

Report To:	Performance Scrutiny Committee
Date of Meeting:	6 January 2017
Lead Officer:	Phil Gilroy
Report Author:	Member Task & Finish Group
Title:	Report on the Feasibility Report Regarding the Options for Future Use of Awelon Residential Care Home

1 What is the report about?

The report is a summary of the feasibility report regarding the options for future use of Awelon Residential Care Home.

2 What is the reason for making this report?

- 2.1 To provide Performance Scrutiny Committee Members with the recommendations of the Task & Finish Group regarding the information gathered in the Feasibility Report in order for it in turn to make recommendations to Cabinet, on the future services to be provided on the Awelon site. For reference, the options that Cabinet asked to be considered for the site itself were:
- 2.2 (Cabinet's preferred option): The council will enter into a partnership with the owner of Llys Awelon (the extra care blocks built by Grŵp Cynefin on part of the Awelon site) to develop additional extra care apartments on the site, replacing the existing residential and community provision.
- 2.3 To work in partnership with a registered social landlord, health services and the 3rd sector to develop a range of services, transferring half of the building to develop additional extra care flats, possibly as an extension to Llys Awelon, while using the remainder as a small residential unit which could be used to meet the needs of respite care.
- 2.4 In both cases, the resolution stated that no existing resident would be required to leave / move if they don't want to do so, and while their needs can still be met in the residential provision.

3 What are the Recommendations?

- 3.1 That Members confirm that they have taken account of the Well-being Impact Assessment as part of their considerations.
- 3.2 That Members agree with the Task & Finish group's recommendation and recommend to Cabinet that Options 1 and 3b are not viable options and that discussions take place between local Members, officers, Grŵp Cynefin and the committee of Canolfan Awelon to work through Options 2a, 2b & 3a to implement the best configuration for the site that meets all parties needs and provides least disruption for existing residents/tenants.

(At a suitable point, this would enable the remaining Awelon Site to be cleared and for work to begin on the extension. The task and finish group were of the view that maximising the number of Extra Care units developed (as set out in Option 2a) would deliver the optimum arrangements for providing Extra Care Housing with Community Facilities on the Awelon site. However, it was acknowledged that further discussions need to take place with the committee for Canolfan Awelon to ensure the final scheme can deliver the community activities they already provide.

This meets the preferred option of Cabinet following discussion in May 2016 (see 2.2 above) and will secure up to 35 additional Extra Care apartments on the site whilst enabling those residents who are currently receiving residential care services to remain on site through the development if that is their wish, as well as continuing to provide community facilities to promote independence and reduce social isolation.)

4 Report Details

- 4.1 On 24 May 2016, a report was presented to Cabinet providing the outcome of a consultation exercise in respect of externalising in house provision. With regard to the service provided at Awelon Care Centre, Cabinet asked that the officers explore in detail the options put forward, including comparative costs, quality of care and Welsh language provision analysis between the current service and each of the options.
- 4.2 In addition, Cabinet stated that the report should assume that on-site community facilities should be included which are at least as good as those on offer at Canolfan Awelon, the community centre currently located on the site.
- 4.3 The identified Registered Social Landlord is Grŵp Cynefin who are DCC Partners in the existing Llys Awelon Extra Care Housing scheme on the Awelon site and the scheme and Awelon Residential Home share a number of communal facilities including the dining room and kitchen.
- 4.4 With regard to the Welsh Language provision Grŵp Cynefin has adopted and is implementing a comprehensive Welsh language policy, and are able to provide every aspect of their services bilingually, and that approach would be applied diligently to the face to face housing, care and support services at the scheme as well as other aspects such as signage and literature.
- 4.5 Based on the DCC brief as outlined above, Grŵp Cynefin commissioned a Design Team representing the relevant professional disciplines to carry out the practical feasibility work. The Team comprised the following companies, experienced in large and complex schemes, and familiar with housing / care provision:
 - Ainsley Gommon - architects
 - Carpenter Davies - mechanical and electrical engineering consultants
 - Datrys - structural engineering consultants
 - Metrics - cost consultants and quantity surveyorsTheir combined input is included in the attached comprehensive report (appendix 6) which is fronted by Ainsley Gommon. The feasibility work involved research, inspections and surveys of the site, the existing buildings and the services, as discussed in detail in the report.
- 4.6 The brief to the Design Team was to respect the spirit of the Cabinet resolutions and take very seriously their wish, if at all possible, to bring forward proposals that assume the residential care residents as well as those in Llys Awelon (the new extra care

blocks) can remain on-site and be safely accommodated there if they wish, while the building work takes place.

