

Report to: **Cabinet**  
Date: **7 July 2009**  
By: **Director of Adult Social Care**  
Title of Report: **Adult Social Care Directly Provided Residential Intermediate Care Services**  
Purpose of Report: **To seek Cabinet's approval for the reconfiguration of Directly Provided Intermediate Care Services for Older People**

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## **RECOMMENDATIONS**

**The Cabinet is recommended to:**

- 1. agree that Gilda Crescent in Polegate close as a residential service for older people and that the current intermediate care services are reprovisioned through the combined residential and community based Living at Home Service, with the current respite services being recommissioned from the independent sector;**
  - 2. agree to close Grangemead in Hailsham in October 2009, with the planned intermediate care services being provided through the combined residential and community based Living at Home Service, and that Cabinet receive a further report in respect of the potential future use of the site; and**
  - 3. agree that St. Anthony's Court in Eastbourne close and that the current intermediate care services are reprovisioned through the combined residential and community based Living at Home Service, with the current respite services being recommissioned from the independent sector, and that Cabinet receive a further report in respect of the potential future use of the site.**
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### **1. Financial Appraisal**

1.1. Appendices 1 to 1c set out the financial information for Gilda Crescent, Grangemead, and St Anthony's Court, together with the costs associated with the reprovision of respite services where appropriate. In summary, the total net budget for 2009/10 for services, excluding day care, is £2,438,100, whilst the total estimated costs during 2009/10 are £2,497,376, a small overspend of £59,276. In 2010/11, it is estimated that the costs of respite reprovision, enhancements to Living at Home Service and transport costs arising from service users transferring to Milton Grange will total £712,709, thereby delivering an ongoing saving of £1,725,391 to be reinvested in overall service provision.

1.2. The demographic trends within the County, in particular the increasing elderly population, combined with the sustained high level of activity within the County's acute hospitals are placing significant pressure on the Department's services and associated budgets. In order to respond to this increased demand within existing budgets it is necessary to create further cash releasing efficiencies and implement new service models within current resources.

### **2. Background and Supporting Information**

2.1. On 10 July 2007 Cabinet agreed to change the service provision at Grangemead, in Hailsham, to focus on intermediate care, once the current mental health services have been transferred to the refurbished Milton Court in Eastbourne, in October 2009, at which point Grangemead was due to temporarily close for extensive refurbishment and modernisation. On the 16 October 2007, Cabinet also agreed to transfer the existing Intermediate Care services at Gilda Crescent in Polegate to the reconfigured Grangemead and on 29 July 2008, agreed the same for the Intermediate Care beds at St. Anthony's Court in Eastbourne.

2.2. In the same reports, Cabinet agreed that the respite services at Gilda Crescent and St. Anthony's Court should be reprovisioned in the independent sector and this work is already underway. In accordance with the Cabinet agreements the existing day services at Grangemead and Gilda Crescent have been included in the programme of recommissioning for day opportunities for older people that was reported to the Lead Member for Adult Social Care on 25 November 2008. It is anticipated that the replacement services will be in place by November 2009.

2.3. Since the agreement to develop Grangemead as a centre for bed based intermediate care, there have been a number of developments that remove the need for such a resource.

2.4. National policy and further benchmarking with other health and social care economies indicate a need to shift investment from bed to community based services by providing intermediate care in peoples own homes. In response to these factors, the Review of Older Peoples Homecare, agreed by Cabinet on 16 December 2008, refocused the service to deliver community based intermediate care.

2.5. Service efficiencies (including reduced average lengths of stay, increased occupancy and increased client contact hours) which are detailed in Appendix 2 have released capacity to support an additional 611 service users each year (or the equivalent of an additional 92 beds) from existing bed and community based services.

2.6. The table in Appendix 2 also shows the reduction in bed capacity that would be achieved by implementing the above proposals. It also shows how efficiencies within the bed and community based Living at Home Service will address the needs of those individuals who would otherwise have used the existing bed provision, and increase the overall number of people able to access the service by 332 each year.

