

CABINET MEMBER DECISION RECORD

This form should be used to record Executive decisions taken by Cabinet Members

Decision Ref. No:

Responsible Officer:

Gary Platt, Head of Property and Corporate Property Officer

Subject: Castle Dene Care Home – Lease Renewal

Decision taken:

- 1. To grant Care South a new 15-year lease of the Castle Dene Care Home, Throop Road at a rent of [REDACTED] per annum.**
- 2. To delegate authority to the Corporate Property Officer, in consultation with the Monitoring Officer, to finalise the detailed terms of this transaction.**

Reasons for the decision:

The Council has a duty to ensure that there are sufficient care home places to meet the needs of older people in Bournemouth. The renewal of the lease will ensure that an existing successful care home will continue under its existing management. It will also secure an enhance rent, ensuring that the Council is making best use of its assets.

Call-in and Urgency: This decision has been made in accordance with the Council's urgency procedures and is not subject to Call-In.

Background:

Castle Dene is a 50 bed home catering for a range of care needs for older people, including dementia care. It has been successfully operated by Care South, a registered charity, since 1991 and provides a mix of privately funded and publicly funded places. As at 07 January 2019, there were 27 Council funded residents in the home.

It is proposed to extend the current lease arrangements for another 15 years in order to provide continuity of service and to safeguard the availability of these bed spaces. This extended lease term will enable Care South to continue to invest in the home, including investment in an energy-efficient boiler when the existing oil-fired plant is due for replacement.

The terms agreed represent a fair market rent, which will rise every five years in line with rises in the Council's weekly fee rates for care home clients.

Options - and reasons for rejection:

1. Terminate the lease and operate the home via Tricuro, the Council's jointly controlled arms-length service provider. Tricuro already operates Council-owned care homes across Dorset, including Coastal Lodge in Knyveton Road, Bournemouth. This option would involve some disruption, including the transfer of existing staff under TUPE and the requirement to re-register the home with the Care Quality Commission. Whilst all of these issues could be overcome, the benefits of proceeding would be marginal – it is not considered that there would be any significant benefits, either in terms of the quality of the service or in financial terms.
2. Grant a shorter lease to Care South, in order to preserve options going forward. However, the home will need significant investment over the next few years as major plant and equipment approaches the end of its serviceable life. A shorter lease will not give Care South sufficient security of tenure against which to write-down such costs.
3. Terminate the lease and redevelop the site for housing. There is an ongoing service requirement for these bed spaces. The Council has a duty to ensure that there is sufficient capacity within the market to meet the care needs of older people. To close a successful home would be difficult to reconcile with this duty.

Consultations undertaken:

None.

Finance and Resourcing Implications:

The asset currently generates a rental income of [REDACTED] per annum. Its renewal will secure an enhanced rent of [REDACTED] per annum and give the tenant sufficient security of tenure to enable investment in repairing and upgrading the property.

The Head of Property advises that the rent represents the market rent of the property, satisfying the Council's requirements to obtain *best value*.

Name: ADAM RICHENS

Signature: (of Chief Finance Officer)

Date: 25/3/19

[REDACTED]

Legal implications:

The Council has the legal power to grant this lease.

Name: TANYA COULTER

Signature: (of Monitoring Officer)

Date: [REDACTED] 25/03/19

Risk assessment:

A risk assessment shows this to be a low risk transaction.

Name: Gary Platt

Signature

Date: 26/3/19

[REDACTED]

Impact Assessments:

An Equalities Impact Needs Assessment Screening Record has been completed. This indicates no impact from the renewal of this lease.

Environment Impact Checklist suggests that the grant of a 15-year lease will enable the tenant to invest in more energy efficient plant and machinery, with a positive environmental impact.

Information for/not for publication:

- The decision will be published but the information in square brackets is to be redacted for publication as this constitutes exempt information as defined in paragraph 3 in Part 1 of Schedule 12A of the Local Government Act 1972.

