

ST THOMAS' GARDENS

Report of the Corporate Director (Place) and Deputy Chief Executive

Commercially Sensitive – Appendix 1 and Appendix 2 to this report are confidential by virtue of paragraph 3 of Schedule 12A of the Local Government Act 1972 in respect of which the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

1. INTRODUCTION AND PURPOSE OF REPORT

- 1.1 Since the launch of the Prospectus for Happy Healthy Ageing in 2018, we've been developing an ambitious programme to support our core objective of enabling residents to Live Well at Home. The Academy of Living Well is key to the strategy providing a transformational approach to both transitional and dementia care. It will become our launch pad for a new model of integration with our health and housing partners and deliver compelling services to support individuals on a system-wide basis. Our operational delivery model will be market shaping and enable mainstream providers to move towards an outcome-based service which will benefit both staff and residents.
- 1.2 This opportunity links directly to our aspirations for the broader strategy within the Mayoral Development Corporation (MDC). It provides a new community of truly affordable housing and a ground-breaking approach to building a sustainable social care workforce for the long-term.
- 1.3 This report provides an update on the progress to date in bringing forward the redevelopment of St Thomas' Gardens, in particular the Academy of Living Well, and seeks approval for the Council to commit to the next stage of design and construction.

2. BACKGROUND

- 2.1 A report was approved by Cabinet in July 2020 which set out the development principles and ambition for St Thomas' Gardens and sought a revenue budget to undertake the initial stages of design required to submit a planning application and commence procurement of a main contractor.
- 2.2 The old St Thomas' hospital site was originally constructed as a workhouse dating back to the 1840s. The main buildings are Grade II listed and have fallen in to disrepair whilst under previous ownership. The St Thomas' Gardens proposal will seek to repurpose this important heritage site within the Stockport MDC area.
- 2.3 The site lies within the Royal George Quarter which is a brand new neighbourhood being created within Town Centre West in line with Stockport MDC's Strategic Regeneration Framework which was endorsed by Cabinet following public consultation in November 2019.

- 2.4 The proposed development aligns with the three guiding principles of the MDC: community, sustainability and innovation. It will provide 68 affordable homes set in communal grounds and seek to create a truly inter-generational community. We are looking to deliver sustainable buildings for the future where possible and we are designing a new and innovative model of care through the construction of the Academy of Living Well.
- 2.5 Since the last Cabinet report further Stakeholder engagement has been undertaken which supports the principles of the Academy facility in a highly accessible town centre location. There has also been a pre-planning consultation (proposals included in Appendix 3) which received an overwhelming response in favour of the repurposing and redevelopment of the former St Thomas' hospital site for this use alongside affordable homes.
- 2.5 The designs have progressed to RIBA Stage 3 and a planning application and listed building consent application were validated on 6th October 2020 comprising demolition of buildings, repurposing of existing buildings, and erection of new buildings for a mix of uses comprising 68no. residential apartments and dwellings (Use Class C3) and 70no. bed care home (Use Class C2) with 372 sqm flexible commercial space (Use Class E); ancillary hard and soft landscaping, formation of a new vehicular access onto Hollands Mill Road and Royal George Street, vehicular and cycle parking, and associated works and infrastructure.
- 2.6 Alongside the continuing design work the Outline Business Case to support the Academy of Living Well proposal has been further refined with input from professional advisors and senior officers and incorporates the latest cost information.
- 2.7 St Thomas' Gardens will be one of the flagship schemes for both the Council and the MDC and our ambition is to create an exemplar scheme that sets the bar for future Town Centre West developments and a new model of care provision.

3. ACADEMY OF LIVING WELL BUSINESS CASE

- 3.1 The July 2020 Cabinet report set out proposals for the Academy of Living Well and how this facility will align with Stockport's ambition to reinvent social care and support its residents to live well at home longer
- 3.2 The Outline Business Case has been developed and is attached as Appendix Four. A summary is as follows:

The Purpose of the Academy

- 3.3 The Academy of Living Well will provide locally-based, high impact services with a focus on helping primarily older people and people in need to:
- Access step-up services to prevent hospital admission
 - Accelerate hospital discharge whilst providing a safe environment for recovery
 - Recover and return home safely from hospital, reducing re-admissions
 - Better manage long-term health conditions
 - Access respite or short breaks
 - Connect them with the wider community, addressing social isolation and

Loneliness

- 3.4 The Academy will enable us to deliver high quality services to Stockport residents who need support to prevent hospital admission, respite for family carers and intensive therapy to enable medically fit patients to leave hospital in a timely fashion and gain the confidence they need to successfully go home. It is in line with Stockport's philosophy of "Home 1st", prevention and self-care.
- 3.5 One of the Academy's core purposes is to provide a real life environment for training and ongoing development and specialisation of our community-led Health & Social Care workforce. The Academy will provide the real-time teaching environment so that apprentices and students can work with the residents every day.
- 3.6 The need for a radically different approach and case for change is very clear and is set out in the Outline Business Case.

Our Aspirations for the Academy Service Delivery and its Workforce

- 3.7 The aspirations for the Service Delivery Model have been designed to accomplish a Beacon of Excellence for intermediate, respite and dementia care within Stockport and is set around the principles of Design, Care, Workforce, Culture, Education and Community.
- 3.8 The Living Well Environment within the Academy will deliver the 'Household Model' which will provide the flexibility to adapt the household types responding to change and sustainability. Each household will be home-like, with small Teams of "Champions" who will engage and encourage residents to participate and support each other in their care and recovery, as part of The Big Table concept. The goal is to enable them to return and live well at home as soon as possible.
- 3.9 The truly transformative aspect of The Academy is the new social care workforce model, which will be the first-of-its kind. Personal care and support for daily living and independence will be provided by teams of multi-skilled, self-managed and autonomous staff, ultimately being 'Champions of Care' in Stockport. This workforce will be Adult Social Care led with a focus on behaviour and culture and will deliver the service set out in a newly designed "Stockport Standard Charter of Care".
- 3.10 The training and development of staff will be designed around this Charter and a "Recruitment and Retention Strategy" that will shape an attractive career pathway with a particular focus on Apprenticeships.
- 3.11 The wider opportunities we aim to derive from introducing the Academy will be to improve the current fragmentation between health provision and step down into reablement and extra care. It will also aid Intermediate Care's often disjointed approach which is usually addressed at the point of crisis/DToC; the Academy will deliver options for consolidation, economies of scale and improved patient and staff outcomes.
- 3.12 Our aim is that the Academy will improve flow and capacity as it's not just about releasing beds, it's about providing the best environment for rehabilitation and

recovery, which includes people having access to great food and great company. It's about meeting wellbeing needs as much as it is about meeting health needs. Buying more beds in institutionalised settings is unlikely to deliver the same results. Instead, this will create a step change to better and more effective alternatives.

Achieving our Aspirations:

- 3.13 The preferred option detailed in the Outline Business Case is option 3; to develop The Academy of Living Well as arguably the first transformative and innovative health and wellbeing hub in Greater Manchester and beyond. This is our opportunity to pioneer ground-breaking integrated health and social care model in Stockport, showcasing an innovative approach to transitional Care, as well as meeting the growing demand for dementia care in non-institutional, supportive settings. The approach provides better quality care and support, improves flow and outcomes, responds to community needs, and leads the way in creating a sustainable social care workforce that will create jobs and opportunities.
- 3.14 The considerable improvements the Academy will deliver include; increased capacity, greater efficiency, swift discharge and reduction in hospital length of stay, reduced hospital admissions, social care market sustainability, and creating significant social value. It will also improve individual health and wellbeing and give flexibility of service provision to reduce the need for residential care admissions.
- 3.15 In order to ensure that the Academy realises its aspirations and outcomes it will work with current Providers of Care and other Stakeholders to test our concepts and further shape our Service Delivery Model.
- 3.16 This Service Delivery Model will be used as a Service Specification for appointing an Operator that will be able to, and aspires to, deliver the expectations set out and will continue to work with us to improve and shape the future care market in Stockport.
- 3.17 The Financial Model which has been developed and scrutinised by internal and external partners in its entirety and is included in Confidential Appendix Two and covers:
- An overall summary position
 - Build cost breakdown – including a maximum level of contingency
 - Sensitivity analysis of the annual borrowing repayments aligned to the build cost
 - Operational Model and Fee Model analysis

