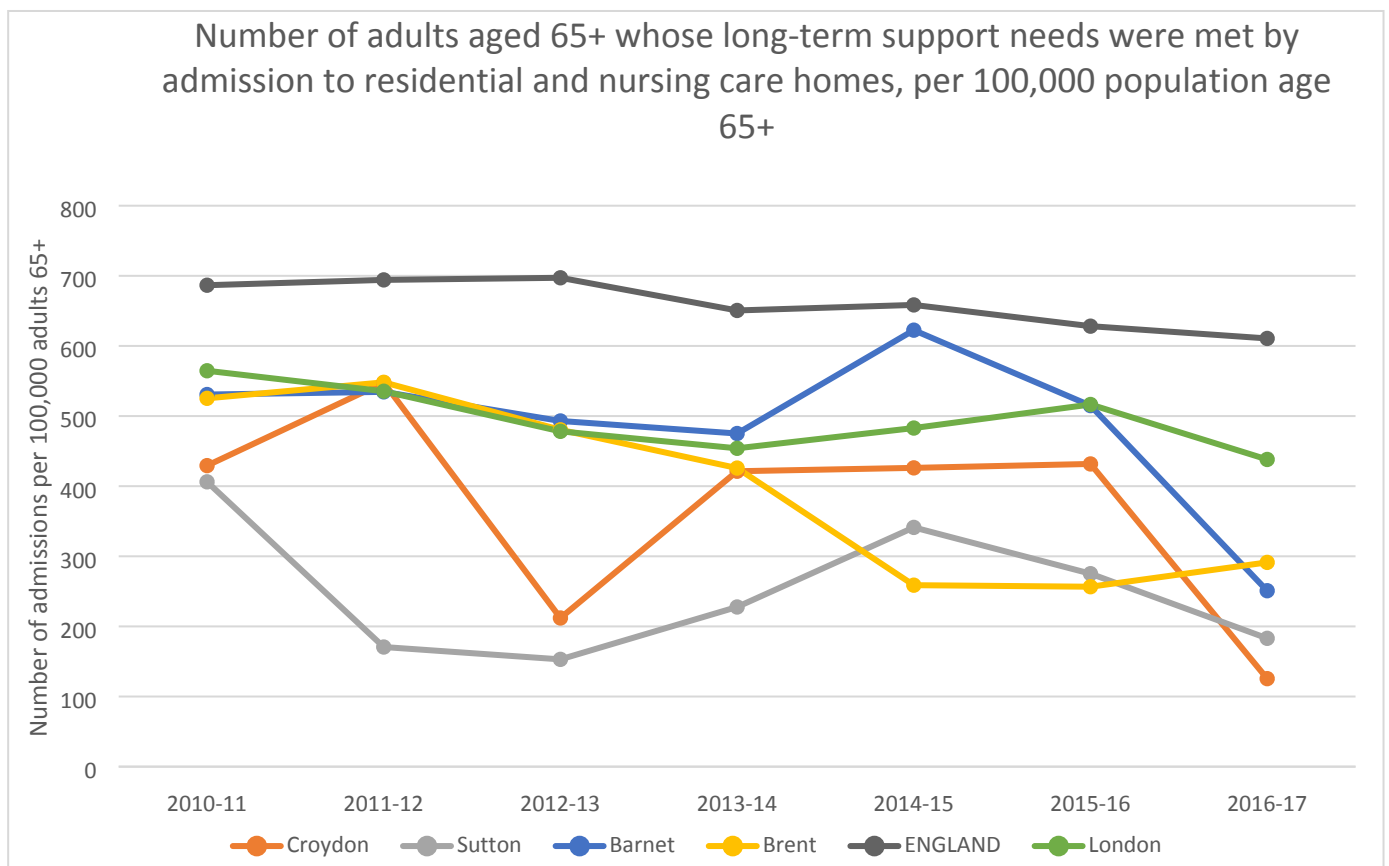


Figure 1 - Admission to residential and nursing care homes, 2010-17.

Source: Measures from the Adult Social Care Outcomes Framework 2016-17, NHS Digital.

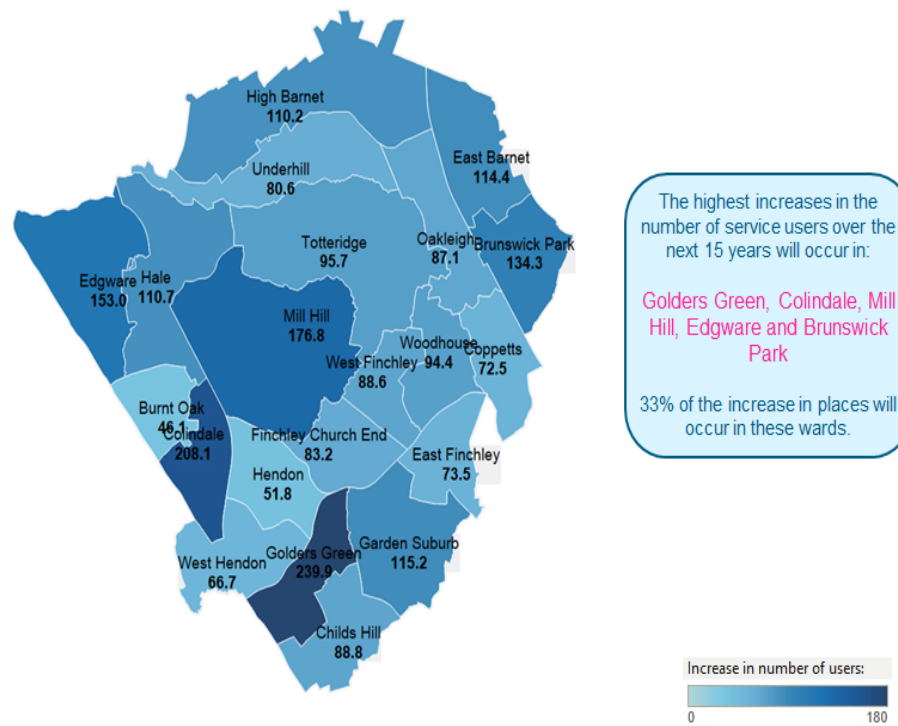
Admissions to Residential Care Working Age Adults LBB 2010 – 2016

- 1.20. Residential care is a relatively costly form of provision. Using prices paid in 2015-2016 by the Council, the difference between the amount spent on clients in residential care and those in Extra Care was £308 per week.

Local Need

- 1.21. All projections in Barnet demonstrate that there is an immediate need for well-designed Extra Care housing for older people. Recent work demonstrates that this need is also growing as per the diagram below demonstrating significant increases in the number of additional service users by 2030.

The increase in clients per ward by 2030



Customer and Support Group

Client increase for wards is calculated through distribution of Barnet client projections using POPPI & PANSI projections and GLA age and gender population projections. This distribution is calculated using the proportion of each age group living in each ward. The data shown in the maps is the median of the range of client numbers in each ward.

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Figure 2 - Increase in Adults Services clients per ward by 2030.

Source: CSG analysis based on POPPI, PANSI and GLA age and gender population projections.

- 1.22. Combined with the existing on-site Extra Care facility at Ansell Court in Mill Hill and the planned Upper and Lower Fosters site in Hendon, the proposed pipeline of affordable Extra Care facilities represents a good coverage of three wards across Barnet. Stag House will be located in a busy, vibrant and diverse area, with Burnt Oak offering a number of nearby amenities. This environment is different from the suburban setting of Ansell Court and will widen Barnet's offer to different types of residents seeking affordable Extra Care housing.