### **3. Conclusion and Reason for Recommendation**

3.1. Cabinet has already agreed to the reprovisioning of the existing services at Gilda Crescent and St. Anthony's Court, with respite services being recommissioned from the independent sector, day services being recommissioned as part of a broader day opportunity strategy and bed based intermediate care services being transferred to Grangemead (following a 12 month period of closure for refurbishment) in late 2010.

3.2. Since those original decisions, financial pressures and developments in how intermediate care can be delivered requires the solution proposed in the report.

3.3. As well as increasing the range, quality and value for money of services available to people within East Sussex, this revised proposal provides the opportunity to bring forward the transfer of services at St. Anthony's Court and Gilda Crescent and free up three residential sites for consideration as to their future use.

#### **KEITH HINKLEY Director of Adult Social Care**

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Lead Members : Councillors Glazier and Bentley

Local Members : Councillors Bentley, D. Shing, S. Shing, Thomas and Tutt

#### **BACKGROUND PAPERS:.**

Cabinet 10<sup>th</sup> July 2007 : Review of ASC DPS – Milton Court and Grangemead

Cabinet 16<sup>th</sup> October 2007 : Review of ASC DPS – Gilda Crescent

Cabinet 29<sup>th</sup> July 2008 : Review of ASC DPS – St. Anthony's Court

Cabinet 16<sup>th</sup> December 2008 : Review of ASC DPS – Older People Homecare

Lead Member 25<sup>th</sup> November 2008 : Day Opportunities for Older People

**FINANCIAL APPRAISAL  
GILDA CRESCENT, GRANGEMEAD & ST ANTHONY'S**

**SUMMARY OF ESTIMATED COSTS**

	<b>2008/09 ACTUAL £</b>	<b>2009/10 ESTIMATE £</b>	<b>2010/11 ESTIMATE £</b>
<u>Net budget (excluding Day Care)</u>			
Gilda Crescent	928,200	918,600	918,600
Grangemead	614,700	583,900	583,900
St Anthony's	935,900	935,600	935,600
	<b>2,478,800</b>	<b>2,438,100</b>	<b>2,438,100</b>
<u>Future projections</u>			
Operational costs	-	1,576,699	-
Reprovisioning costs of respite service	-	184,972	554,916
Enhanced Living at Home Service	-	62,379	124,758
Milton Grange transport costs	-	13,765	33,035
Redundancy	-	249,305	-
Pension augmentation	-	410,257	-
		<b>2,497,376</b>	<b>712,709</b>
<b>Additional cost/(saving)</b>	-	<b>59,276</b>	<b>(1,725,391)</b>

Gilda Crescent, PolegateFINANCIAL APPRAISAL

<b>GILDA CRESCENT (Residential, excluding Day Care)</b>	<b>2008/09 ACTUAL OUTTURN £</b>	<b>2009/10 BUDGET £</b>	<b>2009/10 PROJECTED OUTTURN £</b>	<b>2010/11 PROJECTED OUTTURN £</b>
Staffing	1,019,205	881,828	587,885	0
Premises	42,560	45,182	30,121	0
Transport	2,748	9,676	6,451	0
Supplies & Services	70,599	52,644	35,096	0
Third Party Payments	0	0	0	0
Support Services	1,720	12,464	8,309	0
Capital Charges - depreciation & impairment	15,956	11,480	7,653	0
Reprovisioning costs of respite service	-	-	98,652	295,955
Redundancy	-	-	92,670	0
Pension augmentation	-	-	152,497	0
<b>Subtotal Expenditure</b>	<b>1,152,788</b>	<b>1,013,274</b>	<b>1,019,335</b>	<b>295,955</b>
<b>Income</b>	<b>(224,575)</b>	<b>(94,700)</b>	<b>(63,133)</b>	<b>0</b>
<b>TOTAL NET COSTS</b>	<b>928,213</b>	<b>918,574</b>	<b>956,201</b>	<b>295,955</b>

**RESIDENTIAL CARE UNIT COSTS:**

Available places	38.00
% Occupancy	84%
<b>NET Unit Cost (£) per week</b>	<b>£622.80</b>
<b>GROSS Unit Cost (£) per week</b>	<b>£757.73</b>

**REPROVISIONING COSTS OF RESPITE SERVICE:**

	<b>£</b>
Reprovisioning of respite placements (16 x £462.84* x 52.143)	386,142
Less residents' contributions (16 x £108.10** x 52.143)	(90,187)
	<b>295,955</b>

\* £462.84 = Residential EMI preferred provider fee in 2009/10

\*\* assume minimum contribution of £108.10 payable

Grangemead, HailshamFINANCIAL APPRAISAL

<b>GRANGEMEAD (Residential, excluding Day Care)</b>	<b>2008/09  ACTUAL OUTTURN £</b>	<b>2009/10  BUDGET  £</b>	<b>2009/10  PROJECTED OUTTURN £</b>	<b>2010/11  PROJECTED OUTTURN £</b>
Staffing	695,985	559,218	326,211	0
Premises	26,360	59,862	34,920	0
Transport	174	6,468	3,773	0
Supplies & Services	86,789	68,244	39,809	0
Third Party Payments	0	0	0	0
Support Services	2,349	16,104	9,394	0
Capital Charges - depreciation & impairment	20,864	10,560	6,160	0
Redundancy	-	-	81,273	0
Pension augmentation	-	-	133,743	0
<b>Subtotal Expenditure</b>	<b>832,521</b>	<b>720,456</b>	<b>635,282</b>	<b>0</b>
<b>Income</b>	<b>(217,863)</b>	<b>(136,600)</b>	<b>(79,683)</b>	<b>0</b>
<b>TOTAL NET COSTS</b>	<b>614,658</b>	<b>583,856</b>	<b>555,598</b>	<b>0</b>

**RESIDENTIAL CARE UNIT  
COSTS:**

Available places	22.00
% Occupancy	79%
<b>NET Unit Cost (£) per week</b>	<b>£722.12</b>
<b>GROSS Unit Cost (£) per week</b>	<b>£951.10</b>

**St. Anthony's Court, Eastbourne****FINANCIAL APPRAISAL**

<b>ST ANTHONY'S COURT (Residential Care)</b>	<b>2008/09 ACTUAL OUTTURN £</b>	<b>2009/10 BUDGET £</b>	<b>2009/10 PROJECTED OUTTURN £</b>	<b>2010/11 PROJECTED OUTTURN £</b>
Staffing	849,798	867,200	578,133	0
Premises	42,305	44,000	29,333	0
Transport	3,163	3,100	2,067	0
Supplies & Services	61,025	47,000	31,333	0
Third Party Payments	0	0	0	0
Support Services	1,639	600	400	0
Capital Charges - depreciation & impairment	36,112	23,000	15,333	0
Reprovisioning costs of respite service	0	0	86,320	258,961
Redundancy	0	0	75,363	0
Pension augmentation	0	0	124,017	0
<b>Subtotal Expenditure</b>	<b>994,042</b>	<b>984,900</b>	<b>942,300</b>	<b>258,961</b>
<b>Income</b>	<b>(58,150)</b>	<b>(49,300)</b>	<b>(32,867)</b>	<b>0</b>
<b>TOTAL NET COSTS</b>	<b>935,892</b>	<b>935,600</b>	<b>909,433</b>	<b>258,961</b>

**RESIDENTIAL CARE UNIT COSTS:**

Available places	28.00
% Average Occupancy	87%
<b>NET Unit Cost (£) per week</b>	<b>£799.41</b>
<b>GROSS Unit Cost (£) per week</b>	<b>£845.10</b>

**REPROVISIONING COSTS OF RESPITE SERVICE:**

	<b>£</b>
Reprovisioning of respite placements (14 x £462.84* x 52.143)	337,874
Less residents' contributions (14 x £108.10** x 52.143)	(78,913)
	<b>258,961</b>

