

Health and Adult Social Care Policy and Scrutiny Committee

20 December 2016

Report of the Programme Director, Older Persons' Accommodation

Update on the Older Persons' Accommodation Programme

Summary

1. This report provides an update on progress towards delivering the Older Persons' Accommodation Programme (OPAP) (the "Programme") including Programme delivery and risk. It also reviews the action being taken to close Willow House older persons' home and the findings of a recent Mazars Value for Money review of the Programme.
2. The following summarises the status of the Programme:

Overall Status	On Target
Previous Project Status	On Target
Trend	Same
Risks	Under control
Update since last report	The Programme has progressed well, including: <ol style="list-style-type: none"> a) Good progress with the construction of the 27 home extension of Glen Lodge. b) Good progress on preparing the Burholme site for redevelopment. c) The launch of the Burnholme care home and the Oakhaven Extra Care procurement. d) Agreement by Executive to move forward with the redevelopment of the Lowfield school site. e) Agreement by Executive to seek a sustainable future for Haxby Hall care home.
Programme next steps	To progress the Programme the team will: <ol style="list-style-type: none"> a) Complete the procurement of partners to deliver the Burnholme care home and the Oakhaven Extra Care scheme and appoint preferred bidders.

- b) Appoint a constructor for the Burnholme Community and Library facilities.
- c) Demolish the redundant Burnholme school buildings.
- d) Begin the Lowfield Green development by drawing up detailed plans for the enabling works and phase 1 of the development, and submitting relevant planning applications.
- e) Consult residents, relatives and staff at Haxby Hall on the option to seek a partner to take over the ownership and management of the care home.
- f) Safely complete the move of Willow House residents.
- g) Invest in 24/7 care at Marjorie Waite Court Extra Care scheme.
- h) Agree the next care home that will be the subject of consultation on closure.
- i) Continue with the construction of the Glen Lodge extension.
- j) Sell Willow House.

Background

3. The Health and Adult Social Care Policy and Scrutiny Committee last received an update on the Programme at their meeting on 26th April 2016 and asked for regular updates. The Audit and Governance Committee also received an update on the Programme on 28th September 2016, looking particularly at programme management. The Programme has also been the subject of an external audit Value for Money Review by Mazars which concluded in October 2016.
4. The Council's Executive on 30th July 2015 approved the Business Case for the Older Persons' Accommodation Programme.

This will:

- a) fund 24/7 care support at Auden House, Glen Lodge and Marjorie Waite Court Sheltered Housing with Extra Care schemes;
- b) progress with plans to build a 27 home extension to Glen Lodge;
- c) seek the building of a new Extra Care scheme in Acomb;
- d) seek the procurement of a new residential care facility as part of the wider Health and Wellbeing Campus at Burnholme; and
- e) encourage the development of additional residential care capacity in York including block-purchase of beds to meet the Council's needs.

5. Executive on 14th July 2016 agreed additions to the Programme:
 - a) the development of a care home on the Lowfield School site [Westfield ward] as part of a wider redevelopment of the site; and
 - b) examination of options for the future of Haxby Hall older persons' home [Haxby & Wigginton ward] as an alternative to closure.
6. Sites affected by the Programme are shown on the map at **Annex 1**.
7. The context for the Programme is that there is a shortage of suitable accommodation with care for older people in York. This is caused by historic under-investment and an expected growth in the size of the over 75 population of the city (the 75+ population is expected to increase by 50% over the next fifteen years, from 17,200 to 25,800). 81% of York's 75+ population own their own home.

Progress Update

Glen Lodge Extra Care scheme

8. Construction of the extension to Glen Lodge Extra Care facility in Heworth is progressing well. The new access road is complete and in use and the foundations of the 25 home extension are in place and the ground floor block work is going up. Good progress is also being made on the two bungalows with walls up to roof height. Good resident and neighbour relations are being maintained. The cost estimates are within budget.

