



ADVANCED PUBLICATION OF REPORTS

This publication gives five clear working days' notice of the decisions listed below.

These decisions are due to be signed by individual Cabinet Members
and operational key decision makers.

Once signed all decisions will be published on the Council's
Publication of Decisions List.

- 1. REARDON COURT EXTRA CARE HOUSING SCHEME- DEMOLITION/
ENABLING WORKS- CONTRACT AWARD (Pages 1 - 34)**

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MUNICIPAL YEAR 2019/2020 REPORT NO.**ACTION TO BE TAKEN UNDER DELEGATED AUTHORITY****OPERATIONAL DECISION OF:****Executive Director Place**

in consultation with the Cabinet Member for Finance and Efficiency, the Cabinet Member for Health & Social Care and Director of Health & Adult Social Care

Contact officer and telephone number:

Caroline Moore, Special Projects Officer 0208 379 2237

Email: caroline.x.moore@enfield.gov.uk

Agenda – Part: 1	KD Num: 5034
Subject: Reardon Court Extra Care Housing Scheme – Demolition / Enabling Works – Contract Award	
Wards: Winchmore Hill	

1. EXECUTIVE SUMMARY

- 1.1 This report seeks authority to award the construction works contract to demolish the existing Reardon Court care home including the removal of asbestos and fly-tipped waste as part of the proposed redevelopment of the site for Extra Care Housing.
- 1.2 In July 2019, Cabinet approved funding for the full scheme and delegated authority to the Executive Director Place in consultation with the Cabinet Member for Finance and Efficiency, the Cabinet Member for Health & Social Care and Director of Health & Adult Social Care to award the Construction works contracts for demolition and redevelopment of the site.
- 1.3 A further report will follow seeking authority to award the construction works contract for the new building.

2. RECOMMENDATIONS

- 2.1 To approve the Contract Award to Contractor “A”, for the Demolition/Enabling Works, as set out in Part 2 of this report.
- 2.2 To approve expenditure of £620,000 relating to the Demolition/Enabling Works including post construction professional & technical costs, and security costs.
- 2.3 To note that a further report will follow seeking authority to award the construction works contract for the new building and the balance of expenditure to complete the scheme.

3. BACKGROUND

- 3.1 Reardon Court is the site of a former in-house residential care home; the site is Council owned and vacant with ongoing security costs since late 2015. The site is in poor and deteriorating condition, there have been various incursions, lead work has been stripped from roofing resulting in leaks and internal damage. The deteriorating condition now represents an increasing liability to the Council both in terms of cost and a health & safety hazard.
- 3.3 To realise the long-term value of this Council owned asset and secure future provision of affordable Extra Care Housing in the borough, a Cabinet decision was made on 25th July 2018 that the Council will retain ownership and develop a minimum of 69 units for Extra Care Housing subject to GLA funding.
- 3.3 Following consultation with the GLA and local planning authority, a successful bid was submitted to the GLA in February 2019, resulting in a significantly increased capital grant resulting in an increase to 91 units and an improved business case.
- 3.4 A Cabinet decision was made on 25th July 2018 (KD4710) (see Appendix 1) which approved funding for the full scheme and gave delegated authority to the Executive Director Place, in consultation with Adult Social Care, Legal and Procurement Services, to award the contract for enabling works.
- 3.5 The construction works have been split into two phases, an enabling / demolition contract followed by the main contract to build the new facility. This strategy should de-risk the main contract to obtain the most competitive prices.
- 3.6 The works comprise the demolition of the existing care home facility including removal of asbestos and fly tipped waste. The works contract is proposed to be the JCT Intermediate Building Contract with Contractor's Design, 2016 Edition where insurance option C is to apply.
- 3.7 Five contractors deemed suitable for the enabling / demolition works were shortlisted and invited to quote via the London Tenders Portal in accordance with the Council's Contract Procedure Rules. The lowest submitted price, which complies with the tender quality requirements of the Council and is in line with the project programme requirements, is recommended. For the detail relating to the quotation evaluation, please refer to the Part 2 report.

4. ALTERNATIVE OPTIONS CONSIDERED

- 4.1 Not to proceed with this project. This would be contrary to the decision made by Cabinet in July 2019, and would result in loss of GLA funding.
- 4.2 Include the enabling / demolition works in the main contract. The enabling works are essential in order to meet the programme and comply with the conditions as set out in the funding bid approval granted by the GLA, and de-risk the main contract to obtain the most competitive prices.

5. REASONS FOR RECOMMENDATIONS

- 4.1 The quotation from Contractor “A” is compliant and is the most economically advantageous tender; refer to Part 2 for more information.

