

SURREY COUNTY COUNCIL

CABINET

DATE: 25 SEPTEMBER 2018

REPORT OF: MR MEL FEW, CABINET MEMBER FOR ADULTS

MR COLIN KEMP, LEAD CABINET MEMBER FOR PLACE

MRS HELYN CLACK, LEAD CABINET MEMBER FOR CORPORATE SUPPORT

LEAD OFFICER: SIMON WHITE, INTERIM EXECUTIVE DIRECTOR OF ADULT SOCIAL CARE

SUBJECT: CONTRACT AWARD FOR RESIDENTIAL DEMENTIA AND NURSING CARE HOME AND LEASEHOLD DISPOSAL OF THE LAND AT FORMER OLDER PERSONS IN HOUSE CARE HOME AT BROCKHURST, BROX ROAD, OTTERSHAW



SUMMARY OF ISSUE:

In December 2015, the Cabinet approved a direction of travel for Surrey's Accommodation with Care and Support setting out a clear vision to reshape adult social care's accommodation options for older people, people with learning disabilities and mental health. The vision outlines the need to develop accommodation choices that meet residents' health and wellbeing needs and supports them to live as independently as possible as part of their local community.

The Council has a responsibility to meet the needs of people eligible for care, to support both them and their carers, and to fund care for those people with needs who meet financial eligibility criteria. This can be achieved by working with providers to develop a range of fit for purpose and financially self-sustaining accommodation that is accessible to those eligible for social care funding.

The Council is striving to provide good quality and appropriate services, whilst under significant strain due to increasing demands and long and sustained financial challenges. The Council's approach to managing the market needs to take account all of these factors.

There is a trend showing a declining demand for 'traditional' residential care, with residential services being predominately for people living with dementia and/or other complex needs which cannot be met within an individual's home. This is unsurprising given the increasing prevalence of disability related to dementia. Research published by Lancet Public Health medical journal, says cases of dementia related disability will rise by 40% among people aged 65 to 84. Similarly in Surrey, by 2025 there will be 24% more people living with dementia than in 2016.

Surrey is facing a shortfall in specialist residential and nursing provision that can provide for people who have complex and challenging needs for whom

independent living schemes such as extra care may not be able to offer the right environment to meet their needs.

As part of the accommodation with care and support programme, officers have been working on options to meet this shortfall, including the potential to use council-owned land to stimulate the market.

This report asks the Cabinet to award a contract for the construction and operation of a dementia specialist residential and nursing care home in North West Surrey at the site of the former Older Person's in house home, Brockhurst, The contract is for a period of 25 years.

Brockhurst is one of the six Older People's In House Homes that the Council agreed to close in March 2015. The commitment was made at the time to review the site for use by Adult Social Care. A subsequent review of the land identified that the site could be suitable for a residential dementia and nursing care facility of up to 80 beds.

RECOMMENDATIONS:

Following consideration of the results of the procurement process in Part 2 of this report, it is recommended that Cabinet:

1. approves the conclusion of the procurement process for the award of a care services contract to Care UK Community Partnerships Ltd and delegates the agreement of the final care services contract terms and conditions to the Cabinet Member for Adults and the Executive Director for Adult Social Care.
2. agrees the progression of the leasehold disposal of the former older peoples in house care home at Brockhurst and:
 - a) delegates authority to sign off that the Council has met its requirements under Section 123 of the Local Government Act 1972: Disposal of land by principal councils to the Lead Cabinet Member for Place and the Chief Property Officer; and
 - b) delegates the agreement of the final terms and risk exposure to the Council of the Brockhurst agreement for lease and ground lease to the Lead Cabinet Member for Place and the Chief Property Officer

REASONS FOR RECOMMENDATIONS:

The Council's vision is to promote independence, choice and control in all of our practice. We set to achieve this in a financially challenging climate, where the demographic of need is inherently changing.