Burnholme Health & Wellbeing Campus

9. Work to deliver the Burnholme Health & Wellbeing Campus (see **Annex 2**) is progressing well:
 - a) The procurement of an c80 bed care home on the site of the Burnholme School is on-going. The Council seeks a partner to fund, build and operate the home and will "buy" up to 30 beds from the provider, at an agreed price. Three bidders have been invited to submit formal Tenders and these will be received in January 2017. A decision on preferred bidder will be made in Q1 2017.
 - b) Enabling works to allow the care home and other facilities to be built at Burnholme are progressing well. New electricity and gas services plus a new boiler for the sports area are in place and the "redundant" school builds are now isolated from services and are ready for demolition.
 - c) Tenders are currently being sought for the demolition work and a

result should be known by Christmas. Demolition is due to be completed by Easter 2017.

- d) Tenders for the construction of the access road will form part of the construction contract for the Community & Library facilities or will be separately tendered.
10. The planning application for the new Library and Community facilities at Burnholme was submitted at the end of August. Following extensive pre-planning engagement with neighbours and stakeholders which demonstrated continuing support for the proposals no objections to the formal planning application have been received. The application was approved by the Area Planning Committee on the 1st December 2016.
 11. Executive Agreed on 7th December 2016 to recommend to Council that the estimated £4.727m of costs for the community and library facilities are added to the Capital Programme with the costs to be funded from the capital receipt received from the future disposal of surplus development land (area C) on the Site subject to obtaining Department for Education (DfE) consent necessary for such disposal. No capital costs will be incurred until official confirmation of the DfE consent has been received.
 12. Academies Act consent has been granted for the disposal of the school buildings on this site (area A). This frees the land for the care home, the library and community facilities and the health centre. This removes a major risk to the delivery of the project.
 13. The DfE confirm that our the application under Section 77 of the School Standards and Framework Act 1998 has been recommended for approval by the Minister of State and we await a final decision on this matter.

Oakhaven Extra Care Facility

14. Planning consent has been awarded for the use of Oakhaven as temporary accommodation. The implementation of this use has not yet begun as the housing team have been evaluating options regarding Ordnance Lane and alternative temporary accommodation.
15. The procurement for a partner to develop the new Extra Care facility on the Oakhaven site was launched on 3rd November 2016 and will conclude in February 2017.
16. North Yorkshire Police have confirmed their continued interest in moving off of their Acomb Road site and re-locating to join other services at Lowfield.

Lowfield re-development

17. Members agreed in July 2016 to proceed with the redevelopment of the Lowfield site. The development will be called Lowfield Green (**Annex 3**).
18. A spatial plan on the proposals to develop Lowfield Green has been drawn up and this was the subject of public engagement in October 2016. Over 400 residents engaged and the majority support the plan to deliver a 70 bed care home, bungalows and flats for older people, family homes, plots for self-build housing (delivering over 160 new homes), a health centre and public open space on the site. A small minority of residents strongly oppose the development and a petition signed by 45 households and seeking a halt to the proposals has been received by Council; this will be considered in the normal way.
19. The proposal also includes the examination of the provision of new football pitches on Ashfield Estate land off of Tadcaster Road.
20. On 7 December 2016 Executive agreed the spatial plan prepared for the Site as described in the report in order to deliver approximately 162 new homes, a care home, newly built accommodation for health & other public services as well as public open space and an estimated capital receipt of £4.5m. They also agreed that the Older Persons' Accommodation Programme includes the procurement of a new residential care facility on the Site as part of the wider Lowfield Green development.
21. We are now ready to progress this development.

Existing Older Persons' Homes

22. Grove House, the Older Persons' Home which closed in February of this year, was marketed for sale and Executive have accepted the offer of £1.6m for use of the site for housing, subject to planning consent.
23. McCarthy & Stone have obtained planning consent for the re-development of the Oliver House Older Persons' Home site (the home closed in 2012) to provide 36 retirement apartments. Construction will begin shortly.
24. Willow House Older Persons' Home on Long Close Lane, Walmgate, has been the subject of consultation on the option to close. The consultation has revealed no strong objections to this proposal and residents, relatives and staff are focused on where to move to. Facilities provided for people with a learning disability will be re-provided in other locations. At Executive on 24 November 2016 Councillors agreed to close Willow House and sell the site.