National Policy Context

- 1.23. National policy has placed an increasing emphasis on making sure that local government and the NHS provide the right early support to help people stay in their own homes within a local community. Taking the right steps to avoid institutional care settings for the most vulnerable residents is an overarching theme of national policy in this area.

- **The Care Act (2014):** sets out a vision for a reformed care and support system. The Act gives the Council responsibility for making sure that people have more control over their care through effective care and support planning and personalisation;
- **Better Care Fund (2013):** requires local areas to work across health and social care boundaries to reduce the numbers of elderly and frail people who have unplanned admissions to hospital and residential care. It also places an

expectation on local areas to reduce the numbers of people who are delayed whilst being discharged from hospital;

- **Valuing People (2001):** contains four fundamental principles: choice and control in all aspects of the lives of people with learning disabilities, rights, promoting independence and inclusion and citizenship. Valuing People Now (2009) focused attention on those areas of the lives of people with learning disabilities where insufficient progress had been made since 2001, namely housing, employment opportunities and health; and
- **Transforming Care programme (2015):** aims to improve the care and support for people with learning disabilities and/or autism and mental health problems or behaviour that challenges. The programme of work for the Transforming Care programme was outlined in Transforming Care – next steps and is being jointly taken forward by NHS England, the Association of Adult Social Services, Care Quality Commission, Local Government Association, Health Education England and the Department of Health. One of the key strands of activity is getting the right care in the right place – ensuring that people are receiving high quality care and support outside institutional settings with a focus on supporting people in their local communities.

1.24. On **31 October 2017**, the Government issued a policy statement and opened two consultations on **Funding for Supported Housing**¹. The policy statement set out the key features of the new model for supported housing funding, called ‘Sheltered Rent’, to come into effect from 2020. This model ‘keeps funding for sheltered and extra care housing in the welfare system’, and sets an overall cap on the amount that providers can charge in gross eligible rent. Additionally, the social housing regulator will regulate gross eligible rent, as is already the case for Affordable Rent. This development does not directly impact the funding profile for the Stag House scheme, as the Extra Care flats at Stag House will already be classed as Affordable Rent. This is a second consultation on funding for supported housing and the proposal to keep funding for extra care housing in the welfare system as currently has been widely welcomed and is further evidence of support across the system for Extra Care Housing.

Project Definition

- 1.25. Barnet Homes has already been commissioned to develop a new Extra Care housing scheme on behalf of the Council in the role of development agent at Ansell Court.
- 1.26. The Development Team at Barnet Homes will manage the development process on behalf of the Council working closely with the commissioners in Adults and Communities on the brief and progress throughout scheme delivery. Stag House represents the second Extra Care scheme in the 227 unit pipeline.
- 1.27. Stag House, 94 Burnt Oak Broadway, Burnt Oak, London is currently a large building with car park. The site consists of a freehold belonging to the Council and four leasehold flats on 125 year leases from April 1985, as well as a ground floor commercial lease.

¹ Department for Communities and Local Government & Department for Work and Pensions, 31 October 2017. *Funding for supported housing - two consultations*. <https://www.gov.uk/government/consultations/funding-for-supported-housing-two-consultations>

- 1.28. A review has been undertaken to ascertain the best future use of this site and this report seeks to demonstrate that the best option is to redevelop the site for a high quality Extra Care scheme.
- 1.29. At Outline Business Case stage, Barnet Homes had carried out an initial design feasibility for the scheme that had been signed off by the Strategic Lead, Adults and Health and agreed with the Director of Your Choice Barnet, who are The Barnet Group's care provider. Since the approval of the Outline Business Case, Adults and Health and Your Choice Barnet colleagues have been further involved in developing the design for the Stag House scheme.
- 1.30. In addition, initial meetings with Planning colleagues had corroborated that the site would be acceptable as an Extra Care scheme. Since Outline Business Case stage, Barnet Homes has held formal pre-application meetings with colleagues from Planning and Highways in order to refine the scheme ahead of the submission of the planning application. These meetings further indicated the suitability of the Stag House site for Extra Care and have ensured that considerations relating to the scheme's impact on the surrounding neighbourhood are taken into account at an early stage.

Extra Care Proposal – Key Characteristics

- 1.31. The scheme will be designed and built to meet the rising aspirations of older people in terms of individual dwellings and communal facilities, with the aim of providing a future proofed facility that will successfully meet housing needs for generations to come.
- 1.32. The role of Extra Care as a resource for older people living in the vicinity is an important contribution to creating sustainable communities. This scheme will offer a range of activities, social interaction, nutritional meals, advice and support to non-residents as well as residents.

Rationale

- 1.33. This report presents evidence on how increasing Barnet's supply of Extra Care homes will benefit individuals and the Council. The report sets out the benefits of Extra Care provision for Barnet, based on an understanding of Barnet's population profile and population need, and supported by a review of wider evidence regarding the successes of Extra Care. This document also sets out the specific benefits of delivering a scheme of 51 Extra Care units at the Stag House site in Burnt Oak.
- 1.34. The Council's aspiration is to develop a number of exemplary, innovative high quality Extra Care schemes in Barnet. These will reflect best practice in terms of modern design and the delivery of flexible, person centred care and support. The Council wishes to promote integrated communities, where there is a supply of good housing choices for older people and those with disabilities and complex needs. The focus is on developing more creative ways to support people to remain in their own homes, to maintain high standards of independent living for longer, to avoid social isolation and to prevent and reduce the use of high cost residential placement packages at a later stage. Extra Care will play an important role in achieving this objective.

- 1.35. In 2014/2015 a small number of potential Extra Care sites were identified in the borough, including Ansell Court (HRA site). Capital funding (£15.6m) was secured for a Barnet Homes development of a 53 unit site. This scheme is forecasted to open during 2018/19.
- 1.36. A review of existing literature demonstrates the benefits of Extra Care to both residents and the service providers through providing a more tailored and successful service:
- 1.37. Aston University's Research Centre for Healthy Ageing (ARCHA) and the Extra Care Charitable Trust undertook collaborative research to produce a longitudinal evaluation of the Extra Care approach². They found that Extra Care residents demonstrated "significant improvements in psychological well-being, memory and social interaction" compared to baseline levels. Extra Care residents showed a reduction in depression – those with low mobility demonstrating the greatest improvement.
- 1.38. The Aston study also suggests that Extra Care services led to less pressure on hospital services, and that the Extra Care model is likely to offer significant potential savings in the cost of social care for local authority commissioners:
- 1.39. "The cost of providing lower level social care using the Extra Care model was £1,222 less per person per year than providing the same level of care in the wider community (on average, with variation by local authority) and the cost of higher level social care was £4,556 less (26% less) per person per year."
- 1.40. Savings to NHS budgets were also significant: over a 12 month period, total NHS costs (including GP visits, practice and district nurse visits and hospital appointments and admissions) reduced by 38% for Extra Care residents.
- 1.41. A study by De Montfort University's Professor Tim Brown³ found that in the context of restraints on public expenditure and an ageing society, Extra Care housing "has an important function in helping local housing markets to function more effectively" and will have an increasing role to play in "meeting the needs of a wide range of types of vulnerable people such as those with learning difficulties and those with dementia."
- 1.42. A 2011 Evaluation of Extra Care Housing conducted by (Personal Social Services Research Unit (PSSRU) and the Housing Learning and Improvement Network⁴ (HLIN) found that "Outcomes were generally very positive, with most people reporting a good quality of life", and that "Better outcomes and similar or lower costs indicate that Extra Care housing appears to be a cost-effective alternative for people with the same characteristics who currently move into residential care." Extra Care was found to be a good option to improve residents' social lives and offering choice. The study indicated that Extra Care was an *attractive option for older people who prize independence and quality of service delivery*.