6. COMMENTS FROM OTHER DEPARTMENTS

6.1 Financial Implications

See Part 2

6.2 Legal Implications

- 6.2.1 Section 111 of the Local Government Act 1972 gives a local authority power to do anything (whether or not involving the expenditure, borrowing or lending of money or the acquisition or disposal of any property or rights) which is calculated to facilitate, or is conducive or incidental to, the discharge of any of its functions. The provisions of Section 9 of the Housing Act empowers the Council to provide housing accommodation as part of its functions.
- 6.2.2 The Council also has a general power of competence in section 1(1) of the Localism Act 2011. This states that a local authority has the power to do anything that individuals generally may do provided it is not prohibited by legislation. The proposed services the Council wishes to provide within this report are in accordance with this power.
- 6.2.3 The Council must ensure compliance with its Constitution. Where required, the Council shall carry out any procurement exercises in accordance with its Contract Procedure Rules and the Public Contracts Regulations 2015 (where procurements are caught by these Regulations) seeking assistance from the Council’s Procurement & Commissioning Hub and Legal Services where required.
- 6.2.4 The Council must ensure value for money in accordance with the Best Value principles under the Local Government Act 1999.
- 6.2.5 As this is a Key Decision the Council must comply with the Key Decision procedure.

- 6.2.6 Any legal agreements (and ancillary documents where relevant) arising from the matters described in this report must be approved in advance of contract commencement by Legal Services on behalf of the Director of Law and Governance.

6.3 Property Implications

- 6.3.1 Reardon Court is no longer fit for purpose and has deteriorated significantly since taken out of operation. The ongoing revenue costs relating to security and incursions will be eliminated by development of the site.
- 6.3.2 All new or revised asset data arising out of the proposed works must be sent by the Project Manager to Strategic Property Services for input onto the Asset Management Data System, ATRIUM, including revised site plans, floor plans, asset information and maintenance regimes.

6.4 Procurement Implications

- 6.4.1 The procurement was undertaken using the London Tenders Portal (ref DN430380).
- 6.4.2 As the contract is over £250k the service must ensure that sufficient security has been considered.
- 6.4.3 The service must ensure that authority to procure has been obtained and must be uploaded onto the London Tenders Portal.
- 6.4.4 The award of the contract, including evidence of authority to award, promoting to the Councils Contract Register, and the uploading of executed contracts must be undertaken on the London Tenders Portal including future management of the contract.
- 6.4.5 The awarded contract must be promoted to Contracts Finder to comply with the Government's transparency requirements.

7. KEY RISKS

- 7.1 There is a risk that the project will exceed projected timescales for completion. To mitigate this risk, project progress shall be monitored by the Project Board. Foreseeable delays will be escalated to enable a timely response. Contractual provisions shall be put in place to help ensure the timely development of this project.
- 7.2 There is a risk that planning permission for the development of this site will not be secured. Early consultation with the Local Planning Authority to include pre- planning advice (by way of a pre- planning application)

shall be sought to help mitigate this risk. Notwithstanding, the Demolition can proceed under a Building Act 1984 Section 80 Notice; this has been issued to the Local Authority Control Authority.

- 7.3 There is a risk that development costs will exceed those projected in this report. Officers will put in place contract and review mechanisms to minimise this risk.
- 7.4 A Project Risk Register is maintained and owned by the Project Board to monitor the above-mentioned risks and escalate accordingly.

8. IMPACT ON COUNCIL PRIORITIES – CREATING A LIFETIME OF OPPORTUNITIES IN ENFIELD

8.1 Good homes in well-connected neighbourhoods

- 8.1.1 The development of Extra Care Housing at Reardon Court will support the creation of thriving, affordable neighbourhoods, through the provision of good quality, accessible and affordable housing options for older people with support and care needs.

8.2 Sustain strong and healthy communities

- 8.2.1 The development of Extra Care Housing at Reardon Court will enable the provision of good quality, affordable housing for those most in need, supporting older people to maintain independent and full lives in the community. It will also support the improvement of public health and wellbeing, through the promotion of healthy, active and ageing, that supports social inclusion and reduces the likelihood of social isolation and loneliness.

8.3 Build our local economy to create a thriving place

- 8.3.1 The development of Extra Care Housing at Reardon Court will provide a vibrant inclusive living environment for older people with support and care needs, that fosters connection with the wider community through shared activity and social space. It supports work on reducing inequalities through the provision of accessible and affordable housing in later life.

9. EQUALITIES IMPACT IMPLICATIONS

- 9.1 Although we do not need to complete an EQIA for the procurement of this contract, we do need to consider how the organisation awarded the contract will help the Council meet the aims of the Public Sector Equality Duty (s. 149 Equality Act 2010).

This outlines the Council's duty to have "due regard", in the performance of its functions, to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act;
 - Advance equality of opportunity between people who share a protected characteristic and those who do not; and,
- Foster good relations between people who share a protected characteristic and those who do not.

