

REPORT TO CABINET

18 March 2020

Subject:	Proposed New Social Care and Health Centre, Rowley Regis
Presenting Cabinet Member:	Cabinet Member for Living Healthy Lives Cllr Farut Shaeen
Director:	Director of Adult Social Care Stuart Lackenby
Contribution towards Vision 2030:	Ambitions 2, 5 and 10 apply: healthier lives; respectful, caring and safer communities; and Sandwell's national reputation for getting things done.
Key Decision:	Yes
Cabinet Member Approval and Date:	22.01.2020 & 28.02.2020
Director Approval:	Stuart Lackenby – Director of Adult Social Care
Reason for Urgency:	Urgency provisions do not apply
Exempt Information Ref:	Exemption provisions do not apply
Ward Councillor (s) Consulted (if applicable):	Ward Councillors have not been consulted on this report.
Scrutiny Consultation Considered?	Scrutiny have not been consulted
Contact Officer(s):	Chris Guest, Service Manager, Commissioning and Procurement christineanne_guest@sandwell.gov.uk

DECISION RECOMMENDATIONS

That Cabinet:

1. To reaffirm approval to continue with the planned building of a specialist 80-bed integrated Social Care and Health Centre at the Knowle site, Harvest Road, Rowley Regis, with the Centre to be managed and staffed by the Council.
2. Approves the redirection of available resources to fund the increased capital cost of the development of the Social Care and Health Centre.

3. Subject to 1 and 2 above and in accordance with Procurement and Contract Procedure Rules, authorise the Director of Adult Social Care and the Executive Director - Resources to award the contract for the development of the integrated Social Care and Health Centre to the preferred bidder following conclusion of the current procurement process.
4. That the following action points identified within the appraisal report be implemented to reduce any risk to the Council:
 - Ensure long term strategic planning is undertaken to manage potential future reductions in government funding for social care and to ensure that the operational costs of the facility can be managed within available resources.
 - Determine contractual arrangements for nursing staff in order to identify both short term and long term financial implications to the Council.
 - That the project delivery programme is developed to ensure that detailed delivery milestones are included within the project plan and that contingency plans are in place should completion of the scheme be delayed.
 - That a nominated officer is identified to ensure that the project can be effectively evaluated and reported to appropriate partners.

1 PURPOSE OF THE REPORT

- 1.1 This report requests Cabinet approval to redirect existing financial resources to manage a projected increase in the construction costs of the integrated Social Care and Health Centre.
- 1.2 This report also seeks approval to proceed with the completion of the specialist integrated Social Care and Health Centre, at Harvest Road in Rowley Regis by authorising the Directors to award the contract for construction of the building to the preferred bidder.

2 IMPLICATION FOR VISION 2030

This report has positive implications for the Council's 2030 vision in relation to;

"Ambition 2 - Sandwell is a place where we live healthy lives and live them for longer, and where those of us who are vulnerable feel respected and cared for."

The development of a new integrated Social Care and Health Centre will support people in the following ways:

- Improved health, well-being and confidence, helping them to live longer with a good quality of life, and being able to contribute more to local community life
- Maintaining their independence at home
- Avoidance of unnecessary admission to hospital
- Avoidance of preventable or premature admission to long term residential or nursing home care
- Maximising potential by working to maintain skills and rehabilitation
- Support for the transition from hospital to home as soon as people are medically fit

“Ambition 5 - Our communities are built on mutual respect and taking care of each other, supported by all the agencies that ensure we feel safe and protected in our homes and local neighborhoods.”

The intention is the Social Care and Health Centre will gain “Secured by Design” approval. Established in 1989, Secured by Design (SBD) is the title for a group of national police projects focusing on the design and security for new and refurbished homes, commercial premises and car parks as well as the acknowledgement of quality security products and crime prevention projects. It supports the principles of ‘designing out crime’ through physical security and processes.

More generally, the Centre will build strong links with the local community, work effectively with the Police, NHS and voluntary and community sector organisations, and ensure Sandwell Safeguarding Adults Board priorities and practice standards are promoted and followed.

“Ambition 10 - Sandwell has a national reputation for getting things done, where all local partners are focused on what really matters in people’s lives and communities.”

