

# Nottingham City Council Delegated Decision



**Nottingham**  
**City Council**

Reference Number:

2338

Author:

Paul Haigh

Department:

Children and Families

Contact:

Paul Haigh

(Job Title: Head of Service, Email: paul.haigh@nottinghamcity.gov.uk, Phone: 07985885540)

Subject:

Adult Provision and Health Integration, Architectural Design for Laura Chambers Conversion

Total Value:

£150,000 (Type: Capital)

Decision Being Taken:

- 1.To spend £150,000 of the remaining £237,000 allocated Capital investment agreed at Executive Board in January 2012 to extend the existing order for architectural designs and CDM responsibility with Philip Best, for designs to be created to enable the conversion of Laura Chambers into a 34 bedroom Learning Disability Residential Provision.
- 2.To approve dispensation from Contract Procedure Rule 5.1.2 in accordance with Financial Regulation 3.29 in order to appoint Philip Best to oversee the architectural designs.

**Reasons for the Decision(s)**

**As part of the existing Capital Investment programme agreed at Executive Board in January 2012, a programme of work has been agreed to refurbish the Adult Provision estate. Part of the scheme was to add additional bedrooms to the existing older peoples site at Laura Chambers in Clifton in an attempt to make the site financially viable and remove the subsidy.**

**Following conditions surveys being commissioned and a full report across all sites being provided the sites at Laura Chambers and Oakdene in St Ann's were identified as needing considerable investment in order to rectify immediate priority 1 and 2 maintenance works. A total expenditure of in excess of £1,200,000 has been identified in order to bring the buildings up to standard. This excludes the cost of building additional beds which then takes the value to over £2,000,000.**

**Consultation with assessment and commissioning teams has evidenced that the older peoples market within the City has in excess of 80 beds available on any given day and therefore additional beds were not required. However, the same cannot be said for residential placements for adults with learning disabilities and this was clearly identified as an area that had a market gap. Learning disability residential places cost between £350 and £3059 per week and the cost of a Council run bed currently stands at £1100 per week.**

**As a result, a paper has been presented to officers and the Portfolio Holder to request that the Laura Chambers site be renovated to create a new 34 bed Learning disability residential home offering a range of 28 low and medium need places and 6 medium to high complex cases.**

**In order to achieve this architectural designs are required to inform the build required and in order ensure consistency and to avoid multiple contractors being deployed on site, a preferred option would be to use Capital investment already agreed as part of the original scheme to expand the scope of the original order to include the refurbishment of the existing Laura Chambers site. This will ensure that the site remains commercially viable for the foreseeable future.**

**In order to ensure value for money by avoiding duplication in project management, framework and building set up fees, the contractor being proposed is already deployed on another scheme and are familiar with the site. This will support keeping the design and refurbishment costs low. In addition if the repair costs were ignored and managed individually, each element would be more expensive to repair and could result in site closure if not managed in a planned but reactive way.**

**A phased approach to the scheme is being proposed which includes designs being created and finalised November 2015 to February 2016 with a view to have contractors on site from March 2016. It is important that once the site is vacated the design and build is completed swiftly to ensure that the site is not left open to vandalism.**

**Other Options Considered:**

**Option 1:** Increase the number of Older peoples beds at Laura Chambers. This requires £2,200,000 investment as opposed to the £800,000 originally estimated. The is not supported by Commissioning teams because on any given day over 100 Older Peoples beds remain empty in the city and so additional beds are not required. This is not an option.

**Option 2:** Renovate Oakdene to improve standards. This option requires £750,000 investment which is currently not available and we would not be able to work around citizens who already live at the site so operationally people would have to be relocated temporarily to allow this to happen. In addition the size of the site is restricting and therefore additional beds cannot be made available making this not financially viable. This is not an option

**Option 3:** Close both Laura Chambers and Oakdene and build a new site. This requires £5,000,000 investment which is not available.

**Option 4:** Convert the usage at Laura Chambers and renovate the site to increase bed capacity for Learning disability and close Laura Chambers for older peoples usage. This is the preferred option.

Throughout the process we have engaged with the corporate landlord team to obtain quotations and timescales for the works to be completed by an alternative designer, however as a result of the work needing to be completed swiftly, also as a result of the fees being higher and the consistency for the staff teams on site a decision has been made to continue with the designer Philip Best being appointed to deliver the final phase, phase 4 of the 4 phase scheme.

**Background Papers:** None.

**Published Works:** None.

**Affected Wards:** Clifton North

**Colleague / Councillor Interests:** None.

**Dispensation from Financial Regulations:** Yes

**Use of Consultants**

<b>Number of Days:</b> 365
<b>Rate per Day:</b> 0
<b>Total value:</b> 150000
<b>Start date:</b> 12/10/2015
<b>End date:</b> 31/03/2017

**Reason for using a consultant:** To ensure consistency across all 4 phases of the Capital investment programme for Adult Provision. This was also a more cost effective and timely option compared to other quotations for works recieved.

