

Procurement of a contractor to deliver a residential care home for adults with severe learning disabilities and autism on the site of the former Kirkland House care home in Yeadon

Date: 19 May 2022

Report of: Service Transformation Team

Report to: Director of Adults and Health

Will the decision be open for call in? Yes No

Does the report contain confidential or exempt information? Yes No

What is this report about?

This report requests authority to procure a contractor to develop a residential care home for adults with severe learning disabilities and autism on the site of the former Kirkland House care home in Yeadon.

Including how it contributes to the city's and council's ambitions

- Adults and Health and Leeds Clinical Commissioning Group (CCG) are proposing the development of accommodation for adults with severe learning disabilities and severe autism who display challenging behaviours, on the site of the former Kirkland House care home on Queensway, Yeadon in north west Leeds.
- This project aims to create a high quality, six-bed medium-term stay, care home. The proposed residents of this scheme are amongst some of our most vulnerable citizens due to the severity of their learning disability and autism.
- The proposed homes directly contribute to one of the Best Council Plan 2020-25 outcomes of enabling disabled residents to remain active and independent.

Recommendations

The Director of Adults and Health is requested to

- a) Grant approval to undertake the procurement exercise to select a contractor to develop a residential care home for adults with severe learning disabilities and autism on the site of the former Kirkland House care home in north-west Leeds
- b) Note that a further report will follow to outline the results of the procurement exercise and to seek Director approval to award a Pre-Construction Services Agreement, if appropriate with a further subsequent report for approval to spend and to enter into a NEC Construction Contract.

Why is the proposal being put forward?

- 1 Contract Procedure Rule (CPR) 3.1.6 states that a decision to undertake a procurement should be undertaken at the point the procurement route is chosen.
- 2 This report seeks approval from the Director of Adults and Health to undertake a procurement exercise to select a contractor to develop a six-bed medium-term stay, care home for adults with severe learning disabilities and severe autism who display behaviours which challenge on the site of the former Kirkland House care home on Queensway, Yeadon in north-west Leeds.

What impact will this proposal have?

Wards affected: Guiseley and Rawdon

Have ward members been consulted? Yes No

- 3 There is currently no provision in Leeds to accommodate those individuals who are in the Transforming Care Programme (TCP) and have the most complex needs in relation to their severe learning disabilities, severe autism and who display behaviours which severely challenge services.
- 4 Leeds needs this community residential scheme to enable patients to be discharged back into their local community setting and to meet the aspirations of the National Service Model for this group set out in "Building the Right Support". The scheme also supports the aims of the Best Council Plan in relation to Housing and Health & Wellbeing.
- 5 The proposed homes will also help to prevent future hospital admissions and Leeds residents from being placed in residential institutions, out of area and away from their families and communities. In order for Leeds to be the best city for health and well-being, there is a need to address the gap in appropriate care provision for those citizens with the most complex needs, in out of area residential/hospital provision. Kirklands will address this provision gap, ensuring that a robust, bespoke service is available to the TCP cohort of Leeds citizens.

What consultation and engagement has taken place?

- 6 Written briefings on the proposed scheme have been provided to the Executive Member for Adults Social Care, Children's Social Care and Health Partnerships and to the local ward members who are fully supportive of the scheme.
- 7 As well as being the result of extensive discussions between Adults and Health and NHS partners, the need for a service which will both prevent young people with autism being placed outside Leeds and allow people in out of area placements to return has been consistently raised by relatives and carers of children and adults with learning disability and autism.
- 8 The project also has a stakeholder engagement plan to ensure that there will be continued involvement of potential residents, relatives, carers, experts by experience and relevant professionals who will be involved in the development of the building plans and service specification for the provision of care.

What are the resource implications?

- 9 The proposal is expected to indicatively cost between £3 and £4 million, however this will be an Invest to Save programme that will fund the cost of borrowing and deliver ongoing financial

benefits to the Council and the wider Integrated Care System. The Director of Adults and Health is asked to note that the decision on the final design and cost of the scheme will be taken once the feasibility work has been concluded, the scale of the scheme is better understood, and a Design and Cost Report (DCR) is brought forward for approval.

- 10 The current revenue cost of care provision for the potential users of this service is very high. These costs for users over 18 will be met through the adults Integrated Oversight Budget. As the registration will allow for individuals over 16, the Children's and Families budget will fund any people under 18 years of age. Individual care packages, be it through out of area residential or in-patient care, can range from £300,000 to £900,000 per person, per year.
- 11 An outline Revenue Business Case shared and agreed with Leeds CCG indicates that the Integrated Oversight Budget will save between £300k and £650k per annum across all six individuals who will live in the service. This is after the annual debt repayment has been factored in.
- 12 Leeds City Council Learning Disability Development and Care Management teams are working with several individuals whose severe learning disability, autism and presenting behaviours mean they require high levels of restriction to meet their needs safely. A bespoke self-contained accommodation solution with a care and support provider with specific skills and experience is the only identified way of meeting their needs. The service will be, in part, designed for one individual who remains within the Transforming Care Programme as neither Leeds City Council nor the Clinical Commissioning Group have had a robust enough service to meet this individual's needs in Leeds. Without these homes, this individual and the other individuals identified are at risk of remaining in or admission to hospital. As a result, it is expected that there will be long-term demand for the homes in Leeds and the wider Yorkshire area.
- 13 The proposed scheme, whilst providing a long-term home for some, will also create positive pathways for individuals from hospital, into residential care then into supported living. As such it also aids Commissioners who are working towards the NHS Long Term plan, collaborating with the local Transforming Care Partnership, and supporting 'Homes not Hospitals' by looking to discharge an individual from hospital and prevent other hospital admissions. In addition, the proposed homes will also be registered as Residential Care.
- 14 Initial plans were for these homes to be provided through two buildings on the former Burley Willows care home in north Leeds, with one containing six homes and the other two homes. It was intended that Capital funding for the project would be met by the Council, with £1m bid for grant funding being made to the National Health Service England (NHSE) for the smaller building, thus reducing the overall cost to the Council.
- 15 This approach required the preparation of a £1m bid for funding from the NHSE for the smaller building which could not be submitted until full planning permission had been granted, as actual scheme costs needed to be within 10% plus or minus of the costs submitted in the bid.
- 16 This also required all work on the proposed scheme to be done at the Council's own financial risk and the award of funding could not be guaranteed. Furthermore, if individuals identified for the two-bed building were not subsequently discharged or did not take up occupancy, there would be a requirement for the Council to repay any monies granted by NHSE.
- 17 On this basis the project board, which oversees the progress of the Project and its agreed objectives and includes relevant senior managers within Adults and Health and the NHS as its

decision makers, took a decision in September 2019 to reduce the scope of the project to the delivery of a stand-alone six bed residential scheme which removed the requirement for an NHSE capital funding subsidy.

- 18 The estimated cost of the build is based on the cost of similar facilities elsewhere in the country, although accurately estimating the final cost of such specialist and bespoke buildings is quite difficult at this early stage of the development.
- 19 However, acoustic surveys found that the Burley Willows site suffered from a high level of noise pollution due to its proximity to major roads which would impact upon the residents' sensitivity to noise. This, and the cost of resolving ground conditions, would have a significant impact upon viability and delivery, with almost £1.5 million required to mitigate these issues alone.
- 20 As a result, an options appraisal was undertaken in May 2021 to look at alternative methods of delivery, including the use of other Council owned sites, and the use of private sector partners. It was decided that the use of the former Kirkland House site was the most appropriate from a financial, but also care perspective.
- 21 The use of the former Kirkland House site for this purpose, and removal from the Capital Receipts list, was supported by Estates Management Board in November 2021, and was contained within a paper from the Director of City Development at February 2022's Executive Board. The site was valued at £1,030,000 in late 2021.
- 22 A bid is being made for a capital grant of around £500,000 from the NHS England TCP capital programme. If successful, this will cover the costs of one highly specialised and robust home, which is intended to be a long-term home for an identified individual who is currently in a secure hospital setting and presents extreme behavioural challenges. This bid has been encouraged to go ahead by the NHS England Housing Senior Manager of the Learning Disabilities and Autism Programme, who has taken the principle of the development of the residential care home to the national programme board and giving a briefing for the Regional Chief Nurse to assure her that the proposed discharge plan is the least restrictive option for this individual.
- 23 It is hoped that these new facilities will be completed by September 2023. Adults and Health and Leeds CCG have both committed a sum of £150,000 to cover development costs up to the point of requesting and receiving tenders for the construction work. A report was submitted on the 10th of April 2019 to the Director of Adults and Health to ask for the authority to spend up to £300,000 to cover development costs up to the point of requesting and receiving tenders for the construction work on the Willows Autism Project. The decision to incur the development costs was taken as a delegated decision of the Director of Adults and Health.
- 24 It is the project team's intention to return with a further report to Executive Board in Autumn 2022 to seek final authority to proceed with the project, once stage 4 designs are completed, and final costs are known.

