



**Decision Ref. No.**

**B027/22**

## DECISION RECORD <sup>1</sup>

Officer Key Decisions are subject to the Council's Call-In Procedure (Annex 9 of the Council's Constitution <https://www.hertfordshire.gov.uk/about-the-council/freedom-of-information-and-council-data/open-data-statistics-about-hertfordshire/who-we-are-and-what-we-do/who-we-are-and-what-we-do.aspx>)

**Subject:** HCC2213523 Little Furze Demolition & Construction of a Care Home

Staff Contact: Tarn Gascoyne, Tel: 07580 743626

Executive Members:

Tony Kingsbury - Adult Care, Health & Wellbeing

Bob Deering – Resources

### 1. Decision

- 1.1 A building contract is entered into with Kori Ltd in the sum of £17,465,836 to construct the 75-bed nursing care home as part of the delivery of the Little Furze Nursing Home project under "The Capital Funding Programme" following a full tender process and approval of the total project budget of £20.113m funded by:
  - £17.913m from budget set aside for the provision of Older People Care Homes
  - £2.2m budget set aside from Spend to Achieve
- 1.2 A further project contingency of £1.6m be held outside of the construction budget, to be spent at the approval of the Director of Finance, Executive Director of Adult Care Services and the Executive Members for Resources and Adult Care and Health.
- 1.3 Spend to Achieve budget is used to fund the infrastructure costs for the housing element of the development in the sum of £2.2m and delivered as part of the nursing home construction contract.
- 1.4 A contracts for the care operations for the nursing home at Little Furze is entered into and that as per the delegations granted under Cabinet the Deputy Chief Executive/Director of Resources, in consultation with the Executive Member for Resources will be asked to approve the terms for a new lease to Quantum Care Limited for the completed care home.

### 2. Reasons for the decision

- 2.1 At its meeting on 25 September 2017 Cabinet considered a paper on the Future Development of Care Homes in Hertfordshire at that meeting Cabinet:

*(i) Noted and agreed to a review of the existing capital funding programme for renovating and rebuilding residential care homes; such review to be undertaken by the Director of Adult Care Services in consultation with the Director of Resources and the Chief Legal Officer;*

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*(ii) delegated to the Director of Adult Care Services in consultation with the Executive Members for Adult Care and Health and for Resources, Property and the Economy and the Director of Resources and the Chief Legal Officer, the authority to consider and implement decisions on the future options for the delivery of the programme referred to in (i) above which will result in increased nursing care provision; and*

*(iii) delegated to the Director of Adult Care Services in consultation with the Executive Members for Adult Care and Health and for Resources, Property and the Economy and the Director of Resources and the Chief Legal Officer the authority to develop and improve the nursing care capacity across Hertfordshire to meet service pressures.*

2.2 In July 2018, the Director of Adult Care Services in consultation with the Director of Resources, the Chief Legal Officer and the Executive Members for Adult Care and Health and for Resources and Performance approved:

*(i) The Capital Funding secured in the 2018/19-2021/22 capital bid process of just over £39m 'The Capital Funding Programme' is used to support the delivery of models B-E, as appropriate with consideration to care needs, deliverability, timing, land supply, financial review, legal and procurement matters.*

2.3 The decision pursuant to this decision record are made pursuant to 2.1 (iii), 2.2 (i) above.

2.4 £1.971m of Spend to Achieve had previously been allocated to the Little Furze project to provide the infrastructure to enable the disposal of the housing land to Three Rivers District Council (TRDC) and the construction of the nursing home. In addition, Spend to Achieve funding had been allocated for the removal of the restrictive covenants at Little Furze, Sir James Altham and Foxgrove Path. Those restrictive covenants removals are all being dealt with under the transaction to TRDC and it is therefore requested that £229k set aside for this is also used to facilitate the completion of this project given the increased cost of delivering the infrastructure works required, to give a total contribution of £2.2m.

### **3. Alternative options considered and rejected <sup>2</sup>**

3.1 The purchase or lease of a commercially developed has also been investigated. The following objectives for a Hertfordshire developed nursing home were not met by the scheme without further work led to the commissioners rejecting the home as a suitable option:

- 7 'luxury' bedrooms on the second floor representing sub-optimal use of space and associated higher staffing costs
- Households not being designed with staff and supervision efficiency for Hertfordshire use
- No intermediate/discharge to assess unit, meaning structural alterations and loss of bedrooms required to create ancillary spaces
- Ventilation not optimised for pandemic isolation
- Sustainability/energy saving credentials well below HCC aspirations
- Higher energy bills for care provider
- Fewer external spaces from each floor, offering fewer choices and opportunities to residents
- Less robust build offering shorter lifespan and less adaptability

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- Long corridors causing confusion in residents with dementia and staff visibility problems
- Ends of corridors have no destinations of interest, causing frustration to residents with dementia

Essentially, it will be an expensive home to staff, reducing margins for providers in a tightening market. While a financial case for the alternative nursing home could be made, along with the possibility of opening the home sooner than at Little Furze, the qualitative aspects of the build mean that this is an option that commissioners are not recommending.

### 4. **Consultation**

- (a) Comments of Executive Members<sup>3 4</sup>  
The Executive Member for Resource & Performance & the Executive Member for Adult Care, Health & Wellbeing are content with the proposal.
- (b) Comments of other consultees<sup>5</sup>

### 5. **Following consultation with, and the concurrence of the Executive Member, I am proceeding with the proposed decision.**

Signed: Chris Badger

Title: Executive Director, Adult Care Services

Date: 18.11.2022

Signed: Scott Crudgington

Title: Deputy CEX and Executive Director, Resources

Date: 18.11.2022

Signed: Quentin Baker

Title: Director of Law and Governance

Date: 18.11.2022

### 6. Copies of agreed document to:

- All consultees
- Chairman, and Vice-Chairmen of the Overview and Scrutiny Committee
- hard & electronic copy - Democratic Services Manager - Room 213 County Hall.

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<sup>1</sup> for guidance see Director of Law and Governance's note "Taking Decisions"

<sup>2</sup> details of any alternative options considered and rejected by the officer at the time the decision was made

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<sup>3</sup> record any conflict of interest declared by any Executive Member consulted. If an Executive Member declares a conflict of interest DO NOT PROCEED without seeking advice from the Director of Law and Governance

<sup>4</sup> If the matter has general significance for the Council and/or is, or is likely to be, controversial, then the officer shall consult the appropriate Executive Member before proceeding. In some cases it will be necessary to consult more than one Executive Member, and in some cases the Leader of the Council will need to be consulted

<sup>5</sup> If the matter has local significance, but no general significance for the Council and no controversial aspects, the officer shall consult or inform the local member in writing (or by e mail) and proceed. It is essential that all officers responsible for delivering services ensure that local members are kept well briefed on issues affecting their areas.