



LEAD MEMBER FOR ADULT SOCIAL CARE AND HEALTH

DECISIONS to be made by the Lead Member for Adult Social Care and Health,
Councillor Carl Maynard

TUESDAY, 8 JANUARY 2019 AT 9.30 AM

COMMITTEE ROOM - COUNTY HALL, LEWES

AGENDA

- 1 Decisions made by the Lead Member on 27 November 2018 (*Pages 3 - 4*)
- 2 Disclosure of interests
Disclosure by all Members present of personal interests in matters on the agenda, the nature of any interest and whether the Members regard the interest as prejudicial under the terms of the Code of Conduct.
- 3 Urgent items
Notification of any items which the Lead Member considers urgent and proposes to take at the appropriate part of the agenda.
- 4 Transfer of Phoenix Centre Older People's Day Service from Sussex Community Development Association to East Sussex County Council (*Pages 5 - 14*)

Report by the Director of Adult Social Care and Health
- 5 Any non exempt urgent items previously notified under agenda item 3
- 6 Exclusion of the press and public.

To consider excluding the public and press from the meeting for the remaining agenda item on the grounds that if the public and press were present there would be disclosure to them of exempt information as specified in paragraph 3 of Part 1 of the Local Government Act 1972 (as amended), namely information relating to the financial or business affairs of any particular person (including the authority holding that information).
- 7 Transfer of Phoenix Centre Older People's Day Service from Sussex Community Development Association to East Sussex County Council (*Pages 15 - 18*)

Report by the Director of Adult Social Care and Health.
- 8 Any exempt items previously notified under item 3.

PHILIP BAKER
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24 December 2018

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LEAD MEMBER FOR ADULT SOCIAL CARE AND HEALTH

DECISIONS made by the Lead Member for Adult Social Care and Health, Councillor Carl Maynard, on 27 November 2018 at Committee Room - County Hall, Lewes

Councillors Davies, Ungar and Webb spoke on item 4 (see minute 13).

10 DECISIONS MADE BY THE LEAD MEMBER ON WEDNESDAY 13 JUNE 2018

10.1 The Lead Member for Adult Social Care and Health approved as a correct record the minutes of the meeting held on 13 June 2018.

11 DISCLOSURE OF INTERESTS

11.1 There were no disclosures of interest.

12 URGENT ITEMS

12.1 There were no urgent items.

13 UPDATE ON THE PROGRESS OF THE 2018/19 ADULT SOCIAL CARE AND HEALTH SAVINGS

13.1 The Lead Member for Adult Social Care and Health considered a report on the progress of the 2018/19 Adult Social Care and Health savings agreed by Cabinet on 26 June 2018. All of the savings proposals have been progressed since the decisions made at Cabinet and are projected to be delivered as per the original proposals.

13.2 A further update on the progress of these savings will be delivered in spring 2019, and will provide key performance indicators on the impact of the savings plans on clients and carers.

13.3 It was noted that as part of its overall consideration of the Reconciling Policy Performance and Resources (RPPR) process, that the People Scrutiny Committee would be debating the savings plans at its meeting on 27 November 2018.

13.4 RESOLVED: to note the progress of the 2018/19 savings plans for the Adult Social Care and Health budget.

Reasons.

13.5 It was agreed at Cabinet on 26 June 2018 that an update on the savings plans would be brought to the Lead Member for Adult Social Care and Health on a six monthly basis. This provides an opportunity to consider progress made on the relevant savings plans. The next report will be considered in spring 2019.

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Report to: Adult Social Care and Health Lead Member

Date of meeting: 8th January 2018

By: Director of Adult Social Care and Health

Title: Transfer of Phoenix Centre Older People's Day Service from Sussex Community Development Association to East Sussex County Council

Purpose: To advise the Lead Member of the outcome of the recent tender for day services at the Phoenix Centre and seek agreement to transfer the service to the County Council.

RECOMMENDATIONS

- 1) That the older people's day service at the Phoenix Centre is delivered directly by the County Council from 1st April 2019
- 2) That authority is delegated to the Director of Adult Social Care and Health to take any action he considers necessary to give effect to recommendation 1 to ensure a smooth transition for clients, carers and staff by 1st April 2019

1 Background

1.1 On 26th June 2018 Cabinet agreed proposals for Isabel Blackman Centre, Charter Centre and Phoenix Centre. These services were delivered by Sussex Community Development Association (SCDA). The proposals were to close the Charter Centre and Isabel Blackman Centre and recommission the support in the independent and voluntary sectors as this represented better value for money. The Phoenix Centre was to remain open as the unit delivered value for money and there were a lack of alternative services in the local area. The County Council would, however, re-tender the services as the contract period for the current service was coming to an end on 31st March 2019. A copy of the Cabinet Report is attached at Appendix 1.

