

Report for: Cabinet, 16 March 2021

Title: Osborne Grove Nursing Home Redevelopment – Award of Contract for Multi-Disciplinary Design Services

Report authorised

By: Charlotte Pomery, Assistant Director of Commissioning

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Ward affected: Stroud Green

Report for Key/

Non-Key Decision: Key Decision

1. Describe the issue under consideration

- 1.1 To request approval to award a contract to Ingleton Wood LLP up to the value of £2,185,257.25 to provide construction related multi-disciplinary consultancy services for the development of Osborne Grove Nursing Home pursuant to contract standing order 7.01.b and 9.07.1.d.
- 1.2 To note that the above includes the delegated approval agreement to appoint Ingleton Wood LLP for services relating to RIBA Stage 2 for the sum of £370,521.80 dated 11th January 2021. pursuant to Contract Standing Order (CSO) 9.07.1c.

2. Cabinet Member Introduction

- 2.1 The award of this contract marks the next phase in redeveloping the site at Osborne Grove to deliver a new nursing home including provision for older people with a learning disability and or autism, units of support accommodation for older residents and dedicated end of life provision for people with a history of homelessness, as well as community facilities to enhance our offer to older residents in Haringey.
- 2.2 We remain committed to working alongside other public sector partners to develop the model of care and support to be delivered across the provision. This too will be innovative and I am delighted that this scheme continues to reflect the importance of co-production in shaping service provision in the borough – and would like to pay tribute to those stakeholders who are working with us to ensure the overall design and model of provision meet local need.

3. Recommendations

- 3.1 For Cabinet to approve an award of contract to Ingleton Wood LLP up to £2,185,257.25 (inclusive of surveys and contingency). This is based on delivering

Multi-Disciplinary Services from RIBA Stage 2 to 6. Refer to Part B of this report for exempt information.

4. Reasons for decision

- 4.1 In July 2019 Cabinet approved a scheme that included the demolition of the existing buildings on site and the construction of a 70-bed nursing home. The minutes of this meeting included reference to the desire by Cabinet to also seek to maximise the use of the site.
- 4.2 A further feasibility study completed in March 2020 demonstrated that the land where the existing facility is provided, offered significant opportunity for development to not only meet the recognised demand for nursing care but also additional housing demand across the Borough.
- 4.3 There is not the skills or resources available in-house to deliver these works hence the requirement to appoint an external consultant for these services.

5. Alternative Options Considered

- 5.1 In-house – delivering the role in-house was considered, however there is currently no resource within the Council that has the capacity along with the necessary experience, qualifications, and expertise to deliver this service.
- 5.2 The Dynamic Purchasing System was chosen to invite tenders above £160k as recommended by Strategic Procurement.
- 5.3 Do nothing – The option to retain a 32-bed dual registration residential/nursing home on the site was considered but rejected, primarily because it would not increase the registered nursing capacity within the borough and because it would not address a number of fundamental design issues with the current building which prevent it functioning effectively as a nursing home and which could not be fully addressed due to structural limitations of the building. A review of activity and demand in Haringey confirmed the need for increased nursing bed capacity in the area. There are currently 175 Haringey service users in receipt of nursing care and this figure is projected to grow to around 250 by 2022/23. On the supply side, there is only one nursing home in Haringey. It has not, therefore, been possible for local demand for nursing care to be met in borough for some time and Haringey purchases over 74% of its nursing care out of borough. Traditionally, Haringey's demand for nursing care would have been met by nursing homes in North Central London but increasingly, Haringey is having to look beyond the sub-region to meet this demand with 21% of nursing beds purchased out of North Central London at present. The reason that Haringey now purchases beds across a wider geographical area is that – despite the widely reported and increasing demand – the capacity in the marketplace for nursing and residential care is shrinking. For example, there were 56 nursing homes across North Central London (Barnet, Camden, Enfield, Haringey and Islington) in 2015 and now there are 49. A number of other providers are restricting access only to self-funders or reducing the proportion of Local Authority placements they are willing to accept. This means

that the absolute capacity of nursing care beds available for Haringey to commission is decreasing. This is a national picture reflecting the fragility of this sector of the social care market, the uncertainty over future funding mechanisms and the challenge of delivering nursing care to frail, older people with complex needs. Therefore, the Council needs to actively intervene within the market to secure provision for the future.