This Social Care and Health Centre and its surrounds will be ground-breaking nationally. It will be designed, built, equipped, operated and supported to the highest possible standards to reduce or delay the need for Sandwell older adults needing to be admitted into hospital or long-term residential or, if they do have to be admitted to hospital, ensure they stay there for as little time as possible and are quickly and safely discharged into a more appropriate care and support setting and, eventually, return home with either no or a limited package of care and support.

In so doing, the Centre will further enhance and improve Sandwell Council's reputation, in partnership with others, as a regional and national leader in promoting the independence of its older citizens, supporting them to help themselves more, and eradicating unnecessary delays in transfers of people from hospital settings.

3 BACKGROUND AND MAIN CONSIDERATIONS

- 3.1 At its meeting on 29th March 2018, the Sandwell Health and Wellbeing Board gave its agreement and support to formally scope-up the long-term options to provide integrated Social Care and Health Centres in Sandwell. This was in response to three main strategic challenges: to help deliver sustainable progress on Delayed Transfers of Care (DToC) performance; provide more effective step-up/hospital avoidance services; and aim to commission a minimum required level of short-term, bed-based intermediate care (IC) throughout the year rather than in "peaks and troughs" according to winter pressures reactions etc.
- 3.2 As far as DToCs are concerned, Sandwell has been the best performing local authority area in the West Midlands' region (consisting of 14 local authorities), in terms of lowest DToCs per 100,000 population, since September 2017. This has been due to a range of successful initiatives carried out jointly with the Sandwell and West Birmingham (SWB) Clinical Commissioning Group, SWB Hospitals NHS Trust and the Black Country Mental Health NHS Trust, and within the Sandwell Better Care Fund (BCF) Partnership Programme and pooled funding arrangements. Based on the latest comparable validated information, Sandwell is the second best-performing area in the country – it is clearly very important to maintain this success in the context of tougher national targets and demographic pressures.

- 3.3 The Better Care Fund funds 81 Enhanced Assessment Beds (EAB) which are commissioned by the Council from the independent sector. These are funded up until September 2020 with an option to roll over to September 2021. The increase in capital costs required has impacted the timeline and therefore the EAB provision will need to be extended to mitigate the impact and to ensure continued service provision. A further report will be presented to Cabinet in the future in relation to this, including the duration and capacity that will be required to ensure a seamless service.
- 3.4 Whilst existing arrangements have contributed to the positive DToC performance in Sandwell, it is getting increasingly difficult to commission step-down and step-up, bed-based intermediate care from the independent sector. A re-tendering process for Enhanced Assessment Beds in 2018 resulted in a poor response to the invitation from Sandwell Council. Feedback suggests a number of concerns from care home providers including that they felt the gains from being awarded the contracts are far outweighed by the pressures and difficulties of being able to deliver to the contract requirements, Care Quality Commission standards, and concerns about lack of or limited or inconsistent support from other key partners in the system.
- 3.5 There are a number of other factors that also present challenges when operating an EAB model:
- The beds are based over multiple sites.
 - Therapy staff are having to divide their time over different sites and are having to waste time travelling between sites.
 - The environments are typical Care Home environments and therefore not geared up to providing reablement services.
 - There can be delays in admissions due to the differing criteria for access within each unit.
 - Staff within care homes are primarily there to deliver high level 24-hour care and are not focussing on a reablement approach which supports independence.
 - Care home providers have an opportunity to influence the choices of people placed within their units with regard to their on-going care and support needs.
 - Reduces access to long-term beds in the market.

These factors lead to poor outcomes, with a disproportionate high percentage of people remaining in long term care provision when compared to other authorities and health based intermediate care provision.