With changing demographics, increasing financial challenges, and a joint health and social care strategy to support people to live independently in their homes for as long as possible, the Council needs to commission the right accommodation options to meet our resident's health and wellbeing needs. This includes those with complex needs that can only be catered for in a specialist

residential care or nursing care setting. Key to generating these options, is shared working between the Council, our partners and the private sector to develop and shape the market for accommodation with care and support.

There is an opportunity to develop dementia and nursing residential care provision on the Brockhurst site. The Council is confident of the need for such provision and analysis of the site confirms its suitability, based on the site's size, accessibility, existing planning class use and the location.

A full tender process, in compliance with the requirement of Public Contract Regulations and Procurement Standing Orders has been completed, and the recommendations provide best value for money for the Council following a thorough evaluation process.

DETAILS:

Context

1. Surrey's population is growing rapidly and it is estimated that by 2030, over 22% of Surrey residents will be aged 65 and over, compared to 19% in 2018. Within this 65 and over population, by 2025 it is forecast that 20,075 people will have dementia, which is a significant increase from 16,169 people recorded in 2016.
2. Research by Which in 2017 showed that due to an increasing ageing population there will be a national shortage of care home beds. Within the next five years there will be 42,000 fewer beds than needed, with 87 per cent of areas across the country falling short.
3. The same research ascertains a shortfall of 1,343 beds in Surrey, identifying that there were 11,590 residential care beds in 2017, while 12,933 beds are needed to maintain provision levels for 2022. Reflecting the 70:30 self-funder to local authority funder market evident in Surrey. Aligning with our own integrated commissioning statements, drafted in 2016, this suggests a potential demand for an additional 400 beds by 2022. Although the actual number of additional beds will be determined by the development of the service's strategic commissioning plans.
4. We know that the private sector is failing to effectively meet demand, and a decline in public sector provision is one of the primary reasons for the current shortage in beds. In recent years the care home market has become highly polarised; where higher fees provide a stronger return on capital, developers are continuing to focus on locations that are characterised by a strong self-pay market. Hence any new care home developments have been largely led by the availability of land.
5. Although Surrey has seen the ongoing development of self-funding models, this alone will not be enough to meet the predicted rise in demand. Particularly as these bed spaces have not typically been affordable to the Council's budget.

6. Private sector provider's prices are continuing to increase, this is a result of various factors, including:
- Staffing shortages, including home managers and nurse shortages
 - The increasing need to staff pay a decent wage
 - Increased regulation by Care Quality Commission driving up costs to meet quality expectations
 - Availability of land and the premiums that organisations pay to develop in Surrey

Commissioning Intentions

7. The Council's Accommodation with Care and Support strategy reflects a need to work closely with partners to ensure flexible and financially sustainable accommodation with care and support that safeguards residents' health and wellbeing, whilst also promoting their independence.
8. This approach will involve:
- Enabling residents' to retain independence for longer by delaying the age at which people enter nursing care. The Council will endure to work closely with health partners, as well as utilising domiciliary and extra care type facilities.
 - Stimulating the market to increase the number extra care flats for the Council funded residents by 2025. Extra care type facilities are known to provide better outcomes compared with residential care homes and are a more economically viable option for the Council. Individuals living in an extra care setting have the ability to live much more flexibly and privately, yet with the knowledge that care and support is on their doorstep.
 - Commissioning only dementia specialist residential care and in doing so reduce the ratio of beds commissioned per 1,000 of population by 10%. In spite of Surrey's increasing older population, there is a declining demand for 'traditional' residential care, hence the evolution of more independent, extra care type living facilities. This needs to be considered in our future offer to older population, as such the focus of residential services needs to shift to be predominately on people living with dementia and/or other complex needs which cannot be met within an individual's home.
 - Re-shaping the market to ensure appropriate provision. By capitalising on a thorough understanding of the current market, the Council can begin to stipulate and shape local responses to align with the Council's strategic insight of accommodation with care and support needs across the county.
9. The Council is one of many local authorities exploring different ways of changing their commissioning approach in order to manage the instability in the market. Like Surrey, Gloucestershire County Council is shifting its strategic focus on ensuring an availability of alternative forms of care that prolong independence, subsequently resulting in admissions to residential care being for individuals with more complex needs. Gloucestershire's commissioning strategy outlines the intention to purchase fewer long term care home beds,

and instead increase the number of residential dementia, nursing and specialist care beds.