1.2 ESCC went out to tender for the Phoenix Centre at a bid price of £56 per day per client. This is the current price of the service, provides value for money and was a sustainable level of funding for a future provider. The Council received one bid, but this was significantly in excess of the £56 which the Council was seeking to achieve. Details of this bid contain exempt information and are set out in a later item on the agenda.

1.3 The older people's day service at the Phoenix Centre was originally operated by the Council. Following a Cabinet decision in December 2013 the service was tendered out. This was due to the high unit cost of £67 per day per client and the intention that a re-modelled service delivered by the voluntary or community sector could bring in more private clients, deliver a mixed model of day, lunch and other community services and create a more sustainable model for the future. Unfortunately, this has not proved possible. SCDA were awarded the tender and the service transferred in July 2014. However, since SCDA took up the service, they have required a subsidy from the Council in order to meet their costs. This has amounted to an average of £18k

per annum up to March 2019. Additionally, we have subsidised the cost of providing meals by paying for the cost of meals for clients who did not attend.

2 Supporting information

2.1 As the market was unable to deliver the required service it is recommended that the Phoenix Centre service is delivered by the council's older peoples directly provided service (DPS) from 1st April 2019. The advantages are:

- The service is sustained and we avoid the challenges of an unplanned closure
- The cost of the service can be delivered at £71.67, a rate which is lower than the bid price of the tender that was received.
- Clients will receive continuity of service as staff are likely to transfer to the County Council in line with legal requirements under the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE).

2.2 This proposal is not intended to set a precedent but addresses the particular challenge of an unsuccessful tender coupled with the fact that there are currently no alternative services in the Lewes area. The service will be periodically reviewed, as all our services are, and changes made where appropriate. Any significant changes that impact on clients will be subject to usual consultation, impact assessments and appropriate governance.

Financial Appraisal

2.3 The financial appraisal is attached at Appendix 2 setting out the cost of delivering the service by the DPS. To ensure that the costing for DPS to provide the service is robust it is based on the same staffing structure as that submitted by the unsuccessful bidder but also includes the additional cost of harmonising staff into current Council grades and uses the same amount for other costs including cleaning, waste disposal and office costs. The cost of running the building and client transport costs were excluded from the tender price and have therefore been excluded from these costings. The current organisational cost is comparable with the costing undertaken in 2013.

2.4 TUPE will apply if this proposal is implemented. This means that 7.8 FTE staff, comprising 12 people, are likely to transfer from SCDA to the Council.

2.5 A draft plan is in place to implement the proposal, if agreed by Lead Member. Key milestones include informing SCDA then clients, carers, staff and other stakeholders and working with SCDA to ensure a smooth transition for both clients and staff between January and March 2019. Letters would be provided to SCDA to distribute to clients and staff to inform them of this decision.

3. Conclusion and reasons for recommendations

3.1 Following an unsuccessful tender for the delivery of the day service at the Phoenix Centre a robust financial appraisal has been undertaken and it is recommended that the service is delivered by the Council's directly provided services from 1st April 2019.

KEITH HINKLEY

Director of Adult Social Care and Health

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LOCAL MEMBERS

Councillor Philip Daniel

Councillor Ruth O'Keefe

BACKGROUND DOCUMENTS: NONE

Report to: **Cabinet**
Date: **26 June 2018**
By: **Director of Adult Social Care and Health**
Title of Report: **Older People's Commissioned Day Services**
Purpose of Report: **To consider the proposals for commissioned older people's day Services**

RECOMMENDATIONS

Cabinet is recommended to:

- 1. agree to continue the model of service at the Phoenix Centre and to re-tender;**
 - 2. agree to close the services delivered through the Charter Centre and Isabel Blackman Centre and re-commission this care in the Independent Sector; and**
 - 3. delegate to the Director of Adult Social Care and Health authority to take all necessary actions to give effect to the implementation of the above recommendations**
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1. Background

1.1 Adult Social Care currently funds older people's day care places for over 330 clients in over 30 different services across East Sussex. These places are primarily individually purchased at an agreed rate with no additional cost, other than transport.

1.2 The exceptions to this pattern of service are the services provided by Sussex Community Development Association (SCDA) who were awarded the tender to deliver older people's day services at the Charter Centre in Bexhill, Isabel Blackman Centre in Hastings and the Phoenix Centre in Lewes from July 2014. SCDA took over responsibility for delivering these services from Adult Social Care. The services provide support to older people with dementia and other long term conditions.