² Aston University. 2015. Collaborative Research between Aston Research Centre for Healthy Ageing (ARCHA) and the ExtraCare Charitable Trust.

www.aston.ac.uk/EasySiteWeb/GatewayLink.aspx?allid=245545

³ Tim Brown, 2010. Housing an Ageing Population: The Extra Care Solution.

<https://www.dmu.ac.uk/documents/business-and-law-documents/research/cchr/hm1302007458housinganageingpopulationt.pdf>

⁴ PSSRU & Housing LIN. 2011. Evaluation of the extra care housing initiative

https://www.housinglin.org.uk/assets/Resources/Housing/Research_evaluation/DP2783v2.pdf

1.43. The Joseph Rowntree Foundation's review of Social well-being in Extra Care housing⁵ found that:

- Extra Care promotes flexibility, choice, independence and wellbeing for older people;
- Providing on-site facilities for guests (e.g. hairdressing, café/restaurant) are important for social interaction;
- Extra Care is increasingly seen as having the potential to form a base for community health services, outreach services, intermediate and rehabilitative care; and
- Extra Care provides opportunities for residents to build friendships and maintain social networks in the wider community.

1.44. The NHS also uses a well-being methodology as part of their assessment of mood⁶. Extra Care provision supports this by:

- Involving residents, carers and their families in decision making;
- Providing assistance with daily tasks following periods of time in hospital/operations if required;
- Supporting residents in doing things for themselves and maximising independence; and
- Respecting residents' privacy, modesty, dignity and choices.

1.45. The 'Well-Being Outcomes Star' developed by the Triangle Social Enterprise prioritises:

- Where you live;
- Being treated with dignity;
- Choice and control; and
- Looking after yourself and accepting help.

1.46. Evidence demonstrates that Extra Care offers older people significant advantages across the four Outcomes Star priorities.⁷

Population Need and Demand Management

1.47. Analysis of Barnet's current population profile and modelling of the population in 2030 was used to estimate the future numbers and locations of older adult social care eligible clients in the borough. The most conservative estimate, using the current profile of adult social care clients, identified that an additional 227 affordable rent Extra Care places are required by 2030 to meet eligible needs.

1.48. Ansell Court is currently on site and expected to complete 2018/19, delivering 53 extra care units. Stag House will provide the second stage of the development pipeline, delivering 51 additional units.

⁵ Joseph Rowntree Foundation. 2007 – research paper into wellbeing at Extra Care
<https://www.jrf.org.uk/sites/default/files/jrf/migrated/files/2087-social-wellbeing-care.pdf>

⁶ NHS wellbeing methodology as part of self-assessment of mood
<http://www.nhs.uk/Tools/Pages/Mood-self-assessment.aspx>

⁷ Triangle Social Enterprise. Well Being Outcomes Star. <http://www.outcomesstar.org.uk/well-being-star/>

1.49. The Extra Care scheme allocations policy will be based on the following eligibility and allocations criteria:

1.50. Eligibility criteria

- Individual has housing need;
- Individual is eligible for adult social care; and
- Aged 55/ 60+ or registered disabled with assessed needs and lifestyle suited to living in community of older people.

1.51. Allocations criteria

- Address currently unmet need;
- Reflect scheme focus (e.g. frailty, declining mental agility);
- Relocate people from residential care;
- Achieve mixed community of residents with low, medium and high needs. Best practice indicates that schemes are effective and affordable when overall resident need is balanced, with a third each having low, medium and high needs.

Expected Benefits

1.52. Extra Care homes are a popular and cost-effective alternative to residential care.

1.53. The key features of Extra Care homes are:

- Residents have their own self-contained flats and security of tenure;
- The model is flexible, which means it can work for a wide range of adult social care clients: older people with additional support needs, those with dementia, working age adults with learning disabilities and those with physical or sensory disabilities;
- Care and support is provided for people with varying levels of need and according to their needs. There is a minimum level of onsite care available to all residents on site at all times, with additional care available for residents to access as required;
- Support is available throughout the day and night;
- There are communal facilities and shared services, such as a lounge, dining area and garden, hairdressing salon, assisted bathroom and meals from a café style facility;
- Extra Care developments are located within local communities and residents can participate in local activities and use facilities such as local shops;
- Couples, where one partner has increasing care needs, can stay living together; and
- Extra Care homes provide a range of financial and non-financial benefits to the Council, NHS and to the borough's residents.

Benefit Title	Description	Measurement / Calculation Used	Data Source	Benefit Owner	Baseline	Target level	Target Start Date
Cost avoidance (Financial – Type 2)	Financial Benefits: reduced use and step down from residential care. A financial saving will be achieved in the form of a reduction in costs through reduced use and step down from residential care. ECH is significantly cheaper than residential care and therefore a cost will be avoided for each flat that is let to ASC clients	Measured by comparing the cost per year to accommodate and support client within ECH vs residential care and cost of homecare	Extra Care costs to be monitored by Adult Services - through MOSAIC To be compared against 1. WLA Price Banding (minimum unit price for residential placements in Barnet by Barnet Council and other authorities in the West London Alliance) and 2. Homecare average rates	Lead Commissioner for Older People and Integrated Care	The actual costs of this scheme will be monitored compared to current spend of £466 - £520 per week or £525 - £565 per week for those with high level support needs, with the savings being the difference between those two costs.	£350,343 in 2020/21 based on a phased entry from June 2020. £479,877 in 2021/22 based on full occupancy.	June 2020
Strategic Objective (Non-Financial - Type 1) - independence for older residents	A key vision for the Council, as outlined in the Corporate Plan and the Adults Commissioning Plan, is to support more people to remain independent and to live longer in their own homes. The scheme will allow this and, where possible, provide a home for life	Measure occupancy rates against a target occupancy rate of 100%.	Occupancy rates to be recorded by Barnet Homes Housing Management, QL system.	Lead Commissioner for Older People and Integrated Care	Current Extra Care occupancy rate on site is 0 as site is yet to reach practical completion	100% occupancy	June 2020

Resident satisfaction (Non-Financial – Type 4)	Through delivering flexible accommodation, will enable residents to live independently, and will also mean they will not need to be separated from partners (often acting as primary carer) or from older carers.	Improved resident satisfaction compared to baseline (recorded through monitoring of self-reported wellbeing scores). Monitor occupancy of 2-bedroom flats against target occupancy rate of 100%.	Anonymised information from wellbeing interviews (e.g. responses to wellbeing star) to be reported following 1-1 resident sessions with YCB key workers.	Lead Commissioner for Older People and Integrated Care	Baseline to be established based on: existing tenant satisfaction for Barnet Homes residents in sheltered accommodation; wellbeing scores recorded from residents of the Ansell Court Extra Care scheme.		June 2020
Service Standards / Reputational (Non-Financial – Type 5)	Extra Care is a popular option for older persons' care; this will be an innovative project addressing needs of older people, commissioned in line with best practice from the latest evidence base. It will deliver an improved service provision to residents. This will have a positive impact on the service standards and reputation of the Council's Extra Care housing offer within the borough, as part of a continuing Extra Care development pipeline.	Measure design specifications and service provision against recommendations outlined in HAPPI report. Comparison with other schemes in Barnet Extra Care pipeline and other providers.	Standard design / service KPIs to be recorded throughout Extra Care pipeline and compared with external Extra Care service providers. Employer's Agent will evaluate architects' proposals in line with mayoral design guide and HAPPI principles.	Lead Commissioner for Older People and Integrated Care	Extra Care will be evaluated in comparison to current sheltered accommodation occupied by client group.	All mayoral design guide standards and HAPPI principles met or exceeded.	June 2020