10. Cumbria Council is similarly promoting self-reliance and sustained independence in order to minimise care costs over a lifetime. Cumbria envision high cost long term residential placements becoming a facilities made for people with complex needs where the use of alternative support mechanisms have been exhausted. Those with high levels of fragility and/or dementia will readily be able to access suitable high quality provision without the need to travel people a long way from their home and community.
11. This is more timely than ever given in recent years the cost of nursing and residential care beds purchased by the Council in care homes has risen substantially. Meanwhile Surrey's influence on the market has shifted, in so far as our reliance on spot purchase provision will be more in 2019 than in 2013 as a result in a reduction of block contract provision. Where there have been developments of residential and nursing care across Surrey, high spot purchase rates have prevented the Council accessing the existing beds. The Council needs to intervene in the market to ensure as high quality provision is affordable and accessible to the Council's funded residents.
12. The Council has a limited ability to influence the prevailing market spot rates for residential and nursing care, but there is the opportunity to competitively tender block rates and secure capacity for the Council's funded residents. Projected spot rates have been used for the financial modelling of this project and to forecast the savings that can be achieved by securing and utilising block contract beds at a competitive rate.
13. As outlined in the Council's commissioning principles, going forward the Council aspires to create a mixed model of delivering care. This could include a combination of directly commissioned spot purchases, block contracts, in-house provision, framework agreements and market engagement. The Council will maximise on market opportunities to generate innovative models of delivering accommodation with care and support for the Surrey's aging population.

Options considered

14. In consideration of the changing demands on adult social care and predicted shortfall in specialist accommodation for complex needs; developing a dementia and nursing residential care provision on the Brockhurst site offers way of creating new accommodation capacity at an affordable price. A number of approaches to delivering the programme were considered, these consisted of:
 - Establishing a Joint Venture (JV), in which two or more parties agree to pool their resources for the purpose of accomplishing a specific project. This option was rejected due to the risk exposure and resource required of the Council to manage the relationship. The Council would be required to contribute capital investment and, while there is a benefit to sharing rights to profits, the Council would also have shared responsibility for losses.

- Construct only (fixed price), where the Council would hold the full responsibility for leading on, and financing, the design and construction of the development and the care contract would be commissioned separately. This option was rejected due to the financial impact, and associated risk, of funding the construction of this facility.
 - Fully commission through a competitive tender exercise, where an outcomes focused specification is produced by the Council detailing expectations without being prescriptive. The Council engage a care provider to offer overall finance and lead the design and build of the facility through a construction contractor and then operate the care home for a minimum period of 25 years.
15. It was decided to fully commission given the benefits of procuring a full design, build and ongoing service delivery with a single provider. Benefits include: The tender was conducted under the Light Touch Regime and the process incorporated features of the competitive procedure with negotiation.
16. The procurement activity included a Selection Questionnaire (SQ) stage, where suppliers expressing an interest in the advertised tender opportunity were evaluated to ensure that they had the legal, financial and technical capability and capacity to undertake both the care and construction elements of the project for the Council. Three providers were shortlisted to submit tenders following the evaluation of SQ responses.
17. It was decided to fully commission given the benefits of procuring a full design, build and ongoing service delivery with a single provider. Benefits include: The tender was conducted under the Light Touch Regime and the process incorporated features of the competitive procedure with negotiation.
18. The tenders were evaluated against the following criteria and weightings:
- single supplier relationship;
 - full visibility of costs from the outset, as whole life costing of the asset is assessed in the tender process;
 - design, architecture, project management, operating insuring and ongoing maintenance responsibilities will all be owned and managed by the appointed provider;
 - capital investment is borne by the provider, minimising the exposure of financial risk to the Council;
 - risk and accountability of the project primarily rests with the provider (once planning approval is granted and the ground lease is entered into);
 - the provisional bed rate is competitively tendered at this stage, enabling the Council to assess financial viability and value for money;
 - the Council can adopt a light touch property approach, while being supported by a design brief that meets industry standards.
19. Due to funding constraints this option, the preferred route to market was through a “design, build, finance and operate” model using the Council’s land.

