

Cabinet Meeting on Wednesday 16 October 2019

Adult Learning Disability 2022 Community Offer: The Future of Learning Disability Services directly provided by Staffordshire County Council



Cllr Alan White, Deputy Leader and Cabinet Member for Health, Care and Wellbeing said:

“Redesigning our services for adults with a learning disability to ensure they can continue to meet the needs of local people is a huge task. We are clear in our goals that the services need to help people lead as full and independent lives as possible, for as long as possible, and these recommendations are the latest step to achieving this.

“The way we support people in the future needs to be about ability and focussing on what people can do, rather than what they can’t. That way, we can build on people’s strengths, give them the right support at the right time, and help them maintain their independence.”

Report Summary:

The purpose of Staffordshire’s Adult Learning Disability Community Offer 2022 Programme is to establish the assessed eligible care and support needs of adults with a learning disability and/or autism and ensure that there are appropriate and sustainable services across the county to meet them.

In June 2019, Cabinet requested that proposals for the future of services directly provided by the Council for adults with a learning disability and/or autism be developed and evaluated.

This report includes these proposals along with proposals for the residential replacement care services currently provided by Lifeways, as the current contractual arrangements will expire on 2nd July 2020.

The proposals have been developed following engagement with a range of key stakeholders (including users, staff and carers), current and anticipated future demand, the state of the market, and the quality of current services.

The proposals will ensure that the Council continues to meet peoples assessed eligible care and support needs.

The Council will commission services where we are confident the market can offer quality and value for money.

The Council will continue to provide services directly where necessary, with modernisation of these services to improve quality and reduce operating costs.

Recommendations

I recommend that Cabinet:

- a. Approves the continued direct provision of residential replacement care in Newcastle-under-Lyme; providing 10 beds for countywide use.
- b. Approves in principle the relocation, and subsequent refurbishment, of directly provided residential replacement care in Newcastle-under-Lyme to Wilmott Drive (alongside the Specialist Day Opportunities Service); subject to the assumptions and values specified in paragraph 34 and Table 12 not significantly changing.
- c. Approves the commissioning of residential replacement care services in Cannock and East Staffordshire from the independent market for countywide use in line with the capacity described in paragraph 29.
- d. Approves the delegation of authority to the Director of Health and Care, in consultation with Cabinet Member for Health, Care and Wellbeing, to award a contract for residential replacement care in Cannock and East Staffordshire following an appropriate competitive procurement process, up to a total value of £4.5m.
- e. Delegate authority to the Cabinet Member for Health, Care and Wellbeing to approve a residential replacement care policy to ensure that the basis for access is clear and equitable and that block booked capacity is maximised.
- f. Approves the continued direct provision of residential care in Lichfield; providing 15 beds for countywide use.
- g. Approves in principle the relocation, and subsequent redevelopment, of directly provided residential care in Lichfield to the Scotch Orchard site; subject to the assumptions and values specified in paragraph 61 and Table 13 not significantly changing.
- h. Approves the recommendation for the required refurbishment and redevelopment works for directly provided residential replacement and residential care services.
- i. Approves the delegation of the authority to the Director for Corporate Services, in consultation with the Cabinet Member for Commercial, to enter into development contracts, subject to final sign-off of the business case by the County Treasurer.
- j. Approves consultation with staff and recognised Trade Unions on changes for directly provided services, as appropriate.

Local Members Interest
N/A

Cabinet – Wednesday 16 October 2019

ALD 2022: The Future of Learning Disability Services provided directly by Staffordshire County Council.

Recommendations of the Deputy Leader and Cabinet Member for Health, Care and Wellbeing

I recommend that Cabinet:

- a. Approves the continued direct provision of residential replacement care in Newcastle-under-Lyme; providing 10 beds for countywide use.
- b. Approves in principle the relocation, and subsequent refurbishment, of directly provided residential replacement care in Newcastle-under-Lyme to Wilmott Drive (alongside the Specialist Day Opportunities Service); subject to the assumptions and values specified in paragraph 34 and Table 12 not significantly changing.
- c. Approves the commissioning of residential replacement care services in Cannock and East Staffordshire from the independent market for countywide use in line with the capacity described in paragraph 29.
- d. Approves the delegation of authority to the to the Director of Health and Care, in consultation with Cabinet Member for Health, Care and Wellbeing, to award a contract for residential replacement care in Cannock and East Staffordshire following an appropriate competitive procurement process, up to a total value of £4.5m.
- e. Delegate authority to the Cabinet Member for Health, Care and Wellbeing to approve a residential replacement care policy to ensure that the basis for access is clear and equitable and that block booked capacity is maximised.
- f. Approves the continued direct provision of residential care in Lichfield; providing 15 beds for countywide use.
- g. Approves in principle the relocation, and subsequent redevelopment, of directly provided residential care in Lichfield to the Scotch Orchard site; subject to the assumptions and values specified in paragraph 61 and Table 13 not significantly changing.
- h. Approves the recommendation for the required refurbishment and redevelopment works for directly provided residential replacement and residential care services.
- i. Approves the delegation of the authority to the Director for Corporate Services, in consultation with the Cabinet Member for Commercial, to enter into development contracts, subject to final sign-off of the business case by the County Treasurer.

- j. Approves consultation with staff and recognised Trade Unions on changes for directly provided services, as appropriate.

Report of the Director of Health and Care

Reasons for Recommendations:

1. The purpose of Staffordshire's Adult Learning Disability Community Offer 2022 Programme is to establish the assessed eligible care and support needs of adults with a learning disability and / or autism and ensure that there are appropriate and sustainable services across the county to meet them; aligning with Staffordshire's Whole Life Disability Strategy and vision for Health and Care.
2. The scope, approach and outcomes to be achieved by the Programme are outlined in the June 2019 Cabinet report. Cabinet requested that proposals for the future of services directly provided by the Council for adults with a learning disability and/or autism be developed and evaluated (inclusive of engagement with key stakeholders), and the outcome be brought back to Cabinