

Cabinet – 11 December 2013

Housing21 Services

Portfolio: Councillor McCracken – Social Care

Related portfolios: None

Service: Social Care and Inclusion

Wards: All

Key decision: Yes

Forward plan: Yes

1. Summary

- 1.1 In September 2013, Cabinet agreed to conduct a consultation on decommissioning the day centres that operate in the Housing21 extra care schemes and reducing the number of respite care units. This report describes the outcome of the consultation and makes consequent recommendations.
- 1.2 The Council has a contract with Housing21 that is predominantly for the provision of 5 extra care schemes and one dementia care residential home. This contract also includes the provision of day centre services and a small number of respite care units in each of the extra care schemes. Occupancy levels in the respite care units are lower than they were anticipated to be when the contract was put in place, and recent changes in social care delivery have meant that attendance at the day centres in the extra care schemes is also low
- 1.3 At the same time there is a need for higher staffing levels at night-time in the dementia care residential home operated under contract with Housing21. It is proposed that some of the savings resulting from the decommissioning of day centres and reduction in number of respite care units should be used to fund additional night-time staffing levels in the residential care home operated under contract with Housing21.

2. Recommendations

- 2.1 That Cabinet agrees to the decommissioning of the day centres that operate in the extra care schemes provided under contract with Housing21 and reducing the number of respite care units from two to one in each of the five schemes.
- 2.2 That Cabinet agrees to reinvest part of the savings resulting from the decommissioning of day centres and reduction in number of respite care units to meet the increased costs arising from increased staffing levels at the Water Mill Residential Care Home operated under contract with Housing21.

3. Report detail

- 3.1 A communication and consultation plan was developed to ensure clear and consistent messages are delivered for all those affected by the changes in a timely manner enabling them to understand the proposals and share their views. This included all those who are currently attending the day services, their carers, and the staff.
- 3.2 Those affected by the changes were able to share their views on the proposals through a variety of mediums, including by phone, letter, email, the councils website and face to face consultation meetings.
- 3.3 The key consultation messages included:
- De-commissioning day care due to low utilisation. The Council pays for 105 places per week across the five extra care schemes with attendance on average at less than 50%;
 - There are a number of alternative day centres that offer day care services and they currently have vacancies;
 - Reduce respite care due to low utilization from two flats to one at each of the extra care schemes. The occupancy levels in the respite care units are lower than anticipated at between 42% and 47%;
 - Low attendance at the day centres and low occupancy of the respite flats does not provide good value for money;
 - The Water Mill requires an around 260 additional per week at a cost of £161,000 per year and if proposals are implemented some of the savings should be used to offset this cost;
 - All service users affected by these proposals (if implemented) will be offered support to make alternative arrangements.
- 3.4 Consultation sessions were held in the day centres of each of the five Extra Care Courts. In total, the meetings were attended by over 50 service users (out of a current total of 68); carers or family members of around half the service users also attended; and the majority of the day services staff from H21. Representations have also been received via other mediums as listed above.
- 3.5 Key feedback from consultation on the day centres has been as follows;
- Several people highlighted the importance of the day centres in providing an opportunity to be with other people and have a meal. Current activities include dominos, cards, pub lunch. The day care rooms in some of the Courts are not being used due to low numbers of people attending. Activities are taken to the communal lounge so that everyone else can join in.
 - The Council confirmed if the decision was to end the day centres at the courts service users/families would be supported to make appropriate alternative arrangements. There are other day centres e.g. Stan Ball Centre, Ace Day Care Services, Apna Ghar, St Gabriels. The Council has confirmed that they have vacancies. Housing21 advised that the restaurant facilities and communal areas are open to the public and would be available even if day care was not provided.

- The question was asked as to whether day care has to end at all the Courts. Can it not continue at one or two? Closing some and not others would be a much more complicated process and so the Council's preference is to close them all.
- There have been representations from people attending the day service at Alrewych Court that there are no alternative services available sufficiently close to the Aldridge area. The Joint Commissioning Unit is continuing to look at this more closely. Alrewych Court has a very active events programme which the community often get involved with
- The issue of transport costs was discussed. There were concerns that day care costs were already high and with added costs of meals and transport that people were struggling to manage this financially. If the alternative service is further away from here will the Council fund the transport?
- It was confirmed that the Council has just completed a consultation on assistance for transport which concluded that transport will only be funded by the Council as part of a Personal Budget following an assessment of the persons' needs and an agreement as to how these needs will be met.
- There were concerns that not enough is being done to promote the service. Housing 21 and the Council have spent considerable time and resources promoting the take-up of day care over a prolonged period of time, but the take up has still remained low.
- Concerns were raised about the future for staff and service users wanted it noted that the staff provide a first class service, they are excellent and it would be a shame for them to have to go. The Council recognises that the quality of service has been good. The savings proposal is based on the low attendance and not the quality of the service or outcomes achieved for those who do attend.
- There were concerns that the Council is putting money before people. The proposal is to save £480,000 per year for the remaining 25 years of the contract amounting to a total saving of £12.5 million. The Council is seeking savings to bring down the projected revenue deficit, and there are alternative services available for people to choose to go to instead.
- There were various comments about the Council's poor billing systems to recover charges and a query on how much the council gets back if the service user receives a benefits based charge and pays for their own home care bill. Council agreed that the financial administration systems need improving, and added that this would add further expenditure for the Council.