Competitive Tendering Process

20. Upon going out to tender, potential providers were accessed using the weighting as broken down below.

<u>Quality</u> – 60% broken down as follows:		
<u>Care Services Delivery criterion</u>		
<i>Sub-criteria 1 (Includes reference to dementia care)</i>	<i>Promotion of Wellbeing & Independence</i>	<i>5%</i>
<i>Sub-criteria 2 (Includes reference to dementia care)</i>	<i>Staffing and Management</i>	<i>5%</i>
<i>Sub-criteria 3 (Includes reference to dementia care)</i>	<i>Integration with Health and Social Care System</i>	<i>5%</i>
<i>Sub-criteria 4</i>	<i>Dementia Care</i>	<i>5%</i>
<u>Contract Performance criterion</u>		
<i>Sub-criteria 5</i>	<i>Measuring Needs and Outcomes</i>	<i>5%</i>
<i>Sub-criteria 6</i>	<i>Financial and Commercial</i>	<i>15%</i>
<u>Design, Build and Finance criterion</u>		
<i>Sub-criteria 7</i>	<i>Description of the Development</i>	<i>5%</i>
<i>Sub-criteria 8</i>	<i>Funding Strategy</i>	<i>5%</i>
<u>Legal criterion</u>		
<i>Sub-criteria 9</i>	<i>Lease Arrangements</i>	<i>10%</i>
<u>Social Value</u> – 5%		
<u>Pricing Schedule</u> – 35%		

21. Upon evaluation of initial tenders, the Council decided to negotiate with two bidders. Negotiation meetings that addressed care quality, commercial, design and construction and legal aspects of the bids were held over a ten week period.
22. The Council then published an invitation to submit final tender to both bidders. Care UK Community Partnerships scored the highest with a total score of 74%. A full breakdown of scores and those of the other bidder is provided in the Part 2 report.

Procurement Strategy

23. The procurement was conducted under the Light Touch Regime ('LTR') in accordance with the Public Contracts Regulations 2015. Due to the complexity of the requirement, procurement included an optional negotiation stage which could be used to clarify and optimise initial tender submissions if required. This stage also enabled the Council to refine their proposals and tender documentation for the final tender stage of the project.
24. It should be noted that:
- The procurement process is for the award of the residential dementia and nursing care contract at the Brockhurst site and the quality evaluation was predominantly focussed on the quality of the care that would be delivered to residents.
 - Upon appointment of the preferred bidder and the completion of the Council's approval processes, the Council will enter into an agreement for lease with Care UK. The ground lease will be entered into between the Council and Care UK once planning permission for the development of the Brockhurst site is granted.
 - Terms of the agreement for lease and ground lease were provided with the tender documentation. Final terms will be agreed prior to contract award.
25. A joint procurement and project team was set up including representatives from the north west commissioning team, the north west clinical commissioning group, and new models of delivery team, finance, property services, procurement and orbis public law.

Key Implications

26. The Council holds a duty to residents to ensure there is sufficient and affordable accommodation with care and support that reflects local need. By awarding a contract to Care UK for the provision of nursing, and residential dementia care services for older people this will support the Council in meeting these responsibilities.
27. The project will require the Council to award a conditional agreement for lease to Care UK. As this is a council asset and we would retain freehold, we will work to support Care UK in the obtainment of planning permission.
28. Subject to planning permission being granted, the Council will award a legally binding ground lease to the provider.
29. The final terms of these documents will be agreed with Care UK following Cabinet approval. This paper therefore seeks Cabinet approval of the delegated authority to the Lead Cabinet Member for Place and the Executive Director for Economy, Growth and Commercial Services for the purpose of:
- ensuring that the Council satisfies its statutory obligations under Section 123 of the Local Government Act 1972 regarding the proposed leasehold disposal of this asset. The council will seek

specialist external advice to obtain confirmation that these statutory obligations have been met.