**Other options considered:** In house Corporate Landlord teams, other architectural designers came in more expensive and with a delayed timescale.

<b>Name of consultant:</b>	<b>Philip Best Design</b>
<b>Reason for selection?</b>	<b>Most cost effective, consistent and high quality provider</b>
<b>Has the consultant previously completed work for the City Council?</b>	<b>Yes</b>
<b>Specific activities to be undertaken by the consultant are:</b>	<b>Full design and CDM responsibility for the conversion of Laura Chambers site</b>
<b>Period of engagement:</b>	<b>November 2015 to March 2017</b>
<b>By what process was the consultant selected?</b>	<b>Obtained 3 quotations for works required</b>

<b>Consultations:</b>	<b>Date: 26/08/2015</b>
	<b>Other: Sue Oliver - Procurement Andrew James - Legal</b>
	<b>No known issues, requirement to apply for dispensation to financial regulations.</b>
	<b>Those not consulted are not directly affected by the decision.</b>

<b>Crime and Disorder Implications:</b>	<b>N/A</b>
---	------------

<b>Equality:</b>	<b>EIA not required. Reasons: Not required as existing Capital build already covers design element</b>
------------------	--

<b>Social Value Considerations:</b>	<b>N/A</b>
-------------------------------------	------------

<b>Relates to staffing:</b>	<b>Yes</b>
-----------------------------	------------

<b>Decision Type:</b>	<b>Portfolio Holder</b>
-----------------------	-------------------------

<b>Subject to Call In:</b>	<b>Yes</b>
----------------------------	------------

<b>Call In Expiry date:</b>	<b>23/02/2016</b>
-----------------------------	-------------------

<b>Advice Sought:</b>	<b>Legal, Finance, Procurement, Human Resources</b>
-----------------------	---

**Legal Advice:**

This report will authorise Phase 4 of the capital investment programme for the adult provision project. Each phase has been for works at a separate building. On that basis it is legitimate to look at this contract as a separate services contract from the previous 3 phases and is therefore under the EU threshold for architectural services. The contract value must be a realistic valuation of the likely services as it is close to the threshold and should not be extended without consideration of the procurement regulations. Advice provided by Andrew James (Team Leader Contracts and Commercial) on 17/12/2015.

**Finance Advice:**

In January 2012 Executive Board approved the capital investment plan to improve the City Councils Residential and Day Care facilities for adults. Part of this plan was to spend £0.800m on the Laura Chambers Elderly Persons Home to increase provision and provide additional beds.

However, Since 2012 the market has changed and with an increasing number of external providers which offer this type of care facility it is deemed that there is sufficient places available in the Nottingham City area. The type of provision that continues to have a shortage of places in the City is Residential care for people with Learning Disabilities. As a result of this it has been decided that Laura Chambers will be developed as a Residential home for people with Learning Disabilities in order to provide in house provision, which would result in significant savings due to private provision being significantly more expensive than in-house provision. In addition private provision of this type is in demand in the City area with a shortfall of places available, often resulting in the necessity to place people in areas outside of the City.

This proposal seeks £150k in order to cover design fees and other pre-construction costs. The funds can be diverted from the original Laura Chambers project that is already included in the capital programme. Any subsequent project for the conversion of Laura Chambers to Learning Disability provision will be subject to a business case and appropriate approval in line with the corporate principles set for the capital programme. Advice provided by Tina Adams (Capital and taxation Manager) on 27/11/2015.

**Procurement Advice:**

As per the above legal advice. Each of these capital schemes can be treated as a separate requirement under the Procurement Regulations. Having said this, care should be taken to ensure that the value of this individual scheme doesn't increase beyond the EU threshold for services. Advice provided by Sue Oliver (Category Manager - Procurement) on 17/12/2015.

**HR Advice:**

The Council does not directly employ architectural practitioners, any time to create, evaluate and recruit to a post could directly impact timescales for the project therefore this is not a practical solution.

The proposal to engage a Consultant due to the specialist nature of the work is therefore supported.

Advice provided by Joanne Hill (Service Redesign Consultant) on 11/11/2015.

**Signatures:**

Jon Collins (Leader of the Council)
SIGNED and Dated: 15/02/2016
Alex Norris (Portfolio Holder for Adults and Health)
SIGNED and Dated: 13/01/2016
Alison Michalska (Corporate Director for Children and Adults)
SIGNED and Dated: 11/01/2016

<b>Theresa Channell (Head of Corporate and Strategic Finance) - Dispensation from Financial Regulations</b>
<b>SIGNED and Dated: 06/01/2016</b>
<b>Chief Finance Officer's Comments:</b>