4 THE CURRENT POSITION

- 4.1 In December 2018, February 2019 and November 2019 Cabinet approved the development of the integrated Social Care and Health Centre and the staffing model required for the service.
- 4.2 With the required approvals in place the Social Care and Health Centre procurement documents, based upon a price and quality tender were issued in October 2019 through the Construction West Midlands (CWM) framework. Four contractors indicated that they were interested in the tender. However, only two contractors returned the tender by the identified closing date in December 2019. The submitted tenders have been reviewed, checked for price accuracies and quality assessments have been undertaken.
The two valid submissions are both above the original construction tender budget.
- 4.3 When the submissions have been considered the following factors have contributed to the increase in costs above the original estimated budget:
 - Gross internal floor area (GIFA) had increased from the original estimate.
 - The mechanical and electrical equipment required are more extensive than the original estimate.
 - Certain materials and labour costs have increased recently across all construction projects. This is possibly due to political uncertainty and concerns around access to labour and availability of materials.
- 4.4 Given the increase in costs the Business Case for the Scheme has been reviewed through the Strategic Investment Unit. The appraisal scored 77 % which puts it as a Satisfactory level of assurance. It is therefore recommended to proceed with the development of the Social Care and Health Centre.
- 4.5 Working together in a more integrated way through the development of the Social Care and Health Centre will ensure the best possible outcomes for the residents of Sandwell. These will include more people returning home with no or lower care packages ensuring reduced on-going care costs. Shared control over access, individual interventions and flow will also maximise efficiency resulting in reduced length of stay
- 4.6 The Social Care and Health Centre will support people who are stepping down from hospital and those stepping up to avoid a hospital admission. We envisage that there will be three main pathways:

- People who would benefit from a period of reablement service to ensure that they reach their full potential and return home to live independently.
- People who are potentially already on a long- term care pathway and therefore further assessment is required to identify whether residential, nursing or extra care is as the most appropriate placement for the future.
- People who are requiring a Continuing Health Care assessment prior to a permanent long-term placement being identified.

5 CONSULTATION (CUSTOMERS AND OTHER STAKEHOLDERS)

- 5.1 Sandwell Health and Wellbeing Board previously approved the option put forward for the development of the integrated Social Care and Health Centre. This endorsement was critical, as it is proposed that the annual revenue funding and a major proportion of the capital funding will be met from the Better Care Fund (BCF) - and the Board has overall responsibility for the BCF pooled budget.
- 5.2 Local residents have been given full opportunity to express their views on the proposed Centre development as part of the planning permission process. A similar scheme of a similar size and height (three floors) on the proposed Centre site had already gained outline planning approval in January 2015 and, although that expired in January 2018 due to failure to build, there were no objections from the 50 + local residents consulted.
- 5.3 More generally, national and local surveys of citizens, not surprisingly, continue to confirm that people would prefer not having to be admitted to hospital and, where there is no alternative to that, to be discharged quickly and safely to a more appropriate care setting, and preferably home.

6 ALTERNATIVE OPTIONS

- 6.1 In seeking approval for the development of this model a number of options have been considered:
- Option 1 - to continue as is. To continue with current arrangement of commissioning a range of beds from independent sector care home providers and to retender this provision.
This is not considered to be a viable option as the market has not responded favourable to previous requests. It reduces the capacity of the long- term care market and has led to an increase in residential and nursing care placements.

- Option 2 – seek approval for additional funding to proceed with the development of the Social Care and Health Centre as originally planned.
 - Option 3 – to retender the development of the Centre however there is a risk that this may result in further increased costs.
- 6.2 It is recommended that we proceed with Option 2 as this is in line with the agreed strategic approach to supporting reduced Delayed Transfers of Care and improving outcomes for Sandwell citizens. The recent SIU appraisal and the favourable decision at Joint Partnership Board to fund, both support the approval of this request.

7 STRATEGIC RESOURCE IMPLICATIONS

- 7.1 A full appraisal has been undertaken by Strategic Finance. The appraisal process recorded a score of 77%. A copy of the report can be found at Appendix 1. Some risks have been identified because of the appraisal and action points recommended to mitigate these risks.
- 7.2 When operational, the running costs of the new centre can be fully met from the Better Care Fund using the resources provisionally earmarked for that purpose. This will involve the redirection of budgets currently used to commission EAB beds within the external market.
- 7.3 Any delay in the approval of the integrated Social Care and Health Centre will have a potential impact on the wider Care Home market. The current EAB beds are commissioned until 30 September 2020 with an option to roll over until 30 September 2021. Due to the delay in the procurement of a building contractor there will be a need to extend this further to ensure continued service provision. A further report will be presented to Cabinet detailing the requirements for this.
- 7.4 The effectiveness of the integrated Social Care and Health Centre will reduce the number of people entering long term care which will reduce spend and increase the number of people we support to stay in their community.

8 LEGAL AND GOVERNANCE CONSIDERATIONS

- 8.1 The procurement process has fully complied with the public procurement rules and the Council's Contract and Procurement Procedure Rules.
- 8.2 This project will be funded in the main from the Sandwell Better Care Fund. The proposed use of these funds is entirely consistent with the national conditions for the use of BCF and improved BCF (iBCF) funding.