- approving the final terms and risk exposure to the Council of the Brockhurst agreement for lease and provisional terms of the ground lease.
30. The care contract will commence following the practical completion of the care home. It is anticipated that the terms and conditions of the care contract will require amendments to account for any change that comes into effect during the construction phase. This report, therefore, also seeks delegated authority to the Cabinet Member for Adults to approve any variance to the care contract terms and conditions at point of execution.
31. The performance of the care services contract will be monitored through a series of Key Performance Indicators as detailed in the contract and reviewed at monthly operations meetings.

CONSULTATION:

35. As part of the market engagement ahead of going out to tender, the Council consulted with a wide range of providers to ensure that the model and specification were fit for purpose and that we would attract the right calibre of provider.
36. Indicative market engagement was undertaken in August 2016 which formed the basis of the Council's options analysis. The anticipated route to market and a more targeted and detailed engagement event was held in April 2017 to support the specification development and the Council's negotiation strategy.
37. As well as the providers, the Council also engaged with the following organisations/departments:
- North West Surrey NHS Clinical Commissioning Group
 - Runnymede Borough Council
 - Surrey County Council Locality teams

RISK MANAGEMENT AND IMPLICATIONS:

38. As part as agreed due diligence, Care UK fully assess the overall development cost prior to entering into the ground lease. To do so they will be provided it a Licence to assess the Brockhurst site to undertake detailed surveys of ground conditions, ecology etc.
39. At the end of the initial 25 year care services contract, the council will either enact the extensions available or there will be a retender for the delivery of services.
40. At the end of the ground lease term, control of the assets will revert to the Council.

41. The contract includes a number of termination provisions and the care services contract can be terminated for Persistent Breach. Should the care services contract be terminated, the Council will have the option to terminate the ground lease.
42. All short listed providers successfully completed satisfactory financial checks as well as checks on competency in delivery of similar contracts at the Selection Questionnaire stage. References were also reviewed as part of the SQ stage.
43. The following key risks associated with the contract and contract award have been identified, along with mitigation activities:

Category	Risk Description	Mitigation Activity
Financial	Competitiveness of the block bed rate. The care services contract will not come into effect until the care home is operational and the bed rate is assessed against projected estimates	The award of the care contract is predicated on inflating using an agreed inflation mechanism for the block bed rates submitted by the provider from the date of contract award to the actual start of the care contract. The inflation mechanism will apply a proportion of the change in National Living Wage and Retail Pricing Index rates in the period. Based on current market trends the price of beds in the wider spot market is very likely to grow at a faster rate than the inflation that will be applied to the block contract rates.
	Occupancy of the block contract beds could be low, thereby meaning the Council would be paying for voids which would reduce or erode the cost avoidance savings achieved through the award of this contract.	The service will work proactively to maximise occupancy of the block contract beds. The Council may rent out any beds for which a Council resident cannot be found on a temporary basis and the renting organisation shall pay the Council the rent. These beds can also be used temporally by the provider for privately funded resident. These mitigations combined should enable the Council to achieve an effective occupancy of at least 95%, which financial modelling has been based on.
	Poor performance by the provider impinges on the Council's ability to place residents in the home	If the provider does not achieve the Key Performance Indicators set out above then service credits will apply to offset any costs that the Council may incur as a result of underperformance. The Council will also have the ability to terminate the care contract and lease if the provider is consistently not performing.
Reputational	Timeliness of the build. The delivery programme	Outline programme has been submitted as part of the tender information, which has been reviewed and appears reasonable in terms of the operations listed and duration

	will be managed by the provider.	of each. Further developed programmes will be available to review prior to entering into the Lease but as a light touch property approach, the Council will have no direct input into this process.
Property	Obtaining planning approval	Timescales for submitting documents for approval, and subsequent longstop date, are included in the agreement for lease. As a light touch property approach, the Council has no direct input into this process.
Service	Quality of service delivered does not meet objectives and needs.	Strong contract management and regular performance review meetings will enable the Council to influence, closely monitor and understand performance delivery. There is also a service credit regime in place to incentivise the provider to improve performance.