1.3 The Isabel Blackman Centre and Phoenix Centre are owned by the County Council and the Charter Centre which is part of a sheltered housing complex is leased from the landlord, Optivo.

2. Supporting Information

2.1 The financial information within this report relates to older people's day services which have been commissioned from Independent Sector providers over the last three years. The paper does not include older people's day services which are directly provided by Adult Social Care. The average unit cost of providing a day service place has remained constant for the last three years at approximately £53, across the Independent Sector.

2.2 Based on 2017-2018 attendance, the unit costs for the SCDA services are:

Unit costs per person per day	Charter	Phoenix	IBC
Total Unit cost (all costs including premises)	£211	£54	£75

2.3 Re-commissioning older people's day services from the Charter Centre and Isabel Blackman Centre within the Independent Sector will realise a full year saving of £188,438 due to the lower costs of this provision.

3. Consultation Summary

3.1 In the ten week consultation period from 19th April to 28th May 2018 a series of consultation meetings took place in each centre: Charter; Phoenix; Isabel Blackman. In addition, views were sought from a range of stakeholders by letter, telephone and email. Appendix 1 outlines the consultation process and responses. All responses to the consultation have been placed in the Members Room and the Cabinet Room for Member's consideration.

3.2 Over 147 comments or queries were received from people about the older people's day services savings proposals, prior to and during the consultation period.

3.3 Overall themes from the consultation

- People disagreed with, or are unhappy about the proposal, to make savings in this area.
- They said it would be wrong to close them and a false economy in the long run. They are vital services and clients would be upset if they are cut.
- The services are convenient and flexible, providing a routine and stimulation for the client. The staff are good and people value the social aspect and having access to personal care.
- People talked about the benefit of the services to clients and the fact that cutting or closing them would increase the stress on carers.
- It would leave people isolated if they couldn't use these services. It could push people into decline or crisis and lead to the use of more expensive services.
- Reducing or cutting these services could worsen or cause mental health issues.
- They suggested charging people more to use these services and publicising them better to increase usage and their income. People also said the space could be rented out to make some money.
- People said they would still need to attend a day service if these closed and are concerned that there aren't any similar services available.
- It's important that the Council is mindful of the impact the cuts would have when it is making decisions about savings areas.

4. Proposed changes to service provision

4.1 There is a range of other older people's day service provision in the voluntary and independent sector across the county. The County Council already fund places for clients with other day services.

4.2 The higher unit costs of running the SCDA older people's day services at Isabel Blackman Centre and the Charter Centre relate in large part to lower levels of occupancy. This challenge has continued despite extensive efforts from SCDA to increase the numbers of clients attending. The savings proposal therefore is to terminate the contracts with SCDA for both centres and find alternative services for the clients from April 2019.

4.3 We will develop a framework approach to commission older people's day services in the independent sector that are not attached to particular buildings. The framework will be designed to ensure a good geographical spread of provision across the County and to ensure higher levels of need can be met. Two Extra Care Schemes already have day service providers based with them (Bentley Grange and Marlborough House). It is proposed to explore options for further developing the use of Extra Care Services as potential day service providers.

4.4 Currently there are no other local older people's day services providers in Lewes and surrounding area. It is therefore proposed to continue the current model of care at the Phoenix Centre. This will require a further procurement process during 2018/19 as the current contractual arrangements are drawing to a close.

4.5 All individuals receiving a service from the SCDA contracted day services, including people who fund their own day care, will have a review of their needs to inform any choice and decisions about alternative support options, where this would be required.

4.6 The table below sets out the financial rationale for the proposed level of savings that can be derived from the proposed framework commissioning approach.

Older Peoples Day Services	Days	Cost of service	
		£	£
Current Independent Sector Day Services model for Older People			
2017-18 Planned days service	15,314		
2018-19 cost of service using agreed rates including contribution towards voids*		1,030,727	
2018-19 Premises budget - ASC buildings		96,900	
2018-19 estimated total cost of day service			1,127,627
Proposed model			
Planned days service	15,314		
Proposed max framework price per day	£55.00		
Proposed estimated cost of service		842,289	
2018-19 Premises budget - ASC buildings		96,900	
Proposed estimated total cost			939,189
Potential saving achievable compared to 2017-18 demand and prices			188,438
* this figure includes contract void payments			

5. Impact of delivering the proposed changes to service provision

5.1 In considering the proposals in this report, Cabinet Members are required to have 'due regard' to the duties set out in Section 149 of the Equality Act 2010 (the Public Sector Equality Duty). Equality Impact assessments (EqIAs) are carried out to identify any adverse impacts that may arise as a result of the proposals for those with protected characteristics and to identify appropriate mitigations. A summary of the key impacts from the EqIA are attached at Appendix 2. The full version of relevant completed EqIAs have been placed in

the Members' and Cabinet Room and are available on the Cabinet pages of the County Council's website. They can be inspected upon request at County Hall. Members must read the full version of the EqlAs and take their findings into consideration when determining these proposals.

