

Report to: **Social Services & Health Scrutiny Committee**

Date: **25 September 2003**

By: **Director of Social Services**

Title of report: **Directly Provided Residential Homes Savings**

Purpose of report: **To update the Scrutiny Committee on the level of savings achieved through the ongoing directly provided residential homes review**

RECOMMENDATIONS

The Scrutiny Committee is recommended to note

- 1. The level of savings achieved through the directly provided residential homes review**
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1 Financial Appraisal

1.1 This report details the savings achieved from the review of Social Services directly provided residential homes to date. Actual revenue savings from the closure of two homes currently stands at £386,000.

1.2 This may be supplemented by additional savings which will be dependent of the outcome of residential homes currently under review and/or market testing.

2 Background

2.1 The Scrutiny Committee at its meeting on 31 July requested an update on savings achieved. The Directly Provided Homes Review Process started in July 2002 with a rolling programme of reviews and a planned completion date of November 2003. Accompanying the reviews were savings target set for both 2002/03 and 2003/04 as follows:

Financial Year	Savings Target
2002/03	£300,000
2003/04	£400,000

3 Savings Achieved Through the Homes Review Process

3.1 A copy of this programme detailing the outcomes of the reviews is attached. From this programme it is clear that the homes that have been earmarked for closure or indeed closed at this time are the following:

Residential Home	Tranche Number	Status
Parker House, Eastbourne,	1	Closed
Haldane House, Bexhill on	1	Closed

Sea		
Homefield Cottages, Seaford	3	Planned for Closure

Other homes have developed into Intermediate Care or have had their service provision role refined jointly with 'Health'.

3.2 £386,000 base revenue savings were achieved through the closure of Parker House and Haldane House. This was achieved through the re-provision of clients currently in these homes to less expensive independent sector provision.

3.3 In addition to this a Capital receipt of £650,000 was achieved from the sale of the two properties. This was recycled into the general Capital programme for new Capital schemes.

4 Future Savings

4.1 It is estimated that the closure of Homefield cottages will produce 75,000 full year revenue savings and a Capital receipt of approximately £265,000.

5 Conclusion

5.1 To date £386,000 revenue savings have been achieved through the review programme. Further savings are, of course, dependent on reviews currently under way.

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Order, Timetable and Outcomes of Reviews of County Council Homes for Older People

	TIMETABLE	KEY DATES
Tranche 1		
Parker House, Eastbourne	Review Commenced Report to Cabinet	31.07.01 31.01.02 (decision to close home)
Haldane House, Bexhill on Sea	Review Commenced Report to Cabinet	31.07.01 31.01.02 (decision to close home)
*Mount Denys, Hastings	Review Commenced Report to Cabinet	16.10.01 28.05.02 (decision to seek to transfer service to an independent provider)
Tranche 2		
Thornwood, Bexhill on Sea	Review Commenced Report to Cabinet	31.01.02 30.07.02 (decision for the home to provide intermediate care and to transfer the respite care to the independent sector)
St Anthony's Court, Eastbourne	Review Commenced Report to Cabinet	31.01.02 30.07.02 (decision to keep home open and provide respite and intermediate care only)
Tranche 3		
The Moreton Centre, St Leonard's on Sea	Review Commenced Report to Cabinet	30.07.02 18.12.02 (decision to close the home, and subject to a business case being made, to develop Moreton with Health to provide a 30 place intermediate care scheme. Note - decision subject to a Judicial Review which found in favour of the Council)
*Homefield Place, Seaford	Review Commenced Report to Cabinet	30.07.02 25.02.03
*Grangemead, Hailsham	Review Commenced Report to Cabinet	30.07.02 25.02.03
*Milton Court, Eastbourne	Review Commenced Report to Cabinet	30.07.02 25.02.03 (decisions to continue to operate all three homes in partnership with Health)
Homefield Cottages, Seaford	Review Commenced Report to Cabinet	30.07.02 25.02.03 (decision to close the home and to transfer the respite care and the 'Living at Home' programme to the independent sector)
Tranche 4		
Ridgewood Rise, Uckfield	Review Commenced Report to Cabinet	03.02.03 29.07.03 (decision deferred until December 2003 to enable a market testing exercise to be carried out to establish if the services could be transferred to the independent sector)
Harvard Road, Ringmer	Review Commenced Report to Cabinet	03.02.03 29.07.03 (decision to keep the home open and to seek funds to redevelop and upgrade the home)
Tranche 5		
Gilda Crescent, Polegate	Review to Commence Report to Cabinet	30.06.03 19.11.03

Hookstead,
Crowborough

Review to Commence
Report to Cabinet

30.06.03
19.11.03

* **Note:** Joint reviews with Health