Financial and Value for Money Implications

44. The procurement has achieved its objectives of securing competitive block contract rates for council funded beds. Bidders' prices were evaluated against the projected prevailing market rate of a spot bed in a new care home.
45. Full details of the contract value and financial implications are set out in Part 2 of this report.
46. The forecast expenditure on the care contract will be funded out of the Council's existing budget for Adult Social Care as set out in its Medium Term Financial Plan.
47. Section 123 approval. Where the Council is creating a long leasehold interest in excess of seven years at an initial peppercorn rent, the Council must ensure it is obtaining best value as part of the overall Business Case relating to the agreement for lease and ground lease of the design build finance and operate for the new care facility with the provision of a significant proportion of beds to be occupied and funded via the care contract.
48. Key Performance Indicators (KPIs) reports will be in place and robust contract monitoring will ensure that targets are being met.

Section 151 Officer Commentary

49. The Council is facing a very serious financial situation, whereby there are still substantial savings to be identified and delivered to achieve a balanced budget in the current year and a sustainable budget plan for future years.
50. The Section 151 Officer can confirm that the costs of the proposed contract set out in this report are within the budget envelope for these services that has been included within the current Medium Term Financial Plan. It is also noted that the award of this contract should mitigate additional costs that would otherwise likely

occur above current budgeted pressures in relation to securing the required capacity of residential and nursing care to meet rising demand for residents funded by the Council.

51. The Section 151 Officer must also highlight that there some key aspects that impact on the financial viability of the project are yet to be finalised with the selected provider. Further comments about these aspects are included in the Section 151 Officer commentary in Part 2. It is essential that the terms of the final care contract and lease are agreed such that they offer the Council best value and ensure that the cost avoidance savings set out in Part 2 of this paper which offset the opportunity cost of the land are achieved. If favourable terms cannot be agreed then the Section 151 Officer would recommend that the Council does not proceed with the award of contract to Care UK.

Legal Implications – Monitoring Officer

52. The Council is responsible for the provision of adult social care to residents in its area by virtue of the Care Act 2014 (the Act). Its duties include making arrangements for the provision of residential accommodation for individuals which have been subject to a needs assessment. Furthermore, the Council is required, by virtue of Section 1 of the Act, to promote an individual’s “well-being” in meeting their needs. Well-being is specifically defined in the Act as relating to, among other things, the suitability of living accommodation.
53. As set out in the report, the Council intends to enable the provision of additional nursing and dementia residential care provision in the county. In doing so, the Council is creating capacity for individuals to be placed in accommodation that meets their particular needs better than a residential care home, promoting their long-term well-being.
54. The public sector equality duty contained in Section 149 of the Equality Act 2010 applies to the decision to be made by Cabinet in this report. This duty requires Cabinet to have due regard to the need to advance equality of opportunity for people with protected characteristics, foster good relations between such groups, and eliminate any unlawful discrimination. These matters are dealt with in the attached equalities impact assessment (EIA) under Equalities and Diversity, paragraph 1.
55. A procurement exercise has been undertaken in compliance with the Public Contracts Regulations 2015 and the Council’s own Procurement Standing Orders. An exhaustive tender process was run under the ‘Light Touch’ regime for procuring social services, further details of which are set out in the report. The inclusion of requirements to design, build and finance the construction of the nursing and dementia residential care facilities formed a part of the tender evaluation and Care UK’s tender was judged to secure the most economically advantageous outcome for the Council overall.
56. The Care Services Contract contains a condition precedent that states “Before the Commencement Date the Service Provider shall have designed, built and funded the construction of the Care Home”. Care Home is a defined term in the contract and means “the home for older people in need of nursing, or residential, dementia care services to be built on Council land...” As a result of this, the Care Services Contract will not begin until Care UK has built the Care Home and is ready to operate. This is an important safeguard for the Council which ensures it does not take on any of the commercial risk during the building phase.