25. We have completed a review of options for Haxby Hall including seeking a partner to take on the home as a “going concern” with an obligation to redevelop and build a new 70 bed care home on the site. Residents, relatives and staff have had the opportunity to comment.
26. Executive on 7 December 2016 considered three options for the future of Haxby Hall and agreed that the preferred option is for the Council to seek a partner to take over its ownership and management with a commitment to build a new care home on the site in the near future and that this option is the subject of consultation with residents, relatives interested parties and staff of Haxby Hall. Executive also agreed that a six week period of consultation is undertaken with residents, relatives, interested parties and staff of Haxby Hall to explore the option to seek a partner to take over its ownership and management with a commitment to build a new care home on the site in the near future and that a further report on the outcome of this consultation be received at the Executive before a final decision to transfer is made.

New Extra Care provision

27. The Council continue with the negotiation of nomination rights to the rented apartments in the New Lodge Extra care development as well as control over access to the low-cost home ownership homes and a block-purchase arrangement for 8 care home beds at the Joseph Rowntree Housing Trust 60 bed nursing and residential care home and 105 Extra Care apartments on the site of Red Lodge and the Folk Hall at New Earswick.

Construction work will begin early in 2017 with the care home and first extra care apartments ready by Q2 2018.

Moving Homes Safely

Willow House Older Persons' Care Home

28. Executive agreed on 24 November 2016 to close Willow House. We will now support residents and their relatives to ensure all move safely to their new home, guided by the Moving Homes Safely Protocol.
29. Health and Adult Social Care Policy and Scrutiny Committee, when they met in April 2016, reviewed the Moving Homes Safely Protocol in light of its application at Grove House and Oakhaven. It was agreed that suitable adjustments would be made to the Protocol and it is this updated document which will guide our actions at Willow House.

30. As of 5 December 2016, seven residents had moved and one resident was admitted to hospital and died there. Of those residents who have moved, 4 have chosen to take up residence in independent sector homes, 2 at Haxby Hall and 1 has been able to return home to live with their partner, supported by a package of community care.
31. We expect that the remaining residents will move over the next six weeks and take up places in residential and nursing care homes or extra care. All residents who choose to move to Haxby Hall do so in the knowledge that this home will be the subject of consultation on the option to transfer management to another organisation.
32. We are working with the existing staff team to help them move to new roles within the council. We will agree approximately 20 requests for voluntary redundancy from across the care home staff team in order to facilitate these moves.
33. We are working with the customers who use the learning disability support facilities that are currently based at Willow House in order to identify the best place for them to be re-located to. Meanwhile, they will remain in operation during early 2017 while the appropriate moves are made.

The Mazars Value for Money Review, October 2016

34. The Council's external auditors carried out a Value for Money review of the Older Persons' Accommodation Programme as part of their wider review of delivering significant projects and new ways of working at the Council. The work took place in the late summer and autumn of 2016.

The review focused on following up the actions taken since their previous review of the Older People's Accommodation Programme. Mazars concluded that:

- a) "The business case for the revised OPA programme presented in July 2015 provided a clear and comprehensive summary of the rationale for proposals, key issues and risks.

The planned phased development and implementation for the new programme provides a more prudent and measured approach and is a positive way forward in terms of risk management and providing flexibility to future changes in the operating environment.

- b) The project has progressed well during 2015/16 and appropriate governance and risk management discipline has been maintained.

The Council has strengthened its programme management methodologies for all major projects adopting a best practice framework which is supported by the Verto project management system. The OPA programme is now managed through Verto.

- c) Reporting to the Executive has been very comprehensive and timely at required key decision points. We highlight in particular the thorough approach taken in the July 2016 report to the Executive. We also observed a marked improvement in progress reporting to the Audit and Governance Committee, including the new arrangements for quarterly reporting on major projects.
- d) Arrangements for engagement and consultation with the public and other stakeholders are comprehensive and continue to be effective. This has been a strength of the programme throughout.
- e) We consider that the work undertaken and in progress comprehensively addresses the main issues we raised in our previous review. To ensure continued focus and rigour we recommend some areas for development in formal reporting, for example, on interdependencies between key stages and simplifying the presentation of financial information. Communication and reporting requirements to the Health and Wellbeing Board should be reconfirmed.
- f) At a delivery level, programme team resourcing should be considered routinely by the Project Board and the Verto functionality should be used to a greater extent”.