Any contracts awarded should include a duty on the successful applicant to assist us with meeting our obligations under the Equalities Act 2010.

10. PERFORMANCE AND DATA IMPLICATIONS

- 10.1 The need for appropriate performance measures will be reviewed and implemented as required, aligned with any contractual agreements that may arise from this recommendation.

11. HEALTH AND SAFETY IMPLICATIONS

- 11.1 Health & Safety measures shall be implemented as required and appropriate to ensure that development on this site adheres to all necessary measures for correct planning implementation for safety. All construction and building work projects have to be managed under the various parts of CDM regulations.

12. HR IMPLICATIONS

Not applicable

13. PUBLIC HEALTH IMPLICATIONS

- 13.1 The Reardon Court Extra Care Housing development will contribute to the improved health and wellbeing of older people with care and support needs in the borough, facilitating prevention and early intervention, the reduction of health inequality and the delivery of high quality, integrated approaches to the delivery of housing with care in the borough.
- 13.2 The scheme will offer a purposefully designed environment to encourage healthy, active and inclusive ageing through for example, accessible allotment/garden space, accessible walkways and shared social space to encourage human connection and socialisation.

Background Papers

KD4710 (attached as Appendix 1)

MUNICIPAL YEAR 2017/2018 REPORT NO.**MEETING TITLE AND DATE:****REPORT OF:**

Director of Adult Social Care
Executive Director of Resources

Contact officer and telephone number:

Lia Markwick

0208 3796148

E mail: lia.markwick@enfield.gov.uk

Agenda – Part: 1	Item:
Subject: Reardon Court Extra Care Housing Wards: All Key Decision No: KD4710	
Cabinet Member consulted: Cllr Cazimoglu	

1. EXECUTIVE SUMMARY

1.1 The number people in Enfield over 65 years of age is forecast to increase by 23% over 10 years – from 42,400 in 2015 to 52,500 in 2025. This increase is slightly above the overall percentage increase of England (21%) and poses a significant local challenge in terms of developing services to meet future demand. This includes demand for quality, accessible and care focussed housing in later life.

1.2 Extra Care Housing (ECH) provides purpose built, accessible, self-contained accommodation plus communal facilities, to support independent living and facilitate social inclusion for older people and adults with disabilities.

1.3 The model offers a real alternative for older people and adults with disabilities who may be struggling to remain living independently in their own homes. It also offers an alternative option for people placed in inappropriate or high cost residential care, who - given the right support and the right environment - would be able to live more independently.

1.4 Reardon Court is the site of a former in-house residential care home. It is a Council owned site that is well placed to accommodate an extra care housing service, with good transport and community links. It is located in Winchmore Hill, an area of the borough in which the Council supports a high number of older people with adult social care needs and sits adjacent to green space to encourage healthy active ageing.

1.5 To maximise the long-term value of this Council owned asset and secure future provision of affordable Extra Care Housing in the borough it is recommended that the Council maintains ownership of this site and instructs demolition, design, development and delivery services to provide Extra Care Housing provision at Reardon Court.

1.6 See Part 2.

- 1.7 There are options to be considered in respect of funding a Council led development of this site. This includes Council borrowing and potential opportunities to secure in excess of £4,000,000 capital contributions from the GLA (circa £60,000 per home for rented accommodation).
- 1.8 A high level financial analysis undertaken by Ernst & Young indicates that a Council led development is financially viable over the life of the Project.
- 1.9 The development of Extra Care Housing on the Reardon Court site will enable the Council to
- increase the long-term security of extra care housing supply, helping to ensure that future costs can be managed, and statutory care requirements can be met
 - optimise the use of (and investment in) a local authority asset
 - create an opportunity for future income generation to support reinvestment in front line services
- 1.10 The strategic development of this site will also support cost avoidance through:
- the reduction of high cost residential placements or community packages
 - the reduction of costs associated with of hospital discharge delays
 - a reduction in costs relating to carer breakdown
 - a reduction in costs relating to the adaptation of inaccessible properties not suited to the mobility needs of some people with disabilities
 - a potential reduction in temporary accommodation costs, realised through the increase in local housing supply, and in some instances, release of Council and Housing Association properties
 - a potential reduction in levels of social isolation and loneliness, and costs associated with this
 - a reduction in falls, injuries and subsequent hospitalisation caused by housing design that does not suit the needs of older people and adults with disabilities.
 - a potential reduction in care package costs for older people with dementia, who require 24-hour support in a community setting
- 1.11 The development of Extra Care Housing on the Reardon Court site is consistent with local and national drivers for improvement and change including the Care Act 2014. Strategic development in this area will help secure the availability of high quality, affordable and accessible Extra Care Housing provision. It will help ensure that:
- people have access to services that prevent their support and care needs escalating, or delay the impact of their needs;
 - people are supported to maximise their independence and feel in control of the support and care that they receive;
 - people have a choice of a range of providers offering high quality, safe and appropriate services from a vibrant and diverse marketplace.

