

CABINET

Date of Meeting	Tuesday, 18 th February 2020
Report Subject	Marleyfield House Expansion
Cabinet Member	Cabinet Member for Social Services
Report Author	Chief Officer (Social Services)
Type of Report	Operational

EXECUTIVE SUMMARY

Marleyfield House, a council residential home in Buckley, has been identified as a suitable site to develop and increase existing capacity by an additional thirty two beds therefore providing accommodation to support sixty four people in total. An initial feasibility study was carried out and approval given to engage a construction firm to take the project forward.

As part of this process a revised, modern and innovative design has been proposed which maximises the landscape topography and provides purpose built efficient accommodation for the delivery of a range of services being delivered. The design demonstrates an innovative approach to supporting individuals in residential settings. It offers increased usable communal outdoor space and accessibility to support the well-being of residents. Each room will have personal outdoor space either through a balcony on the first floor or a patio on the ground. The plans allow increased operational functionality, a closer link with the existing facilities, and supports both recovery for short term residents and well-being for long term residents.

On January 8th the building design was granted planning permission. The next step is to enter into full contract with construction firm Willmott Dixon (WD). We will need to enter into this contract by the 5th March to take advantage of the Innovative Housing Programme (IHP) funding of £1.6 million from Welsh Government. The construction of the expansion is also funded through the Integrated Care Fund (ICF) and the Council's own capital resources through its capital programme.

This report outlines the current cost envelope for the project and the estimated cost for construction.

RECOMMENDATIONS

1	Members note the current design for the extension including its affordability with the current estimated costs and funding envelope available.
2	Members provide approval for the Council to enter into contract with the construction firm during March 2020, with delegated authority to the Chief Executive, Chief Officer Social Services and Chief Officer Housing and Assets to negotiate the final cost plan, within a 5% variation of current estimates detailed in 1.04.

REPORT DETAILS

1.00	PROGRESS UPDATE FOR THE MARLEYFIELD HOUSE EXPANSION PROJECT								
1.01	The scheme has been proposed as part of Flintshire's approach to addressing the current significant pressures and fragility in the care sector across the country, which was highlighted in a review of the Flintshire care sector carried out in 2016. Due to an ageing population with increasingly complex needs the requirement for care and care homes is set to increase, this is despite a greater emphasis on keeping people living at home for longer.								
1.02	The last 12 months has seen the project team working closely with Willmott Dixon (WD) as construction partners and Lovelock Mitchell (LM) as architectural partners to develop an innovative design. Planning Permission for the scheme was awarded at January 2020 Planning Committee.								
1.03	The design demonstrates an innovative approach to supporting individuals in residential settings. The design is sympathetic to the topography of the site and allows for increased usable outdoor space and accessibility to support the well-being of residents. It allows increased operational functionality, a link with the existing facilities, and supports recovery for short term residents. The design of outdoor spaces will support improved facilities for permanent residents who may be living with memory loss and dementia.								
1.04	<p>An initial cost analysis of the design, furniture and facilities in the building is estimated to be approximately £8.62 million (see Table 1).</p> <p>Table 1- Current estimates of build</p> <table border="1"> <thead> <tr> <th>Item</th> <th>Cost</th> </tr> </thead> <tbody> <tr> <td>Willmott Dixon construction of extension (Stage 3)</td> <td>£ 8,339,172.00</td> </tr> <tr> <td>Property and Design Consultancy (F.C.C.) - £160,000 Project Management 2 years (Social Services) - £95,500</td> <td>£ 250,500.00</td> </tr> <tr> <td>Flintshire County Council Contingency</td> <td>£ 150,000.00</td> </tr> </tbody> </table>	Item	Cost	Willmott Dixon construction of extension (Stage 3)	£ 8,339,172.00	Property and Design Consultancy (F.C.C.) - £160,000 Project Management 2 years (Social Services) - £95,500	£ 250,500.00	Flintshire County Council Contingency	£ 150,000.00
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Flintshire County Council Contingency	£ 150,000.00								

Additional FF+E to be purchased by F.C.C.	£ 200,000.00
Value Engineering agreed as of 29/11/2019	- £ 320,000.00
Total	£ 8,619,672.00

These costs are based on a Stage 3 cost analysis from Willmott Dixon. A full and detailed cost analysis for the Stage 4 design is due to be submitted on the **28th of February 2020** with final costings for entering into a contract for the build.

1.05 A report to cabinet on 2nd of April 2019 outlined that the cost of the build was then estimated at **£7.6million**. Some of the reasons for the increase are:

- Increase in costs for construction materials to facilitate the design, including structural support to enable the 'offset' positioning of the floors.
- An increase in area of the building to accommodate amenities and facilities for residents as well as to enable all rooms to become Equality Act compliant.
- Sprinkler and hydrant system costs.
- National inflation impact from receipt of Stage 2 costs.

