

**MUNICIPAL YEAR 2018/2019 REPORT NO.**

**MEETING TITLE AND DATE:**

Operational decision of Director  
Adult Social Care People  
Department

**REPORT OF:**

Contact officer and telephone number:

Nancie Alleyne

E mail: [nancie.alleyne@enfield.gov.uk](mailto:nancie.alleyne@enfield.gov.uk)

**Agenda – Part: 1**

**Item: KD number  
4869**

**Subject:** Recommendation to award Contract  
for residential care services at Parkview  
House

**Wards: All**

**Cabinet Member consulted:**

Alev Cazimoglu

**1. EXECUTIVE SUMMARY**

- 1.1 Sanctuary Care has provided a good service under the current arrangements, which give the Council 100% nomination rights to all units at the Parkview House care home. The recommended contract award gives vulnerable service users continued access to vital care services at a good value price per bed, being at the lower end of the market average for similar services in Enfield. Dementia care homes are a difficult market sector experiencing continued upward cost pressure.
- 1.2 Enfield Council owns the freehold at the Parkview site, under which Sanctuary Care's parent organisation, Sanctuary Housing Association, is the Council's tenant under a 150-year lease from 13<sup>th</sup> March 1992.
- 1.3 As Sanctuary Group owns the care home under a long lease, officers conclude that other care providers would have little viable interest in operating from the Parkview House premises. Feedback from an earlier tender at this home as well as other tenders in this sector confirms this.

**2. RECOMMENDATIONS**

- 2.1 Director of ASC is invited to note the content of this report and the recommendations detailed in the part 2 report.

### **3. BACKGROUND**

- 3.1 Enfield Council is the freehold owner of Parkview House in Houndsfield Road, Edmonton, a residential care home consisting of 45 beds for people with dementia. The building is leased to Sanctuary Housing Association (SHA) who have full repair and maintenance responsibility. A 150-year lease exists between the parties, commencing 13th March 1992.
- 3.2 Care services at Parkview House are currently provided under a block contract between the Council and Sanctuary Care, a subsidiary of SHA. The Council holds full nomination rights for 45 of the beds within the home. The Council intends to reduce these beds to 40 in the new contract to commence 6<sup>th</sup> August 2019
- 3.3 Sanctuary Care became the care provider at Parkview House in August 2013 following a Cabinet decision (KD3558) enabling officers to negotiate directly with Sanctuary Care. That decision came after unsuccessful attempts to identify an alternative provider, both through competitive procurement and direct negotiation with a number of providers.
- 3.4 It was subsequently proposed and agreed that Sanctuary Care continue to provide services under a new 3-year block contract from August 2016 to August 2019 (Key Decision 4312) while longer term options for the site continued to be investigated.
- 3.5 Within this difficult environment the Council continues to work with Sanctuary to establish efficiencies whilst maintaining quality care provision.

### **4. ALTERNATIVE OPTIONS CONSIDERED**

See Part 2

### **5. REASONS FOR RECOMMENDATIONS**

- 5.1 The contract award is recommended because the existing arrangements are due to expire and there has been historic consistent failure to secure a successful provider through the formal procurement and market testing processes. To renew contractual arrangements with a willing partner is the most practical way of ensuring service continuity for vulnerable service users while also ensuring the Council has access to much-needed specialist care services for the contract period.
- 5.2 There is generally a lack of dementia care beds in the borough, which is also reflected nationally with local authorities competing for affordable bed placements. Retaining this local resource is

paramount for Enfield's increasing number of dementia care cases.

- 5.3 As SHA own a long lease on the Parkview House this makes it difficult for any other Care Provider to have control of the care provision to service users on site.

## **6. COMMENTS OF THE DIRECTOR OF FINANCE, RESOURCES AND CUSTOMER SERVICES AND OTHER DEPARTMENTS**

### **6.1 Financial Implications**

See Part 2 report

### **6.2 Legal Implications**

***Dated 31.1.19***

***Based on draft Part 1 Report circulated 20.12.18***

- 6.2.1 Section 1 of the Localism Act 2011 permits the Council to do anything that individuals generally may do provided it is not prohibited by legislation and subject to Public Law principles. The Health and Social Care Act 2012 inserted a new section 2B in the National Health Service Act 2006, which requires a local authority to 'take such steps as it considers appropriate for improving the health of people in its area'. In addition, section 111 of the Local Government Act 1972 gives a local authority power to do anything (whether or not involving 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 its functions. The proposed arrangements to be put in place are in accordance with these powers.
- 6.2.2 As the anticipated value of the contract exceeds £250,00, this is a Key Decision and the Council must comply with its Key Decision procedure.
- 6.2.3 Throughout the engagement of the provider, the Council must comply with its obligations of obtaining best value under the Local Government Act 1999.
- 6.2.4 The contract with Sanctuary Care must be approved in advance by Legal Services on behalf of the Director of Law and Governance.
- 6.2.5 See Part 2

## **7.0 PROCUREMENT IMPLICATIONS**

All procurement must be carried out in accordance with the Public Contract Regulations 2015, the Council's contract Procedure Rules and EU regulations.

See Part 2.

## **8.0 PROPERTY IMPLICATION**

- 8.1 SHA holds a lease with an unexpired term of 123 years.
- 8.2 The terms of the lease are such that a premium was paid to the Council on completion of the disposal to SHA with a yearly ground rent paid annually in advance.
- 8.3 The property is held under a full repairing and insuring lease therefore all repairs and maintenance fall upon the tenant.
- 8.4 The property occupying the Houndsfield Road site is arguably the best home in the care portfolio given that it is purpose-built and offers all single en-suite bedroom accommodation. The building therefore can be described as being 'fit-for-purpose' and is compliant with current market standards.

## **9.0 KEY RISKS**

See Part 2 report

## **10.0 IMPACT ON COUNCIL PRIORITIES**

### **10.1 Good homes in well-connected neighbourhood**

Parkview house is situated in a central location in the borough. It has good transport links and is on the doorstep of a picturesque park and near several shops making it a good location for service users to feel part of their community

### **10.2 Sustain strong and healthy Communities**

Continued to protect those most in need by continuing to deliver care and support services and safeguarding vulnerable people.

### **10.3 Build our local economy to create a thriving place**

Services will support resident to take more responsibility and play a greater role in developing services that are meaningful to them

## **11.0 EQUALITIES IMPACT IMPLICATIONS**

See Part 2 report

## **12.0 PERFORMANCE MANAGEMENT IMPLICATIONS**

- 12.1 Parkview House contract will continue to be monitored in accordance with existing monitoring systems used by the Procurement team. The frequency of this monitoring will be determined by reviewing relevant risk factors. Quality Checkers also support the process of quality monitoring on a regular basis through spot checks

## **13.0 HEALTH AND SAFETY IMPLICATIONS**

N/A

## **14.0 HR IMPLICATIONS**

N/A

## **15.0 PUBLIC HEALTH IMPLICATIONS**

- 15.1 Provision of residential care homes is a core part of maintaining the health and wellbeing of Enfield residents with dementia and complex needs. It is useful that the Council is taking these measures to ensure appropriate and effective future provision in the face of strong competition for access to these services from other purchasing authorities.

### **Background Papers**

None