35. The Mazars recommendations are accepted and the Programme team is implementing an agreed action plan to address them.

Programme Plan

36. The Programme plan is proceeding well.

Tasks & Milestones Status

On Target

Previous Tasks & Milestones Status

On Target

Tasks & Milestones Status Explanation

A high level project plan is now in place and this will be reviewed and updated as the Programme proceeds. Detailed project plans are now in place for the Glen Lodge Extension and the Burnholme Health & Wellbeing campus. A draft project plan is in place for the new Extra Care facility at Oakhaven.

Key Milestones

Date	Milestone
Q1 2017	Appoint developer of Burnholme Care Home
Q1 2017	Appoint developer of Oakhaven Extra Care scheme
Q2 2017	Burnholme community facilities start on site.
Q3 2017	Submit Oakhaven Extra Care facility planning application.
Q3 2017	Complete Glen Lodge extension.
Q4 2017	Burnholme care home start on site.
Q4 2017	Oakhaven Extra Care facility starts on site.
Q4 2018	Complete Burnholme care home.
Q4 2018	Complete Oakhaven Extra Care facility.

37. Risks

Risks Status

On Target

Previous Risks Status

On Target

Key Risks

38. Key risks are kept under review and mitigations are pro-actively managed. No key risks currently present a concern. Recent progress in mitigating risks include:

- a) The acceptance of a good offer above original estimate for Grove House.
- b) Department for Education consent granted for the disposal of the Burnholme school buildings.

	Risk	Control/action	Gross	Net
39.	Anticipated level of capital receipts not realised.	Work closely with partners and CYC finance to maximise capital receipts.	8	1
40.	Incorrect procurement of capital works.	Applying due diligence to ensure Council's normal approach to procurement of capital works.	13	2
41.	Increase in interest rates.	Ensure impact is capped or controlled through the contracts.	19	14

	Risk	Control/action	Gross	Net
42.	Rising cost of external residential care providers.	Undertaking negotiations with Independent Care Group.	23	19
43.	Project does not deliver the right number and type of care places required by the city.	Modelling of predicted care levels to look at effect of the provision of different numbers of care places by type.	19	13
44.	Loss of morale for existing OPH staff leading to negative impact on service provided to current OPH residents.	Maintain staff morale and focus through regular briefings/updates; engagement through OPH Managers and staff groups; investment in staff training, support and development.	19	13
45.	Challenge and negative publicity from existing OPH residents and relatives.	Development of good communications via briefings to residents and relative, Executive, group leaders, TUs, OPH Management & Staff, OPH Programme Wider Ref Group, media etc.	19	13
46.	Burnholme - Disposal of redundant school assets not approved by Department for Education.	Partnership working with local schools to ensure that requirements for playing fields are addressed via access to existing facilities, etc.	19	13
47.	No long term commitment from NHS Provider Organisations.	Early engagement with CCG as commissioning body. Bidding for development resources.	19	14
48.	Burnholme - Private Sector unattracted to financial viability.	Soft market testing / 'socialising' the scheme with potential bidders.	19	18

	Risk	Control/action	Gross	Net
49.	Burnholme - Planning Permission not granted / onerous.	Early site master planning and pre-submission engagement.	19	18
50.	Burnholme - Phasing & Construction Conflict.	Consider in deliberations regarding commercial options.	19	14
51.	Burnholme - Construction Costs exceed pre-tender estimates.	Secure qualified technical advice when considering financial modelling, anticipate need for value engineering.	19	14

Recommendations



52. That the Committee review the update on progress to deliver the Older Persons' Accommodation Programme.
53. That the Committee note the positive comments made by the Mazars auditors in relation to Programme progress, management and oversight.
54. That the Committee request that regular updates are presented at future meetings.