2. RECOMMENDATIONS

2.1 It is recommended that Cabinet Members:

- note the content of this report;
- approve removal of the Reardon Court Site from the Council's current disposal list
- approve a Council led demolition, design and redevelopment of the Reardon Court site for the provision of modern, accessible, self-contained Extra Care Housing provision
- approve the appointment of design expertise to develop architectural plans and support an application to the Local Planning Authority
- grant permission for officers to tender for a building contractor to develop the scheme
- approve indicative borrowing requirements for development capital, subject to securing a capital contribution from the Greater London Authority (GLA)
- delegate to the Executive Director Place, in consultation with Adult Social Care, Legal and Procurement Services, the appointment of a design team
- receive a further report to:
 - appoint a building contractor to develop the scheme
 - tender and appoint a provider of support and care services (as required)
- See Part 2.

3. BACKGROUND & CONTEXT

3.1 A Changing Demographic

3.1.1 The demographic of Enfield is changing. The number people in Enfield over 65 years of age is forecast to increase by 23% over 10 years – from 42,400 in 2015 to 52,500 in 2025. This increase is slightly above the overall percentage increase of England (21%) and poses a significant local challenge in terms of developing services to meet future demand. This includes demand for quality, accessible and care focussed housing in later life.

3.1.2 People are living longer but this does not always come with good health. The number of people with complex needs is increasing and the number of older people (65+) managing health conditions, including long term conditions that limit quality of life is also on the rise. In Enfield in 2015 it was projected that:

- over 2,000 older people had a long standing health condition caused by heart attack (rising to 2,579 by 2025)
- over 950 older people had a long standing health condition caused by a stroke (rising to 1,230 in 2025)
- 895 older people were admitted to hospital as a result of a fall (rising to 1,147 in 2025)

3.1.3 Dementia is also on the rise. In Enfield the total population aged 65 and over predicted to have dementia is forecast to increase from 3,034 in 2015 to 4,022 in 2025.

3.1.4 The number of older people living in Enfield providing unpaid care or unable to manage self-care activities is increasing. In 2015 it was projected that:

- over 5,500 older people provided unpaid care (rising to nearly 7,000 by 2025)
- nearly 17,400 older people were unable to manage at least one domestic task (rising to over 22,000 in 2025)
- over 14,200 older people were unable to manage at least one self care activity (rising to over 18,000 in 2025)

3.2 Understanding Who We Support

3.2.1 To accompany borough wide population projections and better understand potential demand for Housing with Care services going forward, information in respect of who the Council currently supports can be considered. This information can help build a view on the local preventative value of Housing with Care, and the role it may play in minimising the escalation of need and the requirement of residential care environments.

3.2.2 In 2015/2016, 2694 older people received a long term Adult Social Care funded service. Cockfosters, Chase, Edmonton Green and Winchmore Hill are amongst the wards with the highest number of people receiving an Adult Social Care funded services.

3.2.3 The number of people receiving care in their own home is rising year on year. There are currently over 500 older people aged 60+ years in receipt of intensive home care services funded by the local authority. Of these, 237 people own or part own their property, 97 reside in Council or Housing Association accommodation and 57 live in sheltered accommodation. The average package cost is over £300 per person per week.

3.2.4 Residential care placements are also on the increase. In 2015 it was projected that there were over 1,300 older people living in a residential care home (with or without nursing care) and this number is projected to rise to 1,780 in 2025. Placements of older people into long term residential care, funded by ASC are rising year on year, from 116 new admissions in 2014/2015 to 263 new admissions in 2017/2018.

3.2.5 Consistent with this increase, placements of older people with physical frailty into residential care are rising year on year, from 17 placements in 2012/2013 to over 30 in 2015/2016. The average cost for new placements is over £650 per week.

3.3 Extra Care Housing – An Alternative Option

- 3.3.1 Extra Care Housing (ECH) provides purpose built, accessible, self-contained accommodation plus communal facilities, to support independent living and facilitate social inclusion for older people and adults with disabilities. Round the clock on site support offers a flexible model of care that respects the dignity and privacy of individuals living in their own homes. It also offers opportunities for support and care to be delivered more efficiently, maximising the benefits of 'shared care' and assistive technology and helping to prevent hospital admissions and escalating care packages triggered by falls due to inaccessible environments.
- 3.3.2 The model offers a real alternative for older people and adults with disabilities who may be struggling to remain living independently in their own homes. It also offers an alternative option for people placed in inappropriate or high cost residential care placements, who - given the right support and the right environment - would be able to live more independently.