Respite/Rehabilitation bed space	The scheme will accommodate an extra studio, en-suite flat enabling a patient to leave hospital earlier than usual as a care package can be provided by the staff team within the Extra Care scheme. This represents a benefit to the patient and also to the public purse.	Measuring the number of days per year where the rehabilitation bed space is being used, and thus the impact on hospital bed days saved. Data will be collected once scheme goes live	Rehabilitation bed space occupancy rates to be recorded by Barnet Homes Housing Management, QL system.	Lead Commissioner for Older People and Integrated Care	As there is currently no rehabilitation bed space provided at this site, the baseline is zero.	100%	June 2020
Social value: improved health, life long learning employment and training opportunities	Building contracts will provide employment and training opportunities. New homes will provide a stable environment, conducive to good health and personal development. Residents able to leave hospital sooner as support within the scheme, less pressure on NHS and a nurse could visit the scheme and see many residents and staff on site to ensure wellbeing of residents.	Measure number of additional apprenticeships created by the scheme, and use of local suppliers representing benefits to the wider local economy.	Apprenticeships data (including transition to full time employment) and information on use of local suppliers to be provided by contractor.	Barnet Homes, in partnership with Community Engagement Team	Baseline to be provided by contractor based on existing apprenticeship levels.		October 2018

Risks

1.55. There are a number of key risks for the scheme that are being managed to ensure the success of the scheme and delivery of the required outcomes. The table below lists the main risks and Barnet Homes' strategy to mitigate against them.

RISK	PROBABILITY	IMPACT	TOTAL	ACTIONS TO MITIGATE	CONSEQUENCE	CURRENT STATUS
If vacant possession cannot be secured, the programme will be delayed	3	3	9	<p>We have identified funds in order to negotiate with the current leaseholders.</p> <p>The Assets, Regeneration and Growth Committee on 27 November gave approval to use compulsory purchase powers in the case that it is not possible to reach a negotiated outcome with the four leaseholders.</p>	If it is not possible to successfully negotiate the purchase of the four leaseholder units, a CPO order would have to be issued for the properties. This may incur higher costs than a negotiated price. The process may also be longer for a CPO than for a negotiated sale.	Barnet Homes has instructed Property Services to negotiate with leaseholders. Negotiations with leaseholders have commenced, with Property Services and Barnet Homes attending a meeting with the four leaseholders. Independent property valuations have been undertaken.
Cost certainty has not yet been achieved. Costs could increase as a result of further design detail and when tender returns are received, potentially leading to higher expenditure than allocated budget	3	4	12	<p>The estimated costs in the capital budget have been tested by Barnet Homes' Employer's Agent & cost consultant, who have provided confidence that the scheme is deliverable within this budget. This has involved market testing with interested contractors as well as an assessment of the current trends in contractors' tender prices.</p> <p>We will be using a fixed price contract and undergoing value engineering as required with our Employer's Agent</p>	More funds would be needed from HRA or GLA. Significantly increased costs would impact the financial viability of the scheme.	<p>Our Employer's Agent has indicated that the build cost forecast for the Stag House scheme can be accommodated within the agreed budget.</p> <p>On Ansell Court we have a fixed price design and build contract and have mitigated risk by carrying out as many site surveys as possible to reduce the need for contingency sums. We intend to replicate this approach for the Stag House scheme.</p> <p>Preliminary surveys around the site are already being undertaken, and realistic contingencies have been included taking account of existing knowledge of the site.</p>
Time delays during scheme delivery	3	4	12	The site will be delivered through a Design and Build contract and all site	If the scheme is delayed later than predicted then we will not achieve the	We have put a realistic delivery programme together, informed

could impacting on revenue savings				surveys will be carried out in advance of tenders in order to secure as firm a price as possible. We have an expert consultant team in place that are keen to deliver this second scheme. We have put a realistic delivery programme together	predicted revenue costs savings to the MTFS.	by our work on Ansell Court. We are continually monitoring the scheme's progress and impact on revenue savings.
Planning Permission may not be secured	2	4	8	Barnet Homes will continue to engage with planning colleagues to ensure that the proposed scheme meets all planning requirements, and that the property's massing and provision of community use is appropriate for the surrounding area.	The scheme could not progress without planning permission, or could be delayed if planners require significant amendments to the planning submission before approval is granted.	Planning permission was successfully obtained for Ansell Court. Barnet Homes has held formal pre-application meetings with colleagues from Planning and Highways in order to refine the scheme ahead of the submission of the planning application. A planning submission was made in December 2017.
Anticipated occupancy targets may not be met	2	4	8	An occupancy strategy and schedule will be developed which will ensure that residents move into the scheme in a phased manner so that they are given the support and attention they need to acclimatise to their new homes.	The scheme may not meet residents' expectations and there may be delays in taking nominations. There could be delays in moving clients into the scheme which would reduce in year savings	We are currently developing the occupancy strategy and schedule which will serve as a mitigating factor. Your Choice Barnet are being closely consulted, and the occupancy plans for Ansell Court will further inform the strategy for Stag House.
Future circumstances may require that the scheme is not used for Extra Care, requiring future proofing	2	4	8	Contractors have been 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.	If the scheme is not able to be used for a variety of uses, it may fall out of use if there are changes in legislation or political changes that make the scheme no longer viable for Extra Care.	Barnet Homes and delivery partners are continually monitoring the wider policy landscape and assessing need for reverting to general needs accommodation. At present, we judge this to be highly unlikely for the foreseeable future.

1.56. Key Outcomes from the Scheme Design

- Provide a valuable housing and care facility for older people and the local community;
- Provide high quality and attractive housing for older people;
- Provides a building form that responds to the constraints of the site whilst respecting the limits of scale, massing and materials;
- Is adequately serviced without harming the amenities of neighbours or creating highway hazards;
- Provide a secure environment with convenient but passively controlled access;
- Provide an innovative and appropriate solution for the site and the requirements of the community;
- Provide a variety of amenity space within the scheme appropriate for the recreational needs of the residents;
- Provide an integrated landscaping scheme that will enhance the site for residents and neighbours;
- Provide modern and purpose built accommodation that will enhance the quality of life for residents and the staff team; and
- Embrace all the recommendations set out in the HCA's Happi report on homes for older people.

Dependencies

- 1.57. A key project interface is the relationship between Barnet Homes and the Adults and Communities service, particularly in ensuring that the new Extra Care scheme meets the needs and requirements of Adults and Communities. Barnet Homes will work with the named responsible officer from Adults and Communities to make sure that there is client sign-off at each stage of the design process including the Value Engineering process.
- 1.58. The scheme was originally intended to be completed, and to begin to contribute to Adult Services MTFs savings, within the financial year 2019/20 as outlined in the Adult and Safeguarding Committee in November 2016. However, delays have been encountered relating to achieving vacant possession, and significant risks remain around achieving vacant possession. Barnet Homes is working with Property Services in order to achieve vacant possession as early as possible.
- 1.59. Successful delivery of this scheme is largely dependent on the project achieving key milestones along the scheme's critical path such as planning approval, the contract being tendered, and the approvals process. As outlined in the risk section there is a chance that this is not achieved due to unforeseen circumstances at this stage. However we continue to work with the Employer's Agent and Contractor to mitigate against this and work towards delivering the scheme as early as possible, with a forecasted date early in financial year 2020/21 and the possibility of achieving practical completion late in financial year 2019/20.
- 1.60. There is a dependency on the budget constraints as agreed in the capital budget line agreed by Policy and Resources Committee.