Contact Details

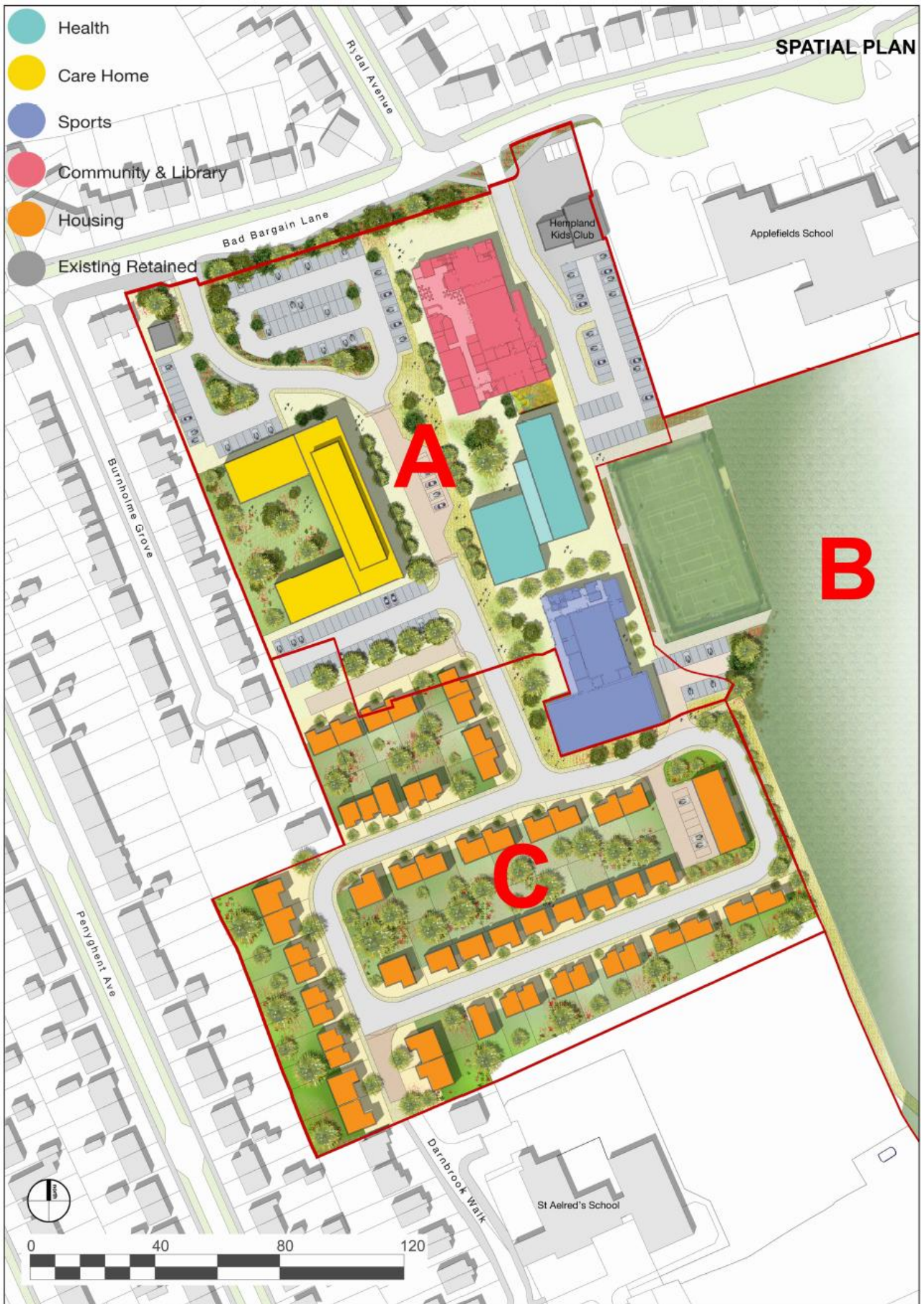
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Wards Affected:	All		✓
For further information please contact the author of the report			

Annex 1: Plan: CYC Homes and Sites included in the OPAP



 <p>CITY OF YORK COUNCIL</p>	<h2>Older Person's Accommodation Programme Sites</h2>		
<p>CBSS Asset & Property Management</p>	<p>SCALE 1:50,000 DRAWN BY: DH</p> <p>Originating Group: Asset & Property Management</p>	<p>DATE: 16/11/2015</p> <p>Drawing No. _____</p>	
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Annex 2: Burnholme Spatial Plan



Annex 3: The Lowfield Green Development