1.06 The works taking place at the home will have a positive impact and benefit for both existing and new residents. There will be extensive landscaping works to the external spaces that will facilitate movement across the home and an integration of the existing and new buildings. The programme includes some essential additional works/improvements to the existing building such as larger kitchen to cater for the additional 32 residents, improvements to the day services center and an extension to the hair salon to accommodate additional demand.

1.07 **Value Engineering**

So far the following value engineering (VE) steps have been taken:-

- Moving the extension 4 meters further South on the site, this gives savings on groundwork and retaining walls due to the topography of the site.
- Intensive review of the mechanical and engineering costs
Reduction in external lighting.
- Reviewing external materials for a more cost effective alternative.

This currently has reduced the build price by approximately £320,000 as detailed in **table 1**.

1.08 **Finance**

Table 2 details the current possible funding streams that are available to the project.

Table 2 - Current Possible Funding Envelope

	Funding Streams	Amount
	IHP	£1.610 million
	Council's Capital Programme	£3.006 million
	ICF funding	£4.376 million
	Salix Funding	£0.036million
	TOTAL	£9.028 million
	<p>Please note that IHP funding of £1.6million has been awarded to the project in principle. The criteria for this funding to be released is that we must be in contract with our construction partner by the 5th of March 2020. Salix provides interest-free Government funding to the public sector to improve energy efficiency, reduce carbon emissions and lower energy bills. This will be used to install solar panels on the building.</p>	
1.08	<p>From Stage 3 costs to available budget there is currently a surplus of approximately £300,000. A final cost plan is to be submitted to us on the 28th of February 2020 which will be scrutinised to ensure value for money. Any surplus budget following this cost plan can be released back to the Councils capital programme for use on other priorities.</p>	
1.09	<p><u>Timescales</u></p> <p>The construction is still on programme to start in April 2020, with completion expected by April 2021. As part of the requirements for releasing the IHP funding, Welsh Government ask that the project has gained planning consent and that the council be in contract with the construction partner by the 5th of March 2020. Final stage 4 costs plans for construction are currently unknown. Providing approval to enter into contract at the beginning of March 2020 with delegated authority to the Chief Executive, Chief Officer Social Services and Chief Officer Housing and Assets to negotiate the final cost plan within 5% of current estimates detailed in 1.04 would allow for IHP funding criteria and the timescales above for construction to be met.</p>	
1.10	<p>As the design nears completion, intensive work is beginning with Betsi Cadwaladr University Health Board (BCUHB) to develop the operational model of the service, map pathways and staffing requirements.</p>	

2.00	RESOURCE IMPLICATIONS
2.01	<p><u>Capital</u></p> <p>Flintshire County Council has approved £3,006,000 of its own capital funding towards the project. In addition grants from IHP and ICF capital funding has been allocated to a total of £6 million to support the project development. This gives a total funding envelope of £9.028 million.</p>

2.02	<p><u>Revenue</u></p> <p>It is expected a pooled budget arrangement can be established with BCUHB (Betsi Cadwaladr University Health Board) to assist with the revenue costs of the larger establishment. The development will support the process of hospital discharge and appropriate assessment for care packages to support people when they move home. The extended sixty four bed care home would provide:</p> <ul style="list-style-type: none"> • Permanent support – for people who require ongoing residential care • Short-term respite – designed to support people over a short period to help carers, families or the individual • Intermediate Care and Discharge to Assess, to support the Step Up/Step Down process <p>A revenue budget pressure for 20/21 of £0.104m has been approved to allow for recruitment and training of staff in preparation for the opening in April 2021. A further revenue budget pressure of £0.425 for 21/22 is being considered with the potential for contribution from the ICF revenue programme subject to ICF continuing.</p>
2.03	<p>Human Resources</p> <p>In order to operate the entire site effectively, additional care staff, therapeutic staff and assistant management will be required to support the additional residents. The workforce requirements are currently being planned based on the service model developed for the scheme.</p>

3.00	IMPACT ASSESSMENT AND RISK MANAGEMENT
3.01	<p><u>Impact Assessment</u></p> <p>An Integrated Impact Assessment has been completed and continues to be monitored and amended as the project progresses and impacts are better understood.</p> <p>Under the five delivery principles of the Well-Being of Future Generations Act, the successful operation of the building will meet the following goals.</p> <p><u>Long term:</u> The project addresses the short term need of capacity within the residential sector, but in addition the building will be fit for purpose for many years to come. The flexibility that the building will have to deliver on the needs of a wide range of individuals will ensure that the home can provide high quality services to people for many years to come.</p> <p><u>Prevention:</u> The collation and centralisation of step-up, step-down beds will ensure that there is a greater efficiency in services. This approach should support local hospitals with issues around bed blocking and reduce the likelihood of this happening in future.</p> <p><u>Integration:</u> The extended home will be a joint venture with close working required from both Flintshire County Council and Betsi Cadwaladr University Health Board. The success of the project and operational model will be essential to achieving both bodies' well-being goals.</p>