- 1.61. Consultation is a project dependency in ensuring the project is delivered well and on time. Barnet Homes met at an early stage with the ward members and continue to keep them updated with the progress of the project. Barnet Homes will continue to manage a relationship with the local community throughout the demolition and construction stage.
- 1.62. There is also a Communications Plan that will be agreed for this project and the demolition of the existing scheme will be publicised along with progress reports and case studies tracking the first residents' journey into the new Extra Care facility
- 1.63. Adults and Communities will be advertising the scheme and working with current clients to see who would most benefit from entering into the scheme. It is proposed to get a show flat ready for potential residents so that they can better visualise the attractions of the scheme. This show flat will be furnished to assist with demonstrating the scheme's benefits and give comfort to clients' families.

2. Economic Case

- 2.1. The critical success factors (CSFs) and assessment of options for the Stag House scheme were first set out in the Outline Business Case approved by Assets, Regeneration and Growth Committee on 27 November 2017. The below CSFs and options have been reviewed and updated as part of the review of options required at Full Business Case stage. The assumptions and recommendations made at Outline Business Case stage have been largely upheld.
- 2.2. The CSFs for this project have been identified as follows:
1. Increasing the provision of accommodation for older people which offers support and independence, as supported by the Right Home Commissioning Plan.
 2. Delivering savings agreed in the MTFS by contributing to the pipeline of 227 Extra Care units agreed by the Adults and Safeguarding Committee on 10 November 2016, and included in the Business Planning report approved by the Adults and Safeguarding Committee on 6 November 2017.
 3. Delivering a financially viable and successful affordable housing development scheme.
 4. Making effective commercial use of Council-owned land and buildings; this includes recognising Council stock's potential for development, contributing to the Council's development pipeline of affordable housing as set out in the Barnet Housing Strategy 2015 to 2025.

Options

- 2.3. Considering the project objective and the desired outcomes from the commissioning client, the following options were considered:

Option A – Do nothing (i.e. do not develop Extra Care, continue to rely on residential care)

The 'Do nothing' option would fail to achieve any of the critical success factors as set out above.

- **CSF 1** – This option would fail to provide older people with housing options which offer a balance of support and independence. The 'do nothing' option would necessitate the continued over-reliance on residential and nursing care within the borough, which offers less choice and independence for older residents.
- **CSF 2** – This option would not contribute to the pipeline of 227 Extra Care units agreed by the Adults and Safeguarding Committee, and would therefore either result in older residents not accessing adequate levels of support, or would not represent savings to the MTFS if this support were then to be provided through more expensive residential care.
- **CSF 3** – This option would fail to develop any affordable housing, thus considerations of financial viability in development are not applicable.
- **CSF 4** – This option would not represent a commercially sensible use of the Stag House site:
 - The 'Do nothing' option fails to recognise the development potential of the Stag House site

Option B – Develop Extra Care housing on an alternative site to Stag House:

While the option of developing Extra Care Housing at an alternative site could still deliver critical success factors 1 & 2, this option would not capitalise on the features that identify Stag House as an attractive development prospect.

- **CSF 1** – Developing Extra Care housing at an alternative site would increase the provision of accommodation to older people which combines support and independence. Evidence above in the Strategic Case demonstrates the strengths of Extra Care in providing choice, support and independence.
- **CSF 2** – Developing Extra Care housing at an alternative site would contribute to the Extra Care pipeline. However, the extent of savings to the MTFS would depend on the ability of an alternative site to deliver a substantial number (50+) of Extra Care Units. Furthermore, the timescales necessary to identify an additional site, assess detailed feasibility and develop designs to planning stage and beyond, would likely mean that the planned savings to the MTFS would not be fully achieved.
- **CSF 3** – It is unlikely that an alternative site would represent as commercially viable a proposition as Stag House.
 - It is generally accepted that to develop a successful (and feasible) Extra Care scheme a site must be capable of delivering a minimum of 50 homes to achieve the scale and required cost efficiencies of care and support services located on site, and to ensure the ancillary services are viable for the successful running of the scheme.
 - Barnet Homes carried out a review of a number of potential locations within its stock and Stag House was identified due to the site's ability to deliver 50+ homes.
 - Furthermore, Stag House represents an appropriate location for an Extra Care scheme (in a more vibrant and urban setting than current Extra Care providers) and has no current planning constraints.
- **CSF 4** – This option would fail to address the existing issues with the Stag House site, which require intervention by the Council regardless of any Extra Care development:
 - The high level of investment required in the near future to maintain the building

Option C (Preferred Option) – Develop the Stag House site as an Extra Care housing scheme

This option achieves all of the critical success factors as set out above:

- **CSF 1** – Developing Extra Care housing at Stag House would increase the housing options available to older residents, allowing them to access accommodation which provides both 24 hour care and independence associated with having long-term residency in their own flats. The flexibility of Extra Care allows residents to remain independent for longer and to vary the support they access based on their needs. This supports objectives set out in the Right Home Commissioning Plan.
- **CSF 2** – Developing Extra Care housing at the Stag House site contributes a minimum of 50 units to the Extra Care pipeline of 227 units agreed by the Adults and Safeguarding Committee (current plans are for the site to deliver 51 units). This represents a significant saving to the MTFS when compared to the alternative of providing residential care for these older people.
- **CSF 3** – As detailed above in the analysis of Option 2, the ability of the Stag House site to deliver 50+ units increases the viability and likely success of the site as a development prospect. The site is able to deliver the 50 units which is generally accepted as the right scale for a viable site. The convenient location and lack of planning constraints also positively affect the viability of the Stag House site. The site was selected after a detailed review of sites held by the Council.
- **CSF 4** – Regardless of whether Extra Care is developed on the site, Stag House requires significant investment and intervention by the Council: the building is in disrepair and would need investment to renovate and maintain

2.3. Based on the above considerations against the critical success factors, the preferred option is to develop Stag House as an affordable Extra Care housing scheme (Option C).

Through offering Extra Care as a better use of the site, and through submitting a high quality scheme for planning, we are offering the Council a viable and valuable alternative use for the Stag House site.

3. Commercial Case

Procurement Strategy and Scope

- 3.1.** Barnet Homes will be acting as Development Agent for the Council and will use its procurement strategy and procedures. This strategy and procedures have been approved by the Council and currently cover the full scope of the major repairs work and repairs work currently undertaken on behalf of the Council.
- 3.2.** Barnet Homes has a Group Procurement Manager that oversees this process and we are currently using the same strategy and procedures to procure Tranche 3 (320 new build homes) and Ansell Court (Extra Care currently on site). These procurement procedures cover all procurement within Barnet Homes from stationery orders to large new build contracts.
- 3.3.** For this scheme Barnet Homes will tender under OJEU rules (Official Journal of the European Journal) using contractors under Network Housing Association's framework that has been set up using OJEU guidelines.
- 3.4.** Barnet Homes will enter into a single stage tendering process administrated by the Employer's Agent in following all OJEU guidelines. The winning contractor will then enter into a JCT Fixed Price Design and Build contract with Barnet Homes.
- 3.5.** Procurement timescales for a single stage tender process include:
- Sufficient time (we are allowing 12 weeks following approval of the Full Business Case) to draw up Employer's Requirements and to advance the scheme design sufficiently beyond the level of detail that was required for planning purposes;
 - A 12 week period following the issuing of an Invitation to Tender;
 - A 2-3 week period for the tender review, during which time the Employer's Agent will be working to mitigate Barnet Homes' risks on exclusions, clarifications etc. and firm up costs as far as possible.
- 3.6.** For the architect on Stag House Barnet Homes utilised the Dynamic Purchasing System and appointed the winning architect in accordance with Barnet Homes' procedures. Their appointment was monitored and agreed by the Extra Care Project Board.