Background papers:

- Risk Assessment
- Equalities Impact Needs Assessment Screening Record
- Environment Impact Checklist

Any conflict of interest declared by a Cabinet Member who is consulted by the Member taking the decision	Name of Cabinet Member	Nature of interest	Details of any dispensation granted by the Monitoring Officer
No	N/A	N/A	N/A

Decision taken by:

Councillor Blair Crawford

Councillor Philip Broadhead

Cabinet Portfolio: Adult Social Care

Cabinet Portfolio: Local Government Reorganisation & Economic Growth

Signed: 

Signed: 

Date of decision:

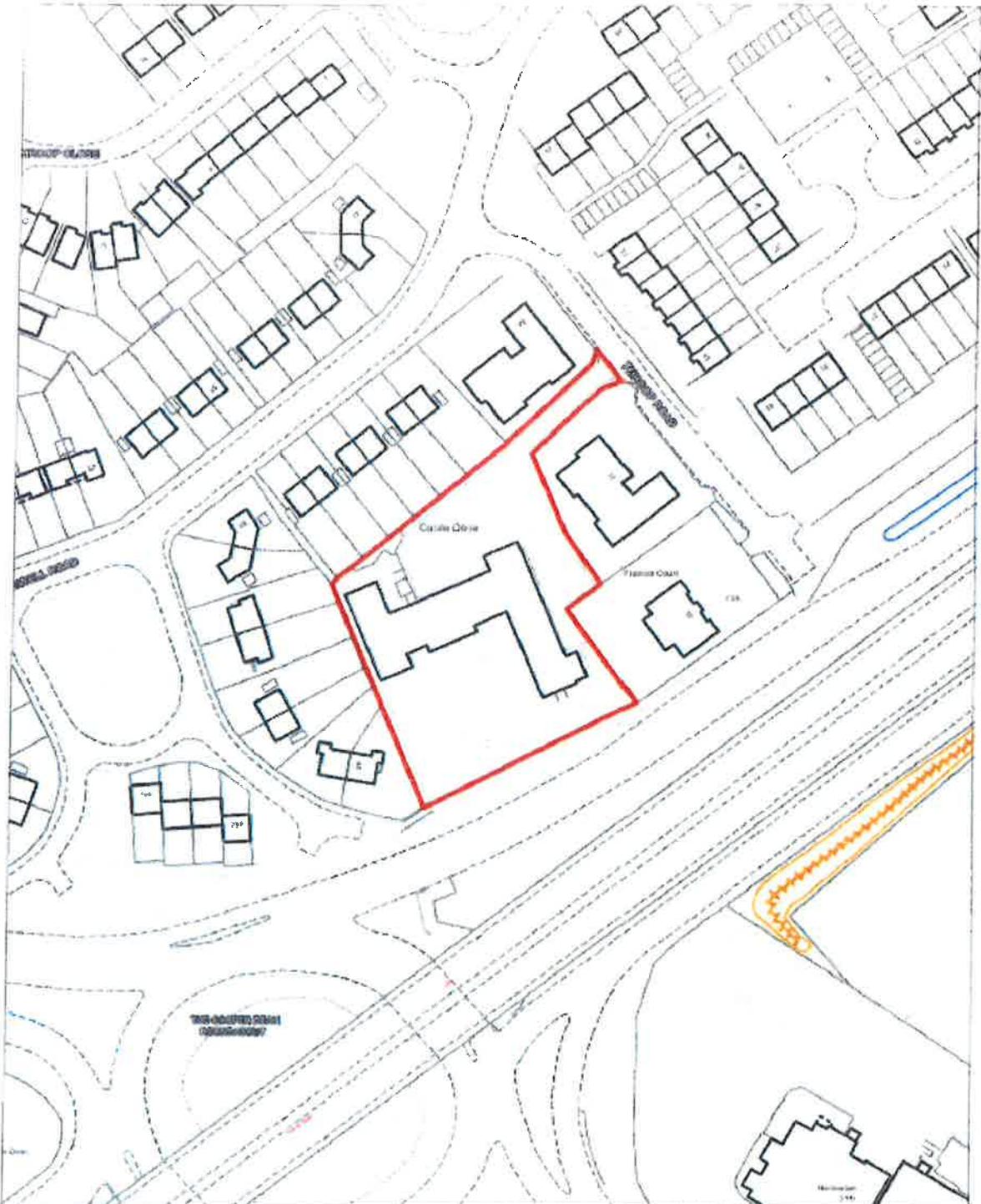
28/03/19.

Date of decision:

28-03-19.

Date of publication of record of decision:

Date decision effective – that is 5 working days after the date of publication of the record of decision unless the decision is called-in for consideration by the relevant Overview and Scrutiny Panel:



 <p>Bournemouth BOROUGH COUNCIL</p> <p>Building a Better Bournemouth</p>	<p>E0673 Castle Dene Throop Road</p> <p>Scale: Date: 8 February 2019 Drawn by: CL 1691/2091</p>	<p>Reproduced from Ordnance Survey material with the permissions of Ordnance Survey on behalf of the Controller at Her Majesty's Stationary Office. © Crown Copyright. Unauthorised reproduction infringes Crown Copyright and may lead to prosecution or civil proceedings. 100019929/2017</p> 
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