9 EQUALITY IMPACT ASSESSMENT

- 9.1 An Equality Impact Assessment screening exercise has been carried out and a full Equality Impact Assessment is not considered to be required.

10 DATA PROTECTION IMPACT ASSESSMENT

- 10.1 Data used, stored and transferred as part of the Centre procurement and equipping process and personalised data in relation to the day-to-day operation of the Centre will comply with all current data protection legislation, regulations and Council policies and procedures.

11 CRIME AND DISORDER AND RISK ASSESSMENT

- 11.1 The intention is the Social Care and Health Centre will gain “Secured by Design” approval. Established in 1989, Secured by Design (SBD) is the title for a group of national police projects focusing on the design and security for new and refurbished homes, commercial premises and car parks as well as the acknowledgement of quality security products and crime prevention projects. It supports the principles of ‘designing out crime’ through physical security and processes.
- 11.2 The Centre will build strong links with the local community, work effectively with the Police, NHS and voluntary and community sector organisations, and ensure Sandwell Safeguarding Adults Board priorities and practice standards are promoted and followed.
- 11.3 For risk assessment generally, the Corporate Risk Management Strategy will be complied with throughout, in identifying and assessing the significant risks associated with this strategic proposal. An extensive risk register has been produced, covering 13 project risks, and based on this it is the officers' opinion that for these initial risks identified, arrangements are in place to manage and mitigate these effectively. Two risks are identified as “red” in the risk register for the Centre project. The first of these is in relation to the Tender being over budget as this risk has increased from a previous amber rating to a red rating due to the Tenders received. The approval of this report will assist in the mitigation of this risk to an acceptable level. The costs of the project will be closely monitored by the project team and discussed as a standard agenda item in the Accommodation and Support Task Group. The second risk is in relation to the loss of revenue if the Better Care Fund was to end. This risk is also included in the council's strategic risk register (risk ref SRR 052 and is also assessed as a red strategic risk).

- 11.4 It is expected that the BCF or an equivalent programme will continue into the foreseeable future. This will be monitored both locally by the project team but also at a senior strategic level.
- 11.5 Approval of the recommendations in this report and the development of the proposed Centre will also contribute significantly to the continued mitigation of the directorate risk 037 (previously strategic risk SRR 049) in respect of Delayed Transfers of Care, which is currently assessed as green.

12 SUSTAINABILITY OF PROPOSALS

- 12.1 The project will be self-financing from recurrent BCF/iBCF revenue budget and ongoing increased productivity/efficiencies - which will be monitored closely and reported on within the BCF performance dashboard.
- 12.2 The annual costs of the recommended option, along with necessary NHS “wrap-around” costs, will be met in full from the BCF revenue budget. This will be through a combination of redirection of budget provision currently used to commission independent sector Enhanced Assessment Beds (EABs) and other relevant contracts/commitments ending by 2021.
- 12.3 Energy efficient facilities will be provided at the Centre, with good use of technology and low operating costs. The control of the internal environment together with the efficient use of resource are very important. Older people tend to be more sensitive to temperature change and to draughts, therefore the design of the heating and ventilation will be critical.
- 12.4 The essence of a Care Centre is to develop healthier communities, which does not just stop with the level of services and facilities to be provided within the Centre. This new scheme is amongst the most significant developments within Sandwell in recent years and as such the Council and Clinical Commissioning Group have a duty to lead by example by ensuring that they contribute to a healthier environment and sustainability. The intention is that the building will represent the best in contemporary architecture, using the latest technologies, providing a high level of sustainable and environment solutions, yet engendering a traditional feel.

- 12.5 In consideration of materials the wide use of traditional masonry products; brick, stone, tiling etc will not only give a traditional feel but also the very best in terms of whole life cost (the cost of construction, maintenance and replacement in the building lifetime). These products have always been very high performers and remain so with acceptable capital cost and high durability plus they are produced without high levels of pollutant products. High levels of building insulation will be utilised with the materials selected to achieve this representing current developments in technology. The objective is to minimise heat loss in colder weather and heat gain in hot weather. The levels of insulation will be determined through the use of computerised thermal simulation modelling.
- 12.6 Sandwell's 'Inclusive Economy' agenda is committed to building our collective Community Wealth. If we build our local resources and spend more of our money locally, this could make a huge impact on our local economy and our overall wellbeing. We are committed to leading our partners in Sandwell to make the most of all our assets, spend local wherever possible and make long-term investment decisions that benefit our borough. In this way we hope to retain more people, business and money in Sandwell, enabling us to grow and prosper from within.
- 12.7 In line with this agenda this development will have a significant impact on local people and the local economy. It will attract a large investment to Rowley Regis which currently has limited facilities and choice options to support older people and those with disabilities. There will be many opportunities for local people in terms of job opportunities. This will include construction jobs whilst the Centre is being developed but will also include long term, high value care, nursing and therapy posts once the service is operational. It is expected that more than 100 new jobs will be available for local people. The Centre will promote better integration between Health and Social Care services along with better outcomes for citizens accessing the service.