What are the legal implications?

- 25 There are no legal or access to information implications arising from this report.
- 26 This is a key decision report and is subject to call-in, however any subsequent decisions arising from this report, for example the decision to award the contract, will therefore be significant operational decisions which will not be subject to call-in.

What are the key risks and how are they being managed?

- 27 The project is to be jointly delivered by Adults and Health's Service Transformation Team and City Development's Asset Management Team through a structured project management approach. This involves the use of a risk register as a tool for managing identified risks in terms of their proximity and impact.
- 28 Once identified risks are managed by the implementation of counter measures designed to mitigate against the risk and its potential impact. Members of the Kirklands Autism Project board and project team are assigned responsibility for each identified risk. The project board includes representatives from Adults & Health Commissioning, Corporate Finance and Leeds CCG. The board feeds into the wider Asset Management Board in which further checks, balances and support can be provided.

Does this proposal support the council's three Key Pillars?

- Inclusive Growth Health and Wellbeing Climate Emergency

- 29 The proposed scheme directly contributes to one of the Best Council Plan 2020-25 outcomes of enabling disabled residents to remain active and independent.

Options, timescales and measuring success

What other options were considered?

- 30 Discussions have taken place with the Council's Procurement and Contract Services team with three routes investigated as suitable for the Kirklands project. These were a traditional appointment, design and build and direct appointment.
- 31 Following project board approval it has been decided to pursue a traditional procurement route given the relative simplicity of the structures for the bungalows and staff unit at the Kirkland site. This would also lead to a swifter procurement process during the project.
- 32 However, due to the unprecedented market turbulence Leeds City Council have found less companies than usual wishing to bid for work. As a result, a market sounding exercise will take place to ascertain there would be sufficient numbers of companies interested in bidding. Should there be insufficient interest from the market in a traditional procurement exercise, a direct appointment should be considered, subject to the contractor's expertise.
- 33 A design and build route was discounted due to the risk that the tender period may get stretched as contractors are taking the cost risk and therefore may have more questions, and it also leads to a slightly longer RIBA 4 design period as it is allowed to overlap with the construction period.
- 34 In addition, there would be a longer approvals process with it following a Design and Build route but is balanced by a shorter mobilisation period with the contractor's involvement. The project board were also advised that current market conditions mean there is less appetite for contractors to take risks, so the Council could find less market interest if the project was to be procured as a design and build.

How will success be measured?

- 35 The scheme would give Leeds its first homes in the city to accommodate individuals with severe learning disabilities and autism who display behaviours which challenge, with the most complex needs in the Transforming Care Programme cohort.
- 36 It would also enable patients to be discharged back into their local community setting and to meet the aspirations of the National Service Model for this group set out in “Building the Right Support”.

What is the timetable for implementation?

- 37 It is expected that the procurement exercise will commence on 11th October 2022 with a contractor appointed by January 2023. This will enable construction to start on site in early 2023, with completion anticipated by early Autumn 2023.

Appendices

- 38 Appendix 1 - Equality Assessment.

Background papers

- 39 N/A