3.4 Understanding Current Supply

- 3.4.1 Enfield accommodates retirement housing, extra care housing (ECH) and residential/nursing care provision across the private and social rent sector.
- 3.4.2 Enfield Council's Sheltered Accommodation stock constitutes a significant proportion of age exclusive accommodation for older people living in the borough. The Council provides over 82 units of Sheltered Accommodation for social rent in Enfield, offering a mix of studio, 1-bedroom and 2-bedroom homes.
- 3.4.3 A further 1,474 units of specialist accommodation for older people are provided by registered social landlords and private sector providers in the borough (Source Elderly Accommodation Council October 2015). Tenure type varies – 631 of these homes are Leasehold properties available for purchase and 656 of these homes are for social rent.
- 3.4.4 There are currently 4 Extra Care Housing services in the borough, providing a total of 187 units of extra care accommodation for older people with support and care needs living in Enfield. Of these 187 units, 93 units (Alcazar Court, Skinners Court) provide accommodation for social rent, directly commissioned by Enfield Council Adult Social Care (ASC) services. The remaining units provide leasehold and market rent accommodation, for people with care and support needs wishing to purchase an Extra Care home of their own.
- 3.4.5 The closure of Reardon Court as a former residential care home with extra care facilities has led to the reduction of ECH (by 28 units)

available in the borough for older people with 24 hour on site support and care needs.

3.4.6 There are 99 residential and nursing care homes located in the borough that are registered with the Care Quality Commission, providing a total bed capacity of 2016. In respect of service type, 14 care homes, offering a total of 745 beds are registered as providing nursing care.

3.4.7 *Appendix A* maps local supply of Sheltered & Extra Care Housing provision in the borough in addition to residential and nursing care provision across the sector.

3.5 Projecting Future Supply Requirements

3.5.1 Although Enfield hosts a reasonably diverse provider market, future development that improves accessibility and environment in line with HAPPI design principles will help the borough keep pace with the changing aspirations of our ageing population.

3.5.2 Regional and national tools are available to help predict future demand for specialist accommodation in later life. The Housing LIN Strategic Housing for Older People Analysis Tool for predicting borough demand for extra care housing highlights an undersupply of over 400 homes.¹

3.5.3 Local data on waiting lists for ASC funded extra care housing is consistent with the requirement for more accommodation of this nature, with an average of 4-5 people each month presenting as requiring specialist extra care provision. Both the Council's directly commissioned schemes currently operate to capacity.

3.5.4 Additional extra care homes would create local opportunity to avoid inappropriate residential and nursing care admissions. Over 2017/2018 263 older people were admitted to adult social care funded residential care. Research undertaken by East Sussex Council (as cited in the recent ADASS New Dialogue Paper in April 2018) indicates that 64% of residents living in extra care provision would otherwise have been placed in residential or nursing care services.²

3.5.5 Supplementary Planning Guidance (Housing) references a pan-London requirement for approximately 3900 new specialist homes (sheltered and extra care housing) per year.

4. RECOMMENDATION

¹

<http://www.housinglin.org.uk/Topics/browse/HousingExtraCare/ExtraCareStrategy/SHOP/SHOPAT/Dashboard/?loginSuccess=1>

² https://www.housinglin.org.uk/_assets/Resources/Housing/OtherOrganisation/A-Better-Offer-for-Older-People-Making-Extra-Care-Housing-work-for-your-community.pdf

4.1 Reardon Court: An Opportunity for Growth

4.1.1 Reardon Court (Cosgrove Close, Winchmore Hill, London) is the site of a former in-house residential care home. It is a Council owned site that is well placed to accommodate an extra care housing service, with good transport and community links. It is located in Winchmore Hill, an area of the borough in which the Council supports a high number of older people with adult social care needs and sits adjacent to green space to encourage healthy active ageing.

4.1.2 To maximise the long-term value of this Council owned asset and extend the borough's affordable rent Extra Care Housing offer it is recommended that:

- the Council maintains ownership of this site and
- the Council instructs demolition, design, development and delivery services to provide modern, flexible and accessible Extra Care Housing provision at Reardon Court

4.1.3 See Part 2.

4.1.4 See Part 2.

4.2 Financial Viability of Development

See Part 2.

4.3 Project Links

4.3.1 The development of Extra Care Housing on the Reardon Court site will contribute to the overarching strategic development of Housing with Care in the borough.

4.4 Timescales & Governance

4.4.1 On the basis that approval is given to proceed in line with recommendations of this report, it is estimated that the Reardon Court site could be demolished, designed, developed and delivered over a 2½ year period.

4.4.2 A Reardon Court Project Board shall be established to include key representatives from Property, Legal, Finance and Adult Social Care Services to oversee the project. A Service User & Carer Reference Group shall be established to help ensure a user driven development.