- 4.7 Working around the residents will involve complicated phasing of the work, and the practical and cost implications of doing so are discussed and illustrated in the various redevelopment options presented by the Team of consultants in the report. The comparable situation, should residents not wish to stay and the buildings can be cleared and redeveloped as one phase, is also presented.
- 4.8 The full report is attached at appendix 6 and has been structured to enable logical consideration of the options. The first 3 sections provide context and analyse the site and existing buildings. The site analysis considers matters such as proximity and character and relative levels and height of neighbouring properties, access and site logistics during building work (for residents and for contractors), availability of services, and orientation. The buildings analysis is in effect an 'MOT' of the existing buildings to assess their suitability for retention and conversion to serve future residential and extra care needs.
- 4.9 While Cabinet's resolutions set out 2 options for the site, the report identifies 5 possible routes to redeveloping Awelon, each with its set of construction and resident welfare assumptions and cost implications. These are discussed individually and in detail in sections 4 – 6 of the full report, with indicative layouts and plans and costings for each. The 5 options are then summarised and compared at the end of the report, having considered their design implications in section 7. For the purpose of this report each option is summarised as separate appendix 1 – 5.
- 4.10 Generally, the anticipated construction costs for each option increase in relation to the size of the scheme being considered. For example, Option 2a has the greatest floor area while providing the largest number of new units from all of the options being considered and is therefore expected to be the most expensive overall. However the quality of new accommodation provided and value for money needs to be carefully evaluated when comparing Option 1 (with partial refurbishment) and the New build Options 2a, 2b and 3. The complexity of phasing needs to be considered, as do implications for health and safety in the options that include residents of Awelon remaining on site. This will inevitably impact on costs and the ability to deliver the project within guaranteed timescales.
- 4.11 Grŵp Cynefin have considered carefully the relative merits, drawbacks, risks and costs of each possible option, drawing on the discussion and findings of the Team of consultants, and their own experience with elderly provision and large refurbishment and new build construction projects over many years. This has involved giving due regard to the health and safety, care and wellbeing of residents during the construction period as well as the considerable practical risks for the contractor and construction workforce, and the cost, programme management and contractual implications.
- 4.12 As the design team's Report shows, all the options are possible on paper, at a cost. However, Grŵp Cynefin have concluded that the refurbishment option (option 1) fails too many of the tests above, and they therefore would not be prepared to take that option forward. Grŵp Cynefin would however be prepared to pursue any of the other options, or any variants of them that may emerge from more detailed discussion

4.13 Summary of options

The table below shows the key points for each option. Additional information to support Members' considerations can be found in appendices 1 – 5.

Options considered	Option 1	Option 2a	Option 2b	Option 3a	Option 3b
Total Estimated Cost (excluding VAT)	£6,280,000	£7,125,000	£6,905,000	£7,035,000	£6,659,000
Number of Residential Care Bedrooms	15 permanent (within Awelon)	8 temporary	8 temporary	8 temporary	Nil
Number of additional Extra Care Flats created initially	21	31	25	25	29
Number of extra Care flats once need for Residential Care ended	42	56	50	50	50
Floor area	3,683m ²	4,277m ²	4,010m ²	4,010m ²	4,010m ²
Comparable estimated cost per square metre	£1,705/m ²	£1,666/m ²	£1,722/m ²	£1,754/m ²	£1,661/m ²
Estimated Time to complete in weeks	Too many variables and too complex to estimate	122	116	120	82
Recommended	No due to risk of adapting an old building, the length, complexity of the phasing and option not considered viable by RSL. In addition, revenue costs are unsustainable and provision will not meet future demand.	To be considered	To be considered	To be considered	No Does not meet requirement that residents can remain at Awelon for as long as they need to without an unrealistic timescale

5 How does the decision contribute to the Corporate Priorities?

This decision will directly contribute to three of the council's corporate priorities:

- i. Vulnerable people are protected and are able to live as independently as possible;
- ii. Modernising the council to deliver efficiencies and improve services to our customers
- iii. Ensuring access to good quality housing

6 Cost Implications

- 6.1 There is a cost relating to officer time to facilitate the partnership and development of this project. This is contained within existing roles.
- 6.2 Failure to re-provide the service will result in on-going costs to Denbighshire. To maintain an individual in a 15 bed DCC Residential Care Home costs a minimum of £760 per week at full occupancy (see appendix 8), whilst maintaining individuals with the same level of need in Extra Care Housing has a cost of £300 per week, assuming a high care need of 20 hours per week and a unit cost of £15 per hour.
- 6.3 If option 1 was agreed there would also be a capital cost of the refurbishment of the existing building which, assuming the space occupies 1/3 of the building, would reasonably be expected to be in the region of £2m. None of the options would have a revenue cost to the Council but it is envisaged that there would be no capital receipt for the land.

7 Efficiencies and Revenue Savings

As shown above, the use of Extra Care to provide for 'standard' care needs will enable the Council to realise some of the £700k savings already identified. Assuming 23 people were provided with residential care in the independent sector at £508 per week, this represents a reduction in expenditure compared to current Awelon costs of £200k. If all 23 people had Extra Care instead, the reduction would be over £450k

8 What are the main conclusions of the Well-being Impact Assessment?

- 8.1 The Well-being Impact Assessment is attached at Appendix 7 and demonstrates that the recommended option would have a positive impact on the well-being of Denbighshire's citizens.
- 8.2 The impact on staff in Awelon will be considered as part of implementing any actions agreed by Cabinet.

9 What consultations have been carried out with Scrutiny and others?

- 9.1 In May 2016, a report was presented to Cabinet providing the outcome of a thorough consultation exercise in respect of the future of in house provision. All stakeholders were consulted as part of the exercise and Cabinet requested that Officers explore the options for developing extra care Housing on the Awelon site.
- 9.2 If Cabinet agree to the Task & Finish Group recommendation, further consultation would take place with staff and unions in line with Council policy.

10 Chief Finance Officer Statement

The report sets out the capital costs and other service implications of several options. It is also important that any council contributions required are considered as well as the revenue cost implications when developing the formal recommendation. Although not the primary factor, it is important that the decision supports the service budget strategy and assists with the management of ongoing budget pressures and delivery of agreed savings.

11 What risks are there and is there anything we can do to reduce them?

11.1 The risk of not agreeing the proposal will lead to a sustainability of care services within Ruthin given the age and condition of the Awelon building and limited capital to refurbish it.

11.2 There will also be a risk to achieving the previously agreed £700K budget savings and will continue to contribute to ongoing budget pressures in relation to meeting the care needs of older people.

12 Power to make the Decision

12.1. S123 of the Local Government Act 1972 gives the power to dispose of land.

12.2 S3 of the Local Government Act 1972: Duty to secure continuous improvements in the way in which functions are exercised.

12.3 Section 7.19 of the Council's Constitution outlines scrutiny's powers with respect of policy review and development.

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