57. The proposed 40 year ground lease of the former old people's home at Brockhurst triggers considerations under Section 123 of the Local Government Act 1972. Under this Section, local authorities have the power to dispose of land in any manner they wish, subject to the disposal being for the "best consideration reasonably obtainable". Due to the innovative approach being taken and the necessary complexity of the proposed deal structure, the Council will be seeking specialist external advice in determining whether or not Section 123 obligations are satisfied. Given the inherent link between the ground lease and the care contract, a delegated approval is proposed to ensure this legal requirement is met prior to the final decision being taken.
58. Subject to satisfaction of Section 123 requirements, it is proposed Care UK will enter into both an agreement for lease and a ground lease for the Brockhurst site. The agreement for lease covers Care UK's obligation to undertake the construction of the new home at Care UK's own cost, after practical completion of the building works has been achieved the ground lease will be granted. At the end of the lease, or if a mutual break option is exercised in years 25, 30 or 35, the land and building will be returned to the Council without charge.
59. In making this decision, Cabinet will need to satisfy itself that the Care Services Contract and ground lease package represents the optimal use of the Council's limited resources. It will need to consider the desirability of better meeting its statutory obligations to adults in the county, its public sector equality duty and ensuring best value in the delivery of its functions. The 'best value duty' requires the Council "to make arrangements to secure continuous improvement in the way in which functions are exercised, having regard to a combination of economy, efficiency and effectiveness" and is set out in Section 3 of the Local Government Act 1999. The relevant guidance states that Cabinet should consider overall value, including economic, environmental and social value when taking decisions.
60. Planning permission will be required prior to any works being commenced on the Brockhurst site. Regulation 3 of the The Town and Country Planning General Regulations 1992 mandates that applications for planning permission shall be made to the county planning authority, a function discharged by the Council's Planning & Regulatory Committee. Cabinet will note that any decision taken by them or which is delegated in this report is without prejudice to the county planning authority's discretion to determine the planning application as they see fit.

Equalities and Diversity

61. An Equality Impact Assessment has been undertaken to assess how the proposal to develop residential dementia and nursing home at Brockhurst will impact on residents and staff with different protected characteristics. A summary follows:

<p>Information and engagement underpinning equalities analysis</p>	<ul style="list-style-type: none"> • Joint Integrated Commissioning Statement for North West Surrey • Engagement with members of the stakeholder partnership group • Engagement with Members, locality teams and Runnymede Borough Council
<p>Key impacts (positive and/or negative) on people with protected characteristics</p>	<p>Potential positive impacts on residents, service users and carers</p> <ul style="list-style-type: none"> • People with dementia and nursing needs supported by the local authority funding will live in accommodation that is purpose built and fit for the future. Individuals from North West Surrey will be able to live with specialist care and support near their families and networks in Surrey. • Individuals will receive high quality care and support, in an integrated way between health and social care in North West Surrey whilst being supported to be part of their local community <p>Potential positive impacts on staff</p> <ul style="list-style-type: none"> • Opportunity to work in a setting built to best practice • New opportunities, roles and responsibilities • A joined up specification between health and social care will have positive benefits on care staff in accessing help and support for residents • Staff will have access to training provided by the local health and social care system.
<p>Changes you have made to the proposal as a result of the EIA</p>	<p>No amendments are proposed as a result of the Equality Impact Assessment as the potential positive and negative impacts had already been considered</p>

62. The decision to build residential dementia and nursing care capacity in North West Surrey is supported by the Joint Strategic Needs Assessment.