\* £462.84 = Residential EMI preferred provider fee in 2009/10

\*\* assume minimum contribution of £108.10 payable

Homecare Efficiencies1. Reduced duration of package

(a) Average duration of package 08/09	73 days
(b) Average duration of package April – May 09	<u>64 days</u>
(c) Difference (a) – (b)	9 days
Multiplied by	x
(d) Total number of users supported p/a (2008/09)	<u>1,363 users</u>
(e) Total number of days released p/a (c) x (d)	12,267 days p/a
Divided by	/
(b) Average duration of package April – May 09	<u>64 days</u>
<b>(f) Number of additional service users supported p/a</b>	<b>192 users p/a</b>

2. Increased total hours and proportion of direct client contact hours

(g) Weekly client contact hours of total 3,820 hours 2008/09	1,795 hours (47%)
(h) Weekly direct client contact hours of total 4,200 May 09	<u>2,268 hours (54%)</u>
(i) Increase in direct client contact hours (h) – (g)	473 hours
Divided by	/
(j) Average size of weekly package	<u>9.4 hours</u>
(k) Additional number of clients supported each week	50 users p/w
Multiplied by	x
Days in the year	365 days
Divided by	/
(b) Average duration of package April – May 09	<u>64 days</u>
<b>(l) Number of additional service users supported p/a</b>	<b>285 users p/a</b>

**(m) Total additional service users supported p/a (f + l) 477 users p/a**

Conversion to “bed equivalents”

<u>(m) Total additional service users supported p/a (f + l)</u>	477 users p/a
Multiplied by	x
(b) Average duration of package April – May 09	64 days
Divided by	/
Days in the year	<u>365 days</u>

**(h) Additional “bed capacity” created 84 beds**

## Bed Based efficiencies

### 1. Increased Occupancy

(a) Actual occupancy for IC beds 2008	90%
(b) Actual occupancy for Intermediate Care beds > April 2009	<u>96%</u>
(c) Efficiency gain (a) – (b)	6%
Multiplied by	
(d) Total Intermediate Care beds (post implementation)	<u>34 beds</u>
<b>(e) Additional bed capacity created</b>	<b><u>2 beds</u></b>

### 2. Reduced Length of Stay

(f) Average Intermediate Care length of stay (2008/09)	25 days
(g) Target Intermediate Care length of stay (2009/10)	<u>21 days</u>
(h) Average reduced length of stay (f) – (g)	4 days
Multiplied by	
(i) Estimated number of bed based users (post implementation)	<u>550 p/a</u>
(j) Increased available bed days	2,200 p/a
Divided by	/
Days in the year	<u>365 days</u>
<b>(k) Additional bed capacity created</b>	<b><u>6 beds</u></b>

### **(l) Total Additional bed capacity created (e) + (k)** **8 beds**

Multiplied by	x
Days in the year	365 days
Divided by	/
(g) Target Intermediate Care length of stay (2009/10)	<u>21 days</u>

### **(m) Total additional service users supported p/a** **139 users p/a**



## Intermediate Care Capacity

(number of service users supported per annum)

Current number of Service Users supported annually by type and location					
	Respite	Functional MH Respite	Organic MH Respite	Intermediate Care #	MH Intermediate Care #
Gilda Crescent	251			119	117
Grangemead		72	134		
St. Anthony's Ct.	231			131	52
Milton Court					
Private Sector					
<b>Total</b>	<b>482</b>	<b>72</b>	<b>134</b>	<b>250</b>	<b>169</b>

# Intermediate Care figures for Gilda Crescent and St. Anthony's assume that 40% of the users have some form of mental health need (e.g. depression, memory loss, etc) based on a recent review of actual users

Proposed number of Service Users supported annually by type and location					
	Respite	Functional MH Respite	Organic MH Respite	Intermediate Care #	MH Intermediate Care #
Gilda Crescent					
Grangemead					
St. Anthony's Ct.					
Milton Court		90	125		116
Private Sector	482*				
Homecare Efficiency				477	
Beds Efficiency			10'	83	56
<b>Total</b>	<b>482</b>	<b>90</b>	<b>135</b>	<b>560</b>	<b>172</b>
<b>Difference</b>	<b>-</b>	<b>+18</b>	<b>+1</b>	<b>+310</b>	<b>+ 3</b>

\* Equivalent number of required beds after taking into account occupancy levels

' Through improved occupancy levels