	<p>Collaboration: The operation of the building will require close working between social services departments, the home itself, the health board as well as residents and their family members. The collaboration between health services and social services will result in a greater achievement of well-being outcomes for residents at the home.</p>
3.02	<p><u>Risk Management</u></p> <p>A key risk to the construction phase is causing disruption for residents at the home. Both the home and WD will work closely together to ensure that residents and their families are informed of what work is going on and when, ensuring that peak volume works are completed during appropriate times. There will be opportunities for residents to visit the site and upon nearing completion can support with some of the planting of the landscaped area should they choose to do so.</p> <p>There will also be a carefully managed approach to upgrading the existing kitchen in close partnership with NEWydd to maintain meal schedules.</p> <p>Managing traffic on site to ensure that the service can continue running normally in the existing building whilst work is ongoing is essential. A carefully managed traffic plan for the site will ensure that any visitors, professionals or clients wanting to access the day centre can do so with minimal interruption from works on site. This will also take into consideration local traffic peak times to minimise disruption to the local area.</p> <p>The project was risk-assessed as part of the decision-making process that led to the project being initiated. Both the construction Risk Assessment and operational model risks are being continually updated and monitored as the project progresses.</p>

4.00	CONSULTATIONS REQUIRED/CARRIED OUT
4.01	<p>As part of the planning application, all statutory consultations have been carried out.</p> <p>In addition a public consultation event was held at the site on the 27th of June 2019</p>
4.02	Continued engagement with the residents, their families, and staff at the home will take place throughout the construction to inform and support them throughout the construction period.

5.00	APPENDICES
5.01	Appendix 1 – General Arrangement of Expansion.
5.02	Appendix 2 – Existing building changes.
5.03	Appendix 3 – Visualisation of development.

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6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	Cabinet Report – April 2 nd 2019 Social & Health Care Overview and Scrutiny Committee Report - June 6 th 2019

7.00	CONTACT OFFICER DETAILS
7.01	Contact Officer: Neil Ayling – Chief Officer, Social Services Telephone: 01352 704511 E-mail: Neil.J.Ayling@flintshire.gov.uk

8.00	GLOSSARY OF TERMS
	<p>ICF (Integrated Care Fund): Welsh Assembly Government fund that helps health boards and social care partners in local authorities, housing and voluntary sectors to work together to support frail and older people, people with a learning disability, children with complex needs due to disability or illness and carers, including young carers.</p> <p>Discharge to Assess: The ‘Discharge to Assess’ model is intended to ensure speedy discharge from hospital to home and to deliver assessment in the best place. People often function differently in their own home than in the hospital environment. The hospital environment is recognised as an institutional and alien setting that can disable people, limiting their opportunity to manage core activities of daily living independently. People are more relaxed in their own home, they know the environment well, are comfortable and the balance of power is more equal.</p> <p>Step-Up, Step-Down: Step-Up, Step-Down provides short stay beds to support people coming out of hospital who are medically fit, but not yet ready to go home, and where a home care package is not yet in place. The beds are also used to help people in the community who become unwell avoid hospital admission and long-term placements.</p> <p>Willmott Dixon: Willmott Dixon is a privately owned contracting, residential development and property support business.</p> <p>They are the construction partner for this project who have been procured through the SCAPE framework.</p> <p>Lovelock Mitchell: An architectural firm Established in 1860 and based in Chester, Lovelock Mitchell have already worked closely with Flintshire County Council on Holywell Extra Care and Hwb Cyfle.</p> <p>Scape framework: Scape Group is a public-sector partnership that helps to improve the buildings that we use, the roads we travel on and the places we live. Scape offers a suite of fully managed frameworks, property services, innovative design solutions, community investment opportunities and joint ventures that are available to any public body in the United Kingdom.</p>

As a public-sector organisation, Scape appreciates the role that the built environment plays, in the context of service delivery and the local economy. Scape also fully recognises the pressures that local authorities face in procuring efficiently and delivering more-for-less in these austere times.

Scape's services have been designed with this in mind - to support the entire lifecycle of a built environment, to help create a smooth procurement journey, to stimulate local growth in communities and to deliver demonstrable outcomes on projects.