Commissioning the Management of Extra Care schemes - Barnet's Framework for Extra Care and Support Services

- 3.7.** The Council commissioned Your Choice Barnet to be the managing agents for Ansell Court, the existing Extra Care scheme already on site. This was agreed at the Adults and Safeguarding Committee, 10 November 2016. For Stag House, YCB is likely to be the care and support provider.
- 3.8.** Early in the development of the Ansell Court Extra Care scheme (currently on site), it was recognised that Ansell Court and Stag House would benefit from partnership working between the Council and an expert care provider to ensure innovation in the delivery of care and support and maximise the use of the space at the scheme.
- 3.9.** As Ansell Court and Stag House are Barnet Homes developments, the Council was able to engage with Your Choice Barnet (YCB), the Barnet Group's care provider, to co-produce an

enhanced offer, with input from the Council, the provider (YCB) and representatives of service users and carers.

3.10. The extra care provision needs to ensure that the care and support services will be provided in a way that maximises and maintains independence, providing people with the opportunity to live life to the full. To do this it is proposed that a consistent set of expectations and quality standards are applied to these services. The proposed framework includes the following:

- Services will be designed to promote independence, choice and inclusion, and to encourage wellbeing and personal growth, as well as the acceptance of personal responsibility.
- YCB will demonstrate that they are able to work with complex health and social care needs to help individuals remain in their homes even when conditions fluctuate or decline.
- Everyone will have access to a range of social and cultural activities arranged for people to access as they wish, developing community capacity and encouraging the involvement of volunteers.
- A twenty-four hour seven days a week 'peace of mind' service will be available to all residents as part of the core support offer.
- Staff will have the right skills to be able to work with service users with different levels of need.
- Staff will listen to residents, carers and families.
- YCB will create and maintain strong partnerships with social care professionals, primary care and secondary care staff.
- A range of assistive technologies will be available within the schemes.
- The service will provide positive end of life care to those residents who wish to have this service.

3.11. The enhanced offer made by YCB will include:

Person centred approach for behaviours that may challenge

- Staffing levels will be configured to ensure that if someone is becoming agitated the team members can be proactive in providing positive interventions before the behaviour escalates. All team members working at Stag House will be fully trained in supporting people who have behaviour that may challenge and how to follow a person-centred approach in order to promote positive behaviour. Daily handover between shifts are important for staff to be able to debrief and to voice concerns that they may have, especially if a person's behaviour has been unpredictable or is unusual, this will ensure that staff feel supported and just as important that the service can react quickly to providing appropriate support to the individual.

Activities

- A programme of activities will be available for all residents. These will be tailored to individual's likes and dislikes and will recognise the activities that they enjoy.

Working within the Local Community

- Building on the local relationships that Barnet Homes has within this community YCB will work with the local community to build a programme of activities where local people can be actively involved in the scheme.

Community Café

- As part of YCB's development of a social enterprise they will establish a community café, which both residents and local people can use.

Working in Partnership

YCB care and support service will work closely with the housing management team at Stag House and with health and social care professionals to ensure a seamless approach in all aspects of the Extra Care offer.

Potential risk allocation

3.12. Barnet Homes has assessed the risk of this scheme under key areas and the following table shows where the risk lies or is allocated.

RISK	ALLOCATED TO
Design Risk	The New Build Team within Barnet Homes has taken responsibility for this and refers to Adult Services and YCB to sign off the design.
Construction and Development Risk	Barnet Homes has appointed expert Employer's agents in this field to ensure the specification and tendering of the contract is done according to best practice. The responsibility here rests with the New Build Team. Barnet will enter into a design and build contract (JCT 2016) which will have a fixed price and a fixed term for the build. The new build team will monitor this.
Delays – vacant possession	Property Services are currently liaising with the four leaseholders in order to offer them a market price to buy them out.
Delays – Planning	A milestone for the scheme will be achieving planning. Currently Barnet Homes are discussing the current scheme with Planners who are favourable to Extra Care in this location.
Delays - Demand Demand/Occupancy	Barnet Homes is working with YCB and Adult Services on a occupancy strategy that will be agreed at Project Board. The Project Board will ensure that Stag House is 'advertised' throughout the borough to ensure future residents move into the scheme in a timely manner. Barnet Homes has ensured that the specification for the scheme is future-proofed to accommodate assistive technology and can cater for wheelchair users and other disabilities. The design and quality of the scheme rests with the New Build Scheme.

Design and Construction of the Scheme

3.13. The scheme will be assessed under BREEAM New Construction 2014 and we will aim for a score of 'Very Good' for the pre-construction stage. The design will incorporate a number of passive design measures that together with the BREEAM requirements generate a proficient sustainable proposal, such as:

- Corridor areas and access galleries designed to allow natural light to penetrate and allow views out to aid orientation;
- Use of natural and heat recovery as part of the ventilation strategy for the building;
- Standards of thermal insulation and avoidance of leakage will be in excess of current building regulation standards;
- Efficient centralised plant providing heating and hot water;
- High efficiency lighting ensured in the long term through the choice of fittings;
- High efficiency electrical appliances to all flats and communal facilities such as the laundry and kitchens;
- Careful selection of building materials using the 'Green Guide to Materials' to minimise the impact on the environment;
- Early preparation and implementation of waste management during the construction period and when the scheme is in use – especially recycling/composting; and
- Low water usage in the completed building through the selection of efficient appliances and fittings.

Outcome measures for Extra Care and support services should include:

Client Satisfaction Measures	<p>% of residents who report they have been able to exercise choice and be in control of their accommodation</p> <p>% of family representatives who report they have the opportunity to maintain Relationships</p> <p>% service users who feel they are able to live as independently as they wish</p> <p>% of residents who report they have the opportunity to mix with others and join in social activities and/or participate in organised activities going to pubs, restaurants, library, or faith and cultural communities e.g. attending church, synagogue, temple, mosque, meditation</p> <p>% of residents who report they have the opportunity to maintain friendships and make new friends</p> <p>% of residents who report that staff are kind and that they are skilled and knowledgeable in their roles</p>
Activity Measures	<p>% of service users who have positively moved towards their Support Plan outcomes</p> <p>using an evidence based monitoring tool such as the outcomes star</p> <p>% service users able to maintain family/social networks, if desired</p> <p>% service users receiving assistance with making benefit claims, budgeting, maximising Income</p> <p>% service users where there are no issues with tenancy as demonstrated through: e.g.</p>

	rent and service charge arrears, complaints from neighbours. Annual report with calendar of events and numbers attending (e.g. exercise programmes, health checks etc.)
Quality Measures	% of residents who have maintained a safe and healthy home environment Number of attendances by service users – at Accident & Emergency % of tenancies that breakdown within 3 months of support commencing Number of resolved and unresolved complaints in the scheme. % of residents who report that participation in community / activities has led to an improvement in their wellbeing Staff attending accredited training % staff completing training in line with their development plans and receiving a positive annual appraisal

4. Financial Case

Cost Savings

4.1. The financial drivers behind moving to a lower dependency housing model and reasoning for developing extra care housing at Ansell Court, Stag House and Upper and Lower Fosters can be evidenced in the graphs below (extra care housing service). With transformation across our accommodation for vulnerable groups coupled with a culture change to promote and encourage independence: there is the potential to achieve approximately £14 million of savings/cost avoidance through delivering the Health and Wellbeing strategy.