5. ALTERNATIVE OPTIONS CONSIDERED

5.1 Do Nothing

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- 5.1.1 A 'do nothing' does not realise potential financial, strategic or community/public value benefits as detailed in 6.1-6.3 of this report.
- 5.1.2 Given rising demand pressures and the projected undersupply of Housing with Care options locally, adopting a 'do nothing' approach will do little to address supply requirements. Pressure on local supply is likely to increase the number of avoidable residential care placements made. It may also lead to an increase in levels of delayed discharge, which currently costs the Council £155 per night per patient.
- 5.1.3 A 'do nothing' approach would limit the availability and therefore *choice* of Housing with Care options for older people in the borough. While a natural market response to demand pressure is possible in the private sector, this trend is less likely in the affordable housing sector due to the affordability and availability of sites for development.
- 5.1.4 A 'do nothing' approach fails to address market facilitation duties as set out in the Care Act 2014. This statutory guidance requires the Council to ensure that there is sufficient and affordable supply of care services locally for users and carers.
- 5.1.5 A 'do nothing' approach incurs costs to the Council in respect of maintaining and securing a vacant site.
- 5.1.6 A 'do nothing' approach fails to maximise use and value of a Council resource, when the availability of affordable sites of necessary scale to delivery Extra Care Housing are limited.

5.2 Site Sale for the development of 100% Affordable Housing

- 5.2.1 Sale of this site for the development of 100% Affordable Housing (to include consideration of sale to Red Lion Homes or Housing Gateway) would generate a capital receipt for the Council.
- 5.2.2 See Part 2.
- 5.2.3 Site sale for Affordable Housing secures the site and utilises Reardon Court for delivery of the Council's strategic requirements. Whilst an attractive immediate option in respect of capital receipt to be acquired, development for non specialist affordable housing on this site fails to respond to demand pressures in the Adult Social Care sector. This option does not contribute to the financial, strategic or community/public value benefits of developing Extra Care Housing in the borough, as detailed in 6.1-.6.3 of this report.
- 5.2.4 A site sale approach for Affordable Housing results in the loss of this site for care use and fails to optimise existing site planning permissions as a site for delivery of care services. Alternative site options for the development of affordable Extra Care Housing provision to meet escalating need are limited.

5.3 Open Market Site Sale to the Highest Bidder

5.3.1 See Part 2.

5.3.2 Whilst attracting a substantial capital receipt, the long term strategic, community/public value and financial benefits of maintaining this site as an Extra Care scheme (See 6.1-6.3), or indeed Council use, would be lost. The residual value of the site would be lost upon sale, as would the opportunity to attract external development funding to increase the value of this asset.

5.3.3 The loss of this site as a Council resource would reduce local development options for affordable rent Extra Care Housing in the borough. Previous feedback from the Extra Care Housing Market has indicated that affordable site options of the scale required to deliver this housing model are increasingly difficult to secure. Subsidisation is often required by way of site contribution to enable the delivery of services at an affordable rent level.

5.4 Site Disposal for Development of Extra Care (Freehold)

5.4.1 Site disposal for the development of Extra Care Housing (Freehold) would generate a capital contribution for the site.

5.4.2 See Part 2.

5.4.3 This option reduces the Council's financial liability in respect of demolition, development and management of the asset. Development is undertaken by the Extra Care housing provider and there is no requirement for the Council borrowing for development. Disposal within Property Procurement Rules (PPR) means that disposal can be undertaken relatively quickly compared to Corporate Procurement Rules (CPR) route, however ability to specify future service would be limited.

5.4.4 Whilst this option is preferable to 5.1-5.3 in terms of ring fenced strategic use of the site as Extra Care Housing, the Council's long term influence over site use is minimal. The Council will not be in a position to guarantee the long- term use of site as affordable Extra Care Housing, at a time when need for such resource is rising.

5.4.5 Proceeding with this option is also likely to limit local authority influence over quality and cost of support and care provided. Within an increasingly pressurised market, RSLs providing specialist housing have indicated a wish to provide both housing management and support/care functions within a service that they have invested in. This can make changing care and support provision to maximise value difficult.

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- 5.4.6 The residual value of the site would be lost upon sale, as would the opportunity to attract external development funding to increase the value of this asset.

5.5 Site Disposal for Development for Extra Care (Under Lease)

- 5.5.1 Whilst the long term lease of the site would be deemed as a disposal, a lease agreement would increase the level of influence over development and long term use of the site, helping to maintain site for use as housing for older people in perpetuity.

- 5.5.2 See Part 2.

- 5.5.3 Extra Care Housing provider preferences for delivering housing management *and* support/care functions within a given scheme (as set out in 5.4.5) are also likely to remain limiting influence over the cost of care.