3.6 Feedback from the consultation on the proposal to reduce the number respite care units was limited. The majority of people who currently use respite units in Housing21 will be able to continue to use the remaining units and there is alternative provision in the market.

3.7 The process of consultation has been sufficiently thorough to have obtained a comprehensive range of views and responses. The representations from service

users are understood, but do not detract from the need to recognise that the low level of occupancy means this is poor value for money for the Council and so savings can be made that will contribute to the Council's projected revenue deficit.

4. Council priorities

The accommodation that has been built into the extra care schemes for day services would become available for alternative community use and this may support greater cohesion in the vicinity of the schemes. Low attendance at the day centres and low occupancy of the respite care units does not provide good value for money and so these elements of the service should respectively be ended and reduced on the basis that this will improve value for money from this contract in line with achieving efficiency savings.

5. Risk management

- 5.1 The Council will need to mutually agree these changes with Housing21 with whom there is an ongoing positive working relationship, the parties having already explored the possibility of a mutual agreement to change these parts of the overall block contract.
- 5.2 If the variation to the Housing21 contract is deemed to be a material variation, then there is a risk of challenge that the Council has not procured the varied contract in the correct way. Legal services have advised that the proposed variation is unlikely to be deemed material.

6. Financial implications

- 6.1 The total cost of the day service part of the block contract cannot easily be separately identified but is in the region of £600,000 per annum. Savings to the Council would be offset by the cost of retaining the Housing21 management overheads within the contract, and the cost to the Council of any mutual agreement in respect of possible redundancies, expected to be between £80,000 and £100,000.
- 6.2 There would be a one-off legal/accountancy fee of around £15,000 to recalculate the financial implications within the contract i.e. retaining the Housing21 management overheads.
- 6.3 Savings may be off-set by the need for additional investment in hours at the Water Mill Residential Care Home amounting to £161,000 per annum.
- 6.4 Total net savings in year one would therefore be £480,000 and total annual savings thereafter would amount to £495,000 as shown below:

Year one		Subsequent years	
	£		£
Day care cessation	600,000	Day care cessation	600,000
Respite reduction (option 2)	56,000	Respite reduction	56,000
Contract recalculation	-15,000	Water Mill night staffing	-161,000
Water Mill night staffing	-161,000		
NET TOTAL SAVING	£480,000	NET TOTAL SAVING	£495,000

6.5. These savings are currently included in the draft revenue budget for 2104/15.

7. Legal implications

- 7.1 Any variation to the contract will need to be properly documented to ensure that it is legally binding on both the Council and Housing 21.
- 7.2 There is a low risk of challenge to the Council in varying the contract with Housing 21 if the variation was considered to be a material variation. It is unlikely that the proposed variation could properly be considered to be material.

8. Property implications

There are no property implications within this five year review period.

9. Health and wellbeing implications

The development of the extra care schemes has been successful in providing older people with an alternative to having to go in to a care home and thus maintaining a higher level of independence in line with the Health and Well Being Strategy.

10. Staffing implications

There are 30 staff currently working within the Housing21 day services. Should Housing21 choose not to develop day opportunities independently of the contract then they will seek to provide an opportunity for redeployment to other areas of service but this may be limited. There may therefore be a high proportion of staff eligible to receive redundancy payments.

11. Equality implications

An Equality Impact Assessment has been conducted as part of the consultation process. Some service users will no longer be supported to attend the day centres as part of the block contract with Housing21, but this is a matter of eligibility for service and not of equality.

12. Consultation

This report describes the consultation process and the outcome.

Background papers

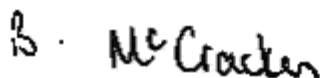
Housing21 Contract Cabinet Paper September 2013

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