6. Background Information

- 6.1 On 12th December 2017, Cabinet approved a recommendation to close Osborne Grove, this decision was made following an extended period of consultation with residents, users, carers and other stakeholders. This was in the context of the seriousness of care quality issues raised through internal and external audits and inspections including those carried out by the Care Quality Commission, staff from the Brokerage and Quality Assurance Service of the Council and the Safeguarding and Quality Assurance function of the Clinical Commissioning Group (the CCG). An embargo, which can be placed on any care provider where there are concerns about the quality of care and it is not considered safe to place new residents, was in place between August 2016 and March 2020 when the home closed.
- 6.2 The future of Osborne Grove as a nursing home is of critical importance to the Local Authority and therefore cabinet approved plans to undertake a detailed feasibility of the site in June 2018. Several contextual factors were identified in the June 2018 Cabinet paper, these informed the brief for the Feasibility Study and have continued to influence the development of the preferred option these include quality; local provision; community facing; co-design; sustainability; delivery model; affordability.
- 6.3 In January 2019 Major Projects were commissioned to undertake a detailed feasibility study of the site to explore the possibilities of expanding the home either by extending and remodelling the existing buildings or by a full redevelopment. This led to the recommendation to demolish the existing buildings on site and to construct a new 70 bed nursing home.
- 6.4 In July 2019 Cabinet approved the scheme described above but also noted that further exploration should be made into maximisation of the site to meet care and housing demands across the Borough delegating oversight of this to the Assistant Director of Commissioning in consultation with the Lead Member for Adults and Health.
- 6.5 In reflection of this request, the feasibility study was extended in February 2020 and led to a revised scheme being developed through co-production that includes demolition of the existing accommodation on site and provision of the following services:
 - 6.5.1 A 70-bed nursing home to include:
 - a. Nursing Beds, Learning Disabilities/Autism:10 Beds
 - b. Complex Care Nursing Needs:10 Beds
 - c. Nursing Beds 1, Dementia and/or Challenging Behaviour: 25 Beds
 - d. Nursing Beds 2, Physical Frailty:15 Beds

e. Bed Based Intermediate Care/Rehabilitation:10 Beds

- 6.5.2 10 studios for the provision of nursing care will meet the needs of homeless and formerly homeless single adults with complex care needs as they often experience significant health inequalities and have mistrust of statutory agencies.
- 6.5.3 Up to 20 1 & 2 Bedroom Sheltered Housing Flats for adults aged 50+ will respond to the Supported Housing Review published in 2017.
- 6.6 To progress with this recommendation, the Professional Services Dynamic Purchasing System (DPS) was used to invite tenders for the Construction Related Multidisciplinary Consultancy Services. Three Consultants returned a tender, which were assessed on a 60:40 quality to price ratio. The price returns were analysed based on an averaged fee proposal and estimated cost of works using both Traditional and Design and Build procurement routes. Qualitative submissions were analysed by an Evaluation Panel. A minimum quality score of 42% quality was set as a benchmarked threshold with the following results: -

Contractor	Price	Quality Score	Price Score	Total Score	Comment
Bidder B	£571,312.50	32.64%	0.00%	32.64%	Failed Quality Threshold
Ingleton Wood	£1,904,150.00	43.08%	40.00%	83.08%	Passed Quality Threshold
Bidder C	£1,925,597.5	41.16%	0.00%	41.16%	Failed Quality Threshold

Note – The total scores above do not include for the quality scores for Bidder B and C as they failed to meet the minimum threshold of 42%.

- 6.7 Ingleton Wood LLP was the only Consultant passing the quality threshold and their tender return is considered value for money. It is therefore recommended that Ingleton Wood LLP are appointed for this scheme to deliver Multi-Disciplinary Services between RIBA Stage 2-6 based on a traditional form of contract.
- 6.8 To facilitate programme requirements, an initial award was made in January 2021 under delegated approval to mobilise and commence review and validation of the 'further' feasibility study and to progress RIBA 2 concept design whilst a full award was presented and considered by Cabinet Committee.
- 6.9 The award value includes an allowance for surveys which will be undertaken via Ingleton Wood LLP at £61,000.00 and a further contingency allowance of 10% that equates to £198,659.75 which will be strictly managed under the change control governance arrangements.

7. Contribution to Strategic Outcomes

- 7.1 The Brief for this project refers to the Borough Plan 2019-2023. The project looks to increase the nursing care provision within the Borough and help meet current and future demand of Haringey residents. These proposals are primarily aligned with the Borough Plan 2019-2023 Priority 2 (People), Objective 7 – ‘All adults are able to live healthy and fulfilling lives, with dignity, staying active and connected in their communities’

8. Statutory Officers comments (Chief Finance Officer, Procurement, Assistant Director of Corporate Governance, Equalities).

8.1 Finance

- 8.1.1 This report seeks the approval to award contract for the delivery of Multi-Disciplinary Services from RIBA Stage 2 to 6, to Ingleton Wood LLP for £2,185m.

- 8.1.2 A total of £0.406m have been spent to date on the Osborne Grove Nursing home, as follows:

£0.044m spent in 2018/19

£0.342m spent in 2019/20

£0.020m spent to date in 2020/21

- 8.1.3 As shown in the table below, the draft 2021/22 Capital budget (MTFS) includes budget provision amounting to £46.180m for this project which when combined with prior years costs gives a project cost of £46.566m.