4. AFFORDABLE HOUSING

- 4.1 In addition to the Academy the proposed development includes 68 residential homes of which 13 are new build and 55 are refurbishment i.e. set within the existing listed buildings on site which are possible to retain. It is proposed that the new homes will be delivered as affordable homes by Stockport Homes Group. with the benefit of capital grant funding from Homes England. The 13 new build houses will be for social rent and the 55 refurbished apartments for shared ownership.
- 4.2 It is intended that SHG will enter into the building contract for the delivery of housing. It is currently proposed that this part of the site may be appropriated to the

Housing Revenue Account. Further consideration of this would be required however and any proposed appropriation would be the subject of a further report. The delivery of the land for the affordable homes will be subject to Stockport Homes governance procedures.

5. PLANNING AND DELIVERY UPDATE

- 5.1 The revenue budget approved by Cabinet in July 2020 has been used to progress the design to RIBA Stage 3 with some Stage 4 design work having commenced.
- 5.2 A virtual pre-planning consultation was undertaken between 24th August 2020 and 7th September 2020. Details of the consultation material can be found at Appendix 3. Of the 151 responses received 100% were in favour of the vacant St Thomas' Hospital site being redeveloped. Nearly 100% of responses were in favour of the provision of affordable housing and housing for older people at the site with just 1no and 2no responses against these aspects of the scheme.
- 5.3 Key themes and comments to be drawn from the consultation included:
- The importance of delivering affordable housing and a mix of tenures.
 - The quality of the scheme design.
 - The restoration of an underutilised brownfield site and historic buildings.
 - The regeneration benefits to the town centre in bringing this site into active use.
 - The importance of good pedestrian and transport links.
- 5.4 Areas of concerns or consideration raised through the consultation included:
- The siting of car parking along Shaw Heath and visual impact on the street scene.
 - Potential highway safety impacts linking through to Simpson Street.
 - The precise tenure being proposed and extent to which the housing provision will be affordable including social housing.
- 5.5 Taking account of this feedback a Planning Application and Listed Building Consent Application was validated by the Local Planning Authority on 6th October 2020. It is anticipated that these applications will be considered at Central Area Committee and Planning and Highways Committee during the March cycle of meetings.
- 5.6 The scheme includes the restoration of listed buildings, the construction of a new health facility and includes strong sustainability aspirations so a contractor with suitable experience across all areas is required. Given the complexity of the development a two stage negotiated tender process has been recommended. A soft market testing exercise was undertaken last summer to test various procurement routes. Following this exercise and due to the complexity of the project, contractors have been approached. It is proposed that a preferred contractor be appointed using the Procure Partnerships framework.

6. NEXT STEPS

- 6.1 Subject to Planning Consent, the next phase of delivery will focus upon further survey work, site investigations and the commencement of enabling works.

- 6.2 It is anticipated that the next stage of pre-contract design and enabling works in relation to the Academy of Living Well will commence and will be funded as set out in confidential appendix one.
- 6.3 Based on the outcome of the further survey work a build contract for the Academy of Living Well will be negotiated with a preferred contractor later this year, with an anticipated start on site in the summer 2021.

7. FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

- 7.1 Notwithstanding the challenges of the ongoing COVID19 pandemic, there has been significant progress made with the St Thomas's Gardens development. There is a comprehensive financial statement defined which has been verified by both external experts and in-house finance and senior officers. An analysis of the potential risks involved in this programme has also been undertaken and mitigation identified in all cases to date. A full analysis is included in the Confidential Financial documentation (Appendix One and Two) and the Outline Business Case (Appendix Four)

8. LEGAL CONSIDERATIONS

- 8.1 The appointment of a building contractor to deliver The Academy of Living Well will be undertaken through a fully compliant procurement route. It is intended this will be through the Procure Partnerships North West framework. If this is not feasible then an alternative compliant procurement route will be used.