5.6 Site Sale with Specification for Future Service

- 5.6.1 The option to sell site with specification for future Extra Care Housing Service enables site sale based on thorough examination of organisational capacity and expertise in the development and delivery of ECH,

- 5.6.2 This approach will provide a greater opportunity to select a good quality organisation to extend Enfield's Extra Care Housing offer, in alignment with strategic requirements and greater opportunity to influence model and cost of provision, to including the separate contracting of support and care in early phases. However, the long term limitations in respect of securing site for extra care housing use and influencing service cost remain upon contract expiry. Market interest in the purchase of a site for Extra Care Housing without the ability to provide support/care functions is limited.

- 5.6.3 See Part 2.

6. REASONS FOR RECOMMENDATIONS

6.1 Financial Reasons for Recommendation

- 6.1.1 Leading the development of an Extra Care Housing service on a site owned by the local authority will increase the long-term security of supply, helping to ensure that future costs can be managed, and statutory care requirements can be met.

- 6.1.2 The development of an existing Council site for this purpose would optimise the use of a local authority asset whilst opening opportunity for future income generation. On the assumption that circa £60,000 per unit development funding from the GLA could be secured there is

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potential to draw in capital funding in excess of £4,000,000 for this development.

6.1.3 See Part 2.

6.1.4 An external analysis of Financial Viability undertaken by EY, indicates potential for this development to create a long term cash surplus. Surplus monies created through this development may be reinvested into frontline services, including the strategic development of specialist housing supply to meet the escalating housing care and support needs of local people.

6.1.5 The development of Extra Care Housing on the Reardon Court site will support cost avoidance for Adult Social Care in respect of funding care and support. Local evidence indicates that the average cost to Adult Social Care of supporting an individual in Extra Care Housing is less than high cost residential placements or community packages. The current cost of supporting an individual within one of the Council's directly commissioned extra care services is £178.51 per week. The average cost to adult social care of an intensive package within this setting is £304 per week (£264 average net cost per week). The average weekly cost of a residential care placement for older people with physical frailty is £670 per week (£420 average net cost per week). On this basis the development of extra care housing on the Reardon Court site holds potential to support cost avoidance in excess of £500,000 per annum.

6.1.5 Longitudinal research undertaken by Aston University in association with the Extra Care Charitable Trust is also helpful in quantifying the potential cross cutting impact of Extra Care Housing. In a recent study, 162 new extra care housing residents were compared against control participants on measures of health, well-being, cognitive ability and mobility following 18 months living in an extra care housing environment. The research documented:

- significant savings in NHS budgets (38% cost reduction over 12 month period)
- a reduction in the length of unplanned hospital stays
- a reduction in GP visits
- significant cost savings on Adult Social Care (lower level care 17.8% less, higher level social care 26% less)
- reductions in depressive symptoms

6.1.6 Additional cross departmental efficiencies linked with the development of Extra Care Housing on the Reardon Court site may also be realised through:

- the reduction of hospital discharge delays and cost associated with delayed discharge;

- a reduction in costs relating to carer breakdown – by providing a supportive environment whereby partners can remain living together;
- a reduction in costs relating to the adaptation of inaccessible properties that are not suited to the often complex needs of older people with care and support needs;
- a potential reduction in temporary accommodation costs, realised through the increase in local housing supply, and in some instances, release of Council and Housing Association properties.
- a potential reduction in levels of social isolation and loneliness, and costs associated with this, given the identified links between loneliness and mental/physical ill health³.
- a reduction in falls, injuries and subsequent hospitalisation caused by housing design that does not suit the needs of people with disabilities.
- a potential reduction in care package costs for people with dementia, who require 24-hour support in a community setting due to risk factors of living alone, but have minimal support and care needs.

6.2 Strategic

6.2.1 The development of Extra Care Housing on the Reardon Court site is consistent with national drivers for improvement and change set out in the Care Act 2014. Strategic development in this area will contribute to the delivery of a local housing with care market that helps to ensure:

- people receive services that prevent their support and care needs escalating, or delay the impact of their needs;
- the emotional physical and mental wellbeing of people in need of care and support, and their carer is maximised;
- people are supported to maximise their independence and feel in control of the support and care that they receive;
- people experience an integrated approach to the planning and delivery of support and care;
- people have a choice of a range of providers offering high quality, safe and appropriate services from a vibrant and diverse marketplace;
- people feel able to maintain the social and support networks that are important to them

6.2.2 Locally, the development of Extra Care Housing on the Reardon Court site is consistent with priorities set out in Enfield's Housing Strategy (2012-2027) and Enfield's Joint Health and Wellbeing Strategy (2014-2019), specifically priority 5 – enabling people to be safe, independent and well and delivering high quality health and social care services.

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6.2.3 Development of Extra Care Housing provision in the borough is aligned with Adult Social Care Commissioning Priorities, as set out in Enfield's Adult Social Care Market Statement.