20/21 Revised Budget (£'000)	2021/22 Budget (£'000)	2022/23 Budget (£'000)	2023/24 Budget (£'000)	2024/25 Budget (£'000)	Overall Total (£'000)
3,000	15,000	19,250	8,430	500	46,180

- 8.1.4 The OGNH scheme is included in the capital programme as a self-financing scheme and the appointment of Ingleton Wood LLP to a contract value of up to £2.185m can be funded from the scheme budget.

8.2 Procurement

- 8.2.1 Strategic Procurement agree the award of the construction related multi-disciplinary consultancy services for the development of Osborne Grove Nursing Home pursuant to contract standing order 7.01.b and 9.07.1.d.

8.3 Legal

- 8.3.1 The Assistant Director of Corporate Governance notes the contents of the report.
- 8.3.2. The contract which the report relates to was procured through the Professional Services Dynamic Purchasing System (DPS).
- 8.3.3 Pursuant to CSO 7.01(b) and Regulation 34 of the Public Contracts Regulations 2015, the Council may use a DPS to purchase services which are generally available on the market in order to meet its requirement.
- 8.3.4. Pursuant to CSO 9.07.1(d), Cabinet may approve a contract if the value of the contract is £500,000 or more and as such Cabinet has power to approve the award of the contracts in this Report.
- 8.3.5. The Assistant Director of Corporate Governance sees no legal reasons preventing the approval of the recommendations in the report.

8.4 Equality

- 8.4.1 The Council has a Public Sector Equality Duty under the Equality Act (2010) to have due regard to the need to:
- 8.4.2 Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act. Advance equality of opportunity between people who share those protected characteristics and people who do not Foster good relations between people who share those characteristics and people who do not. The three parts of the duty applies to the following protected characteristics: age, disability, gender reassignment, pregnancy/maternity, race, religion/faith, sex and sexual orientation. Marriage and civil partnership status applies to the first part of the duty.
- 8.4.3 The decision is to approve an award of a contract to Ingleton Wood LLP for £2,185,257.25 to deliver Multi-Disciplinary Services from RIBA Stage 2 to 6. The award of this contract will help to ensure access to nursing care for residents who may benefit from such a setting due to the complexity and medical nature of their needs and gain a greater degree of independence through access to therapies. It follows that older residents, those with long-term health conditions and/or disabilities, women and Black, Asian and minority ethnic residents are overrepresented among nursing care service users in Haringey, so it is likely that these groups will be positively impacted by the decision.
- 8.4.4 It is recognised that at Osbourne Grove those who are homeless or rough sleeping were given emergency accommodation by the council at the beginning of the Covid outbreak. Therefore, this measure may result in a negative impact for those who are homeless or rough sleeping, among whom young people, LGBT+ residents, including those on lower incomes who are overrepresented. To mitigate this the council will find long-term housing for rough sleepers with ongoing support and resources from central Government, ensuring that all homeless people they have accommodated, including those with no recourse to public funds, will not be asked to return to streets.

- 8.4.5 Further to this, in the short term, developing a new unit will lead to a period of 3 years and 8 months where there will continue to be no nursing provision on the site. This will continue the limited availability of in-borough nursing placements in the short-term and potentially present a negative impact on service users, many of whom identify with one or more protected characteristic. However, the Council will see to mitigate this by endeavouring to make placements in either Haringey or neighbouring boroughs during this period, including the introduction of a block booking of available beds in the borough to boost the supply. Therefore, the negative impact is outweighed by the need to achieve increased nursing care capacity, and the proposed decision represents a proportionate means of achieving a legitimate aim and a course of action to meet the needs of these groups where they are different to the needs of other groups, and thereby helps to advance equality of opportunity.
- 8.4.6 As an organisation carrying out a public function on behalf of a public body, Ingleton Wood LLP will be obliged to have due regard for the need to achieve the three aims of the Public Sector Equality Duty as stated above. Appropriate contract management arrangements will be established to ensure that the delivery of the project does not result in any preventable or disproportionate inequality.
- 8.4.7 A consultation will not be necessary, as the previous consultation - with residents and families directly affected by the proposal- ascertained that the design of the home is geared flexibly towards meeting the current and future needs of Haringey residents, and is the preference for these groups.
- 8.4.8 The Council will take steps to collect demographic data on service users to identify any inequalities in service provision that may arise and to inform future equalities analysis.

9 Use of Appendices

- 9.1 Appendix A – Part B

10 Local Government (Access to Information) Act 1995

- 10.1 List of background documents:

This report contains exempt and non-exempt information. Exempt information is under the following categories (identified in amended Schedule 12A of the Local Government Act 1972): Information relating to financial or business affairs of any particular person (including the statutory holding that information).