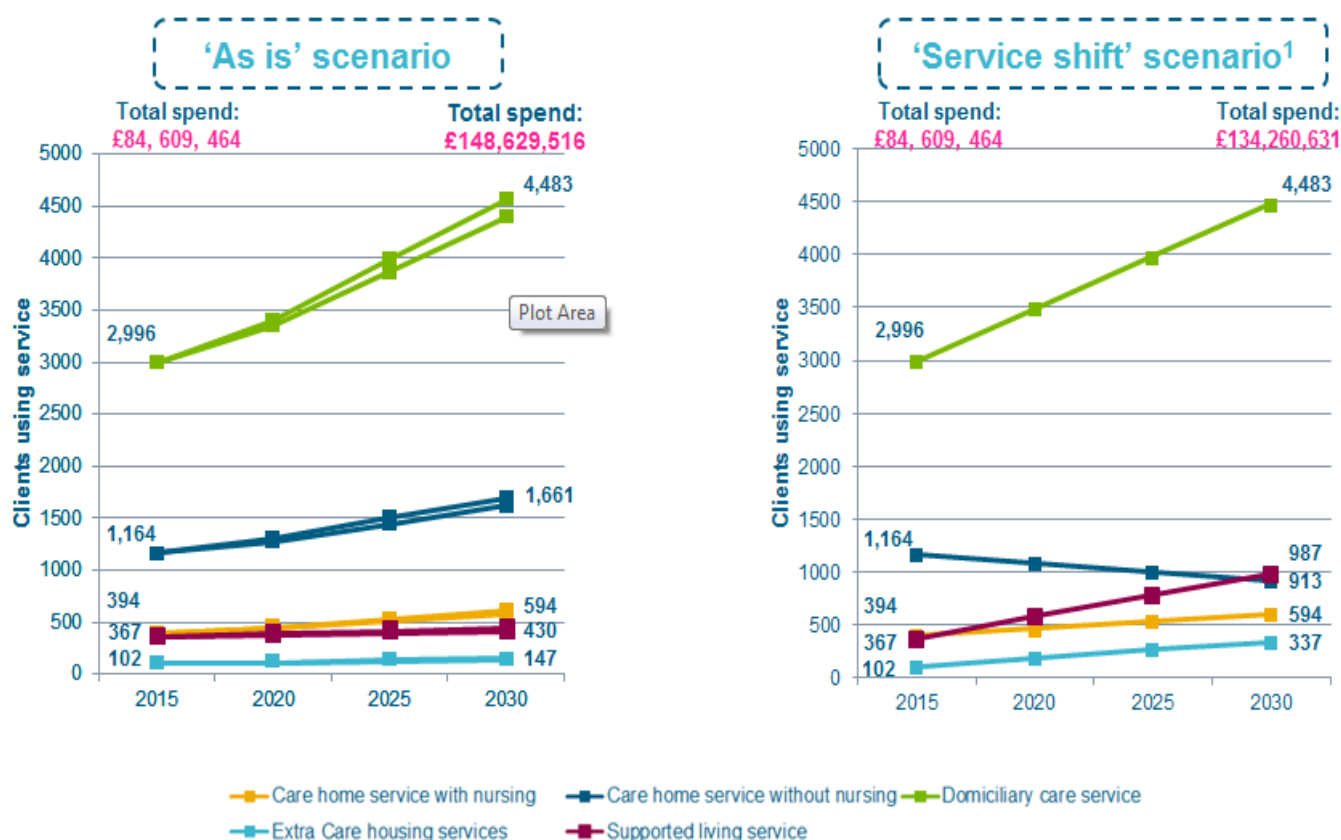


Table 2 shows the potential savings as more clients use Extra Care housing and less people are in Care Homes

Stag House – current capital costs budget

- 4.2. Barnet Homes is not yet at the stage of tendering for a contractor for the Stag House scheme, but has the benefit of being on site with Ansell Court. Hence we are able to consult with our Employer's Agent as cost consultant and estimate what the costs will be for a further 51 unit scheme.
- 4.3. The capital costs of the Stag House development are based on RIBA Stage 3 drawings and reflect design development required post consultation. At present, Barnet Homes' chosen architects are undertaking work to further develop the design of the Stag House scheme in order to issue detailed drawings as part of an Invitation to Tender. These additional design details, as well as the contract prices quoted in received tender returns during the procurement process, will be reported to the DPPB and Deputy Chief Executive ahead of the approval of the final contract sum.

- 4.4.** The estimated costs in the capital budget have been tested by Barnet Homes' Employer's Agent & cost consultant, who have provided confidence that the scheme is deliverable within this budget. This has involved informal market testing with interested contractors as well as an assessment of the current trends in contractors' tender prices. The indicative tender prices received during informal market testing for the Stag House scheme came in well within the agreed budget. Allowing for caveats around likely qualifications and provisional costs, this provided Barnet Homes and their Employer's Agent with confidence of the deliverability of the Stag House scheme within the current capital budget.

ProVal Financial Appraisal

- 4.5.** A financial appraisal has been carried out which demonstrates that the Stag House scheme has a positive net present value and internal rate of return.
- 4.6.** It should be noted that while the ProVal appraisal demonstrates the feasibility of the scheme as a standalone, this does not take into account the significant financial benefits of the Extra Care scheme associated with avoidance of residential and nursing care costs.

Stag House Funding Route

- 4.7.** Capital funding to develop an additional Extra Care scheme of around 50 units was agreed as part of the 2015-2016 Capital Programme. This funding will enable the development of the 51 additional units at Stag House. Further details are set out in the exempt version of this report.

5. Management Case

Risk management

- 5.1.** Primary risk management at Board level will be undertaken by the Extra Care Project Board. Barnet Homes Development Team produces regular 'Highlight Reports' for the Extra Care Project Board. These documents set out the RAG-rated performance of the scheme, against the following categories:
- Time
 - Cost
 - Quality
 - Cashable and non-cashable benefits
 - Resources
- 5.2.** This RAG rating of key indicators allows for the Extra Care Project Board to identify deviation and approve mitigating actions. A tracker of scheduled milestones also allows the Board to identify any delay to forecasted dates.
- 5.3.** The Highlight Report also contains a summary of key risks and actions put in place to avoid and mitigate these risks. The Extra Care Project Board determines risk ownership. Current key risks, generally design-related and financial in nature, are presently owned by the Barnet Homes Development Team. Raising risks at the Extra Care Project Board ensures the awareness of key partners, and enables risks to be allocated on a shared basis where appropriate.
- 5.4.** The Highlight Report document seen by the Extra Care Project Board communicates the impact and likelihood of residual risk (i.e. the modified risk after the application of internal controls) and the target risk. Based on this information, the Extra Care Project Board determines the action to take to avoid or mitigate risks, or whether to escalate the risk higher. If a decision is taken at Extra Care Project Board to escalate a risk, this will be taken forward to the Development Pipeline Programme Board, chaired by the Council Deputy Chief Executive.