9. HUMAN RESOURCES IMPACT

- 9.1 The project will be delivered within existing staff resources.

10. EQUALITIES IMPACT

- 10.1 Equality Impact Assessment will take place on the Academy of Living Well and already throughout the current design stages and development of service provision we have aspired to ensure it is accessible, inclusive and community based. The Academy is being delivered as part of our Prospectus for All Age Living, and our intention is to provide;
- a building with facilities that are accessible and welcoming;
 - workforce strategies that will focus on inclusivity and removing barriers that will support people to access an attractive career pathway;
 - sustainable employment terms and conditions, and flexibility in work patterns;
 - community activity based opportunities for engagement, personal learning and development, care provision and reducing social isolation.
- 10.2 Stakeholder engagement and customer insight have been, and continue to be, important with ongoing activities throughout the Development of the Academy. We have undertaken numerous engagement activities and collated a vast amount of insight through business intelligence and ethnographic research, which ensures we have consulted, collaborated and understood our market and our stakeholders. These activities have had direct input into shaping our Aspirations for the Academy and sense checking our equality provision.

11. ENVIRONMENTAL IMPACT

- 11.1 A number of interventions have been specified as part of the design of the Academy of Living Well to create a sustainable building for the future. The building will be delivered to BREEAM Excellent standard (BREEAM is the world's leading sustainability method for building projects). We are also exploring the use of either ground or air source heat pumps to provide a sustainable source of energy for the building.
- 11.2 The project will deliver significant improvements to the existing physical environment which is currently dilapidated and underutilised. New walking and cycle routes will be created connecting the development with the town centre and the established neighbourhoods of Cale Green and Edgeley.
- 11.3 The development of affordable housing in this location will promote town centre living and the benefits of living in close proximity to local amenities and public transport links.

12. CONCLUSIONS AND RECOMMENDATIONS

- 11.1 Cabinet is recommended to:
 - 11.1.1 Endorse the progress to date in bringing forward this key regeneration scheme for Stockport MDC and the wider Borough and approve the proposal to progress the design, undertake further survey works and commence enabling works.
 - 11.1.2 Approve the outline business case for the Academy of Living Well.
 - 11.1.3 Delegate Authority to the Director of Adult Services in consultation with Cabinet Member for Adult Care & Health to undertake a procurement for the provision of services within the Academy of Living Well.
 - 11.1.4 Delegate Authority to the Corporate Director (Place) and the Corporate Director (Corporate and Support Services) in consultation with the Cabinet Members for Resources, Commissioning, & Governance, Housing and Communities and Adult Care and Health:
 - a) To appoint a preferred contractor for the delivery of the Academy of Living Well, negotiate a contract sum up to the figure stated in paragraph 1.1 of Appendix 1 and finalise the terms of any appointments, contracts and other documentation required to deliver of the Academy of Living Well
 - b) To approve any property documentation necessary to enable delivery of the affordable housing
 - 11.1.5 Approve the proposed financing of the Academy of Living Well including prudential borrowing as set out in Appendix 1

11.1.6 Delegate Authority to the Strategic Head of Service (Legal & Democratic Governance) to do all things necessary or incidental to the implementation of the above-mentioned resolutions and to complete the necessary legal documents to implement the recommendations of this report.

ADDITIONAL PAPERS

Appendix One – Financial Implications and Risks **CONFIDENTIAL**

Appendix Two – Copy of Financial Model for the Academy **CONFIDENTIAL**

Appendix Three - Pre planning consultation material

Appendix Four – Copy of Business Plan for the Academy

BACKGROUND PAPERS

St Thomas's Development Cabinet Report July 2020

Anyone wishing to inspect the above background papers or requiring further information should contact Paul Richards on Tel: 0161-474-2940 or by email on paul.richards@stockport.gov.uk