Safeguarding responsibilities for vulnerable children and adults implications

63. The Terms and Conditions of the care services contract, which the provider will sign, stipulate that the provider will comply with the Council's Safeguarding Adults and Children's Multi-Agency procedures, any legislative requirements, guidelines and good practices. This will be monitored through contract management and monitoring of key performance indicators.
64. Improving the accommodation options available for people with care and support needs could have a positive impact in terms of safeguarding, ensuring that vulnerable adults can live within safe, secure environments with appropriate care and support services designed around them.

Environmental sustainability implications

Energy

65. The outline specification requires that the bidder achieve an Energy Performance Certificate of Grade B, or above, for the development, when completed. This, combined with stringent Building Regulations, will ensure that the building is sustainable, with low energy consumption and minimal ongoing impact on the Environment.

Transport

66. Due to care provision within the home, the number of trips by individuals to receive care by conventional means and trips to their own homes by nursing and auxiliary care staff, will be substantially reduced, thus reducing energy consumption, emissions and numbers of vehicles on the road.

Property

67. The site is to be landscaped and planted with trees, to increase biodiversity and support increased levels of flora and fauna in the vicinity.

Waste

68. Waste is to be separated at source, and stored externally in appropriate storage areas away from the building to mitigate against any risk of spread of fire, ingress of vermin etc. Separated waste will be collected separately, and recycled where possible.

Water and Drainage

69. Facilities will include water conservation measures such as a water meter on the incoming main to enable monitoring for any leakages, spray heads / use of percussion taps to ensure water use is minimised and use of dual flush low volume toilets. Surface water drainage will utilise attenuation tanks to ensure water is stored on site and released at set volumes, in the event of prolonged rainfall, to guard against flooding in the area. In addition porous paving / tarmac will be used to enable water to percolate through to the soil and thus enable tree roots to access moisture.

Climate change/carbon emissions implications

70. The building will have good thermal properties which will limit emissions and include measures to reduce energy use and water consumption, promote recycling and ensuring surface water drainage is managed to avoid flooding. Vehicle emissions will be reduced through reduction in travel by residents and nursing / care staff.

WHAT HAPPENS NEXT:

71. Upon agreement in principle from Cabinet to award the contract, the Council will conclude the procurement and will work towards implementation.

72. While initial terms are established within the procurement process, the final award of the agreement for lease and lease is excluded from the Public Contract Regulations 2015 in accordance with Regulation 10. The Council will therefore finalise the terms and conditions of these agreements with Care UK.

73. This will include engagement of an external property consultant with a care and associated capital market specialism so as to ensure the council has achieved Best Value and met its requirements under Section 123 of the Local Government Act 1972.

74. This report seeks delegated authority to approve the outcome of the above post-tender work.

75. The below timetable for implementation is indicative and based upon Care UK's tender submission:

Action	Date
Cabinet decision to award (excluding 'call in' period)	25 September 2018
Standstill Period	12 October 2018
Project Implementation commences	November 2018

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Consulted:

Simon White, Interim Director of Adult Social Care
 Tracie Evans, Executive Director of Economy, Growth and Commercial services
 Helen Atkinson, Executive Director of Health, Wellbeing and Adult Social Care
 John Stebbings, Chief Property Officer
 Cllr Mel Few, Cabinet Member for Adults
 Cllr Colin Kemp, Lead Cabinet Member for Place
 Cllr Helyn Clack, Lead Cabinet Member for Corporate Support
 Orbis Property Services
 Orbis Finance
 North West Commissioning team, Adult Social Care
 Orbis Public Law

North West Clinical Commissioning Group

Sources/background papers:

Accommodation with Care and Support Strategy:

https://www.surreycc.gov.uk/_data/assets/pdf_file/0006/84768/Accommodation-with-Care-and-Support-Strategy-.pdf

Joint Strategic Needs Assessment: <https://www.surreyi.gov.uk/jsna/>

North West Surrey Commissioning statement

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