Project Approach

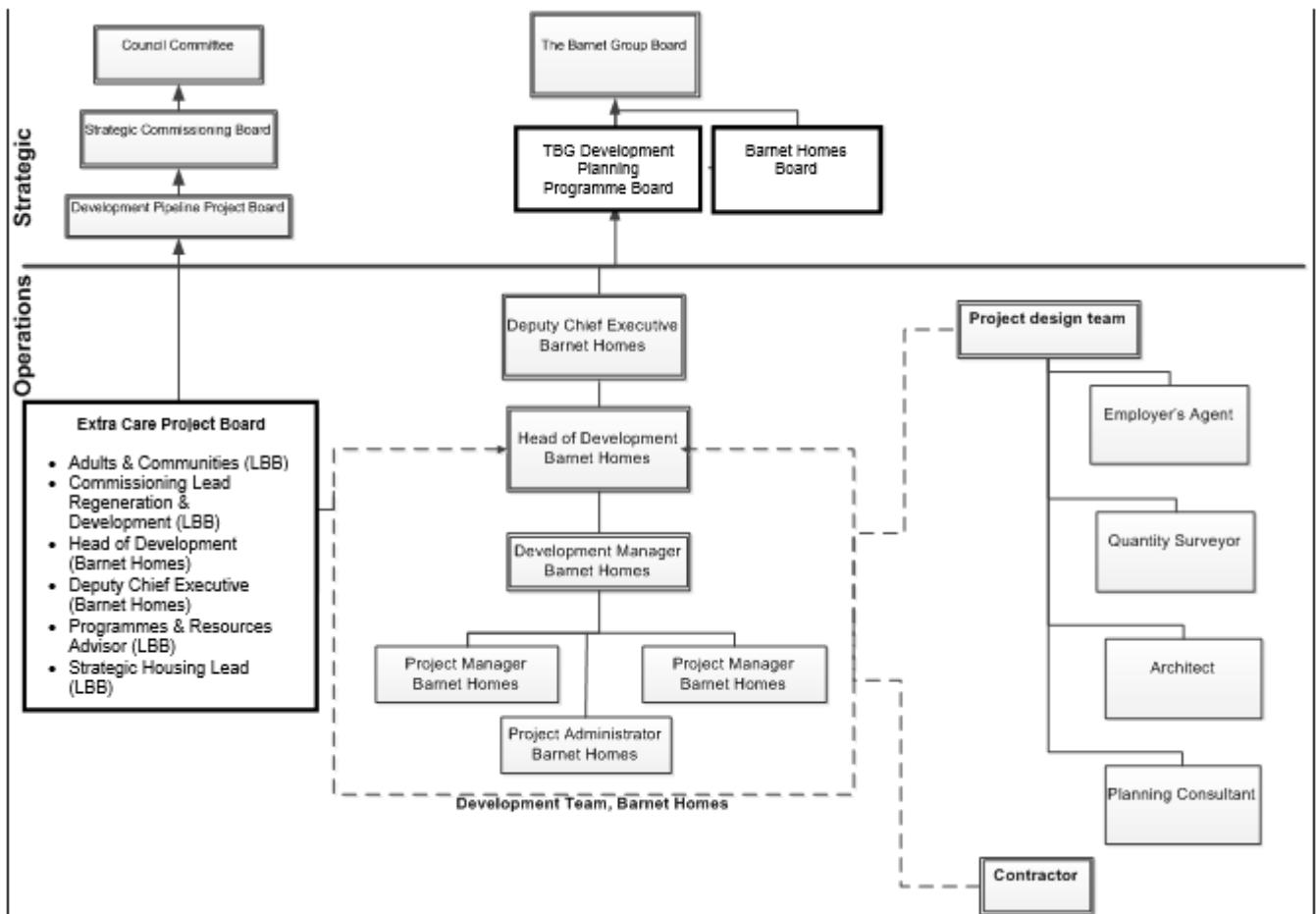
- 5.5.** The project will be managed by Barnet Homes in accordance with the Council's project management toolkit, which has been adopted for the delivery of this scheme and its predecessor at Ansell Court, this incorporates monitoring and controls to ensure the project is delivered effectively and that budgets and programme are maintained and reported back through the appropriate channels.

Project Controls

- 5.6.** The Extra Care Project Board currently consists of Assistant Director, Joint Commissioning (Adults, LBB), Lead Commissioner – Older People and IC, Lead Commissioner – Regeneration and Development (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; and

- Producing monthly reports for project board and development pipeline board.

5.7. The 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. The structure chart below outlines the relationship between Barnet Homes and the Council.



5.8. The project will report to Barnet Homes' Boards. The Committee will hear about the scheme's progress on site and handover, and will monitor how the project is being managed.

5.9. The project team will be responsible for engaging with key stakeholders to ensure that all deliverables are developed in line with service requirements and that the required quality standards are met. The cost avoidance and savings that will be attributed to the project will be reported to Adult Transformation Board.

5.10. The Project Team will also sign off the design in terms of the scheme layout, type of units, and level of communal and staff accommodation, and communal and staff facilities.

5.11. Key Milestones for Project provided the Council does not have to use its Compulsory Purchase Powers:

Key Milestone	Completed Date / Forecasted Date
Funding to achieve Planning	July 2017
Tender Exercise for architect	Aug 2017
Outline Business Case	Nov 2017
Planning submission	Dec 2017
Determination of GLA bid	Mar 2018
Full Business Case	Mar 2018
Determination of planning application	Mar 2018
Commencement of procurement for contractor	Apr 2018
Secure vacant possession on site	Aug 2018
Tenders returned from potential contractors	Sep 2018
Design and Build contract to be signed	Oct 2018
Enabling works on site	Oct - Nov 2018
Start on site – demolition and construction work	Jan 2019
Care Contract to be signed off	Mar 2019
Agree nominations policy	Aug 2019
Recruit Scheme Manager	Feb 2020
Fit-out	May 2020
Practical completion ready for phased occupation	Jun 2020

Deliverable / Product	Quality Criteria	Author	Reviewers	Acceptor
Design to RIBA stage 1-2 in terms of layout and accommodation for concept scheme and strategic outline case will be signed off	To ensure that the design of the scheme meets all future requirements	Barnet Homes project team	Development Project Pipeline Board	Adults & Communities client representative and project sponsor
Design to RIBA Stage 3 and outline business case to enable submission of the Planning application	Analysis that the shell, internal layout and site plan meet the needs of the end user group	Barnet Homes project team	Development Project Pipeline Board	Adults & Communities client representative and project sponsor. Assets, Regeneration and Growth Committee
Detailed design to RIBA Stage 3/4 to enable the construction of the new scheme	Analysis that the internal and external layouts and fixtures and fittings meet the needs of the end user group	Barnet Homes project team	Development Project Pipeline Board	Adults & Communities client representative and project sponsor
Project procurement strategy	Analysis that the procurement strategy is compliant with the Barnet Homes contract procedure rules	Barnet Homes project team	Barnet Homes project team Development Project Pipeline Board	Barnet Homes project team Development Pipeline Programme Board
Approval of Full Business Case. Subsequent approval (through Delegated	Assessment that the contract sum offers value for money including analysis of the	Barnet Homes project team	Adults & Communities client representative and project sponsor.	Barnet Homes project team Development Pipeline Programme Board

Powers) of contract sum and final budget to enable appointment for the contractor and work to start on site	market conditions		Development Pipeline Programme Board and a full Gateway Review	Full Business Case to go to the Council's ARG committee
Gateway Review at Project closure	There will be a Gateway Review to measure outcome costs against assumptions from the beginning of the scheme as well as lessons learnt moving forward.	Barnet Homes project team	Barnet Homes project team Development Project Pipeline Board	Barnet Homes project team Development Pipeline Programme Board

Approach to Consultation

- 5.12.** 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.
- 5.13.** 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.
- 5.14.** The leaseholders have been engaged with individually, and Property Services will continue to take forward this engagement. In January 2018, all leaseholders met with officers from Barnet Homes and Property Services to discuss the scheme and the negotiations ahead to achieve vacant possession of the four leasehold flats. Property Services will continue to meet regularly with leaseholders as these negotiations progress.
- 5.15.** Barnet Homes held a residents' consultation event on 25 October and invited local residents and councillors to this event. A local member briefing took place on 12 September 2017, and councillors on the Assets, Regeneration and Growth Committee have been further involved at and prior to the consideration of the Outline Business Case in November 2017.
- 5.16.** The planning application submitted in December 2017 contained a statement of community involvement summarising in greater detail the engagement with the local community around the Stag House scheme. In

addition, the planning application itself is viewable online through the Barnet planning portal, and local residents have been invited to provide comments and views through the statutory planning process.