6.3 Community & Public Value Benefits

6.3.1 Community and Public Value Benefits include opportunities to

- raise the profile of high quality housing with care options in Enfield, to support a positive understanding of what high quality housing with care can offer
- improve building quality within the Housing with Care sector, to better meet the changing aspirations of older people with support needs

7. **COMMENTS OF THE EXECUTIVE DIRECTOR OF FINANCE, RESOURCES AND CUSTOMER SERVICES AND OTHER DEPARTMENTS**

7.1 **Financial Implications**

See Part 2.

7.2 **Legal Implications**

7.2.1 Development of the nature discussed in the report will require planning permission pursuant to section 57 of the Town and Country Planning Act 1990

7.2.2 The Localism Act 2011 (brought the general power of competence into force for principal local authorities. The general power of competence is set out in s. 1.1 of the Localism Act 2011 and states that "a local authority has power to do anything that individuals generally may do." Ss (2) states that "Subsection (1) applies to things that an individual may do even though they are in nature, extent or otherwise— (a) unlike anything the authority may do apart from subsection (1), or (b) unlike anything that other public bodies may do." Where the authority can do something under the power, the starting point is that there are to be no limits as to how the power can be exercised. For example, the power does not need to be exercised for the benefit of any particular place or group, and can be exercised anywhere and in any way. Section 2 sets out the boundaries of the general power, requiring local authorities to act in accordance with statutory limitations or restrictions.

7.2.3 The Care Act 2014 places a duty on local authorities to promote diversity and quality in the provision of services in its area. Local authorities must ensure there are sufficient services available for meeting the needs of adults in their area with care and support needs. The proposals to redevelop the site as outlined in this report are within

the local authority's general responsibilities pursuant to the Care Act 2014.

7.3 Property Implications

- 7.3.1 The site has been vacant since late 2015, and currently the Council are incurring significant security, maintenance and running costs for the asset; whilst a decision is being determined for the long-term use.
- 7.3.2 In 2016 Cabinet approved the recommendation that this asset was surplus to requirements and could therefore generate a valuable capital receipt for the Council if sold on the open market. Subject to the current proposal being approved, Reardon Court will not generate a capital receipt and therefore should be removed from the list of Cabinet approved sales and an adjustment made to the capital receipts target.
- 7.3.3 There is also a risk that the GLA funding for extra care housing units will not be forthcoming and this will potentially affect the viability of the direct development build route.

8. KEY RISKS

8.1-8.3 See Part 2.

- 8.4 Planning permission for the development of a site has yet to be secured, and the outcome of any planning application submitted cannot be guaranteed. Early consultation with the Local Planning Authority to include pre- planning advice (by way of a pre- planning application) shall be sought to help mitigate this risk.
- 8.5 Subject to Cabinet approval of development on this site, a Project Risk Register shall be maintained and owned by the Project Board (4.42)

9 IMPACT ON COUNCIL PRIORITIES

9.4 Fairness for All

It is considered that the recommendation of this report contributes the above-mentioned Council priority, by extending high quality, affordable and accessible housing with care options for older people living in the borough.

9.5 Growth and Sustainability

It is considered that the recommendation of this report contributes the abovementioned Council priority, by contributing to housing growth and employment opportunities to the borough.

9.6 Strong Communities

It is considered that the recommendation of this report contributes the above-mentioned Council priority, through the development of a housing model that supports social inclusion and active citizenship amongst older residents of the borough. The development of Reardon Court as an Extra Care Housing Scheme will help meet the escalating needs of older people and adults with long term conditions, including those with physical disabilities and dementia, delivering a housing option that values the safety, security, health and care needs of the older community.

10 EQUALITIES IMPACT IMPLICATIONS

A Predictive Equalities Impact Assessment has been completed for update and review pending approval to proceed with this development. The proposed development is predicted to have a positive impact on disability and age groups, and a positive socio-economic impact on disadvantaged community groups, including people in poor health and people in social housing, through the extension of affordable Housing with Care options in the borough.

11 PERFORMANCE MANAGEMENT IMPLICATIONS

The need for appropriate performance measures will be reviewed and implemented as required, aligned with any contractual agreements that may arise from this recommendation.

12 HEALTH AND SAFETY IMPLICATIONS

Health & Safety measures shall be implemented as required and appropriate to ensure that development on this site adheres to all necessary measures for correct planning implementation for safety. All construction and building work projects have to be managed under the various parts of CDM regulations.

13 PUBLIC HEALTH IMPLICATIONS

There is a growing demand for care within Enfield that is at least partly driven by unhealthy lifestyles as evidenced by a high prevalence of obesity in the borough. This presents two challenges; how to improve lifestyles across the borough to reduce morbidity and how to care for that population that has become dependent and / or frail. Population projections imply that further caring capacity in the borough is needed. The proposals here will contribute to meeting this demand.

Background Papers

None.

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