5.2 Given the nature of the proposals in this report and its potential to impact upon those with protected characteristics (most notably those individuals who are elderly and/or have a disability as set out below) the regard that shall be required is high. This however is one relevant factor to consider alongside other factors such as budgetary and economic factors.

5.3 The area of biggest impact is on age, disability and carers. The cumulative impact of the review of commissioned day services, and carers' services will also have a negative impact on carers and older people:

- As these day services are for older people, any reduction or closure of services resulting from the review would have a negative impact on clients and potential clients who have a dementia diagnosis or mental health issue, as well as physical needs associated with the ageing process
- Potential changes would result in increased anxiety and distress for older people with dementia and mental health conditions, and due to reduced capacity for specialised support and the increased likelihood of being admitted to residential care, plus increased use of primary and acute healthcare and an increase in demand for social care
- Should any proposals go ahead as a result of the review, there will be a negative impact on carers and family members of clients by placing increased pressure on them alongside a reduced capacity for carers support and a possible reduction in alternative day services
- An impact to clients who rely on day services for social interaction and stimulation, and likewise to carers who have made social connections with other carers, or use the time to meet other responsibilities or self-care
- Potentially longer travel times to reach services, particularly for clients living in rural areas and who are reliant on arranged transport
- There were also related potential effects on race and sexuality for clients, although it is acknowledged that these issues relate to access to services in general, rather than the proposals specifically. These have been assessed as neutral but addressed in the mitigations where possible
- As directly provided services are also under review, there may be additional impacts on the day services which are contained within this review.
- Whilst there is a reduction in people using day services in East Sussex, by 2025 the number of people with dementia is expected to be 13,425¹, an increase of approximately 30%, which may require approximately 90 additional places based upon the current day care placements of 310

6. Conclusion and Reason for Recommendations

6.1 There is strong local support to retain the day services at the Charter, Phoenix and Isabel Blackman Centres. The views of carers reflected concern at possible loss of service, quality of staff and capacity to support carers through the respite element of day services. There is a range of viable options to re-commission the day care provision currently

¹ Dementia Joint Strategic Needs Assessment, Public Health ESCC, November 2016

delivered at two of the three centres, Charter Centre and Isabel Blackman Centre, whilst ensuring that the current clients continue to be properly supported. The local availability of alternative services combined with low occupancy and high unit costs means that maintaining this provision in the current format is not considered good value.

6.2 The recommendation is therefore to re-commission alternative services in the independent sector. This recommendation supports the strategic direction for older peoples' day services by developing the market, challenging price and developing longer term sustainability of service provision.

6.3 Cabinet is recommended to agree to proceed with the recommendations which will deliver savings of £188,000 from older people's commissioned day services:

KEITH HINKLEY

Director of Adult Social Care and Health

Contact Officer: Tamsin Peart, Strategic Commissioning Manager

Lead Member: Councillor Maynard

Local Members:

Isabel Blackman Centre: Councillor Charman

Phoenix Centre: Councillor Philip Daniel

Charter Centre: Councillor Elford

BACKGROUND PAPERS:

Appendix 1: Consultation Report

Appendix 2: Equality Impact Assessment Summary

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Appendix 2**ESCC costs using tender financial appraisal format**

	ESCC Costing
	£
<u>Annual Expenditure</u>	
Staff	239,778
Maintenance	3,780
Supplies and Services	31,179
Start Up Costs	0
Contingency	0
Central Overhead	0
Non-Client income	-45,000
Private Client Income	-75,400
Net Cost Excluding ESCC Overheads and Contract Mgt	154,337
ESCC Corporate Overheads*	32,012
Contract Management Costs	0
Net Cost	186,349
Clients per Day	10
Annual Sessions	2,600
Net Unit Cost Excluding Overheads and Contract Mgt (£)	59.36
Net Unit Cost	71.67

*ESCC Corporate overheads costs are calculated using the council's corporate overhead model. They represent a non-cash item used to calculate unit costs.

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of the Local Government Act 1972.

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