13 HEALTH AND WELLBEING IMPLICATIONS (INCLUDING SOCIAL VALUE)

- 13.1 The proposed project will deliver benefits, not only to the older adults being cared for and supported at the Centre, but also to the wider community and the Council. The following benefits have been identified.
- 13.2 Benefits to the service users
- Preventing or delaying them needing to be admitted into hospital
 - Discharging them quickly and safely from hospital
 - Helping them to return home or a more appropriate form of long-term care that allows them to live as independently as possible

- Flexible person-centered services offering engagement, social inclusion, support to maintain existing new interests and to develop new interests, activities
- Improved mental health and well-being
- Income maximization
- Increased carer support
- Enablement and re-skilling
- Equipment sub-store to enable local residents to access assessment and provision of aids to daily living

13.3 Benefits to the wider Community

- Opportunities to offer construction training places leading potentially to offers of full time employment.
- Opportunities for the main and sub-contractors to recruit local labour.
- Benefits to local economies through Think Sandwell and the use of local supply chains
- Links to project work with local schools, both in terms of syllabus and more general activities.
- Community cohesion
- The redevelopment of vacant sites which may have blighted local areas and the impact of the project in terms of creating sustainable neighborhoods
- Community hub and access to well-being activities and initiatives
- Engagement and support from local voluntary and community sector providers to support ongoing independent living for people within their own community

13.3 Benefits to the Council

- Collaborative multi-agency partnership working
- Delivering a ground-breaking, fully integrated (with other related health and social care jointly commissioned and operational systems and working practices) Social Care and Health Centre that can be showcased regionally and nationally
- By developing fit for purpose short-stay accommodation that meets the headline objectives for the delivery of step-up and step-down personal care,
- housing and wider support needs for adult social care users we will improve short-term living conditions for vulnerable people.
- Increasing the number of people supported to live at home and supported for the transition from hospital to home, reducing hospital admissions and placements in residential care
- Improved high quality, person centered care and support services
- Full control over admissions to the Centre, its operation, delivery and any necessary changes in future years

- Contributing positively to the financial position of the Council by making considerable ongoing savings to and avoiding future costs falling on Adult Social Care budgets.

14 IMPACT ON ANY COUNCIL MANAGED PROPERTY OR LAND

- 14.1 The land at the Knowle site is owned by SMBC. There may be restrictions on the use of a capped mine area on the site, but this has been incorporated within the design of the Centre and its external features.
- 14.2 Officers are not aware of any covenants, access rights or previous grant conditions that might restrict this development.
- 14.3 The design of the building will be in accord with the largely lower level design of the neighbouring domestic properties, and it is felt the addition of a community-based state of the art facility for older adults will actually add value to the local community and help reduce the potential for antisocial behaviour.

15 CONCLUSIONS AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS

- 15.1 This report requests Cabinet approve the redirection of existing resources to develop the integrated Social Care and Health Centre as a result of the recent Tender process.
- 15.2 This report also seeks permission from Cabinet to proceed with the development of the specialist integrated Social Care and Health Centre, at Harvest Road in Rowley Regis. It seeks authorisation for the Directors to enact their delegated powers to award a contract for the development of the Centre to the preferred bidder in line with the tenders already received.
- 15.3 By progressing with the integrated Social Care and Health Centre, the citizens of Sandwell will have the best possible reablement resources available to ensure they can truly maximise their potential for Independence. This in turn will allow more people to return home and remain there with an appropriate level of support as required.

16 BACKGROUND PAPERS

Cabinet Report 12 December 2018

17 APPENDICES

Appendix 1 – Financial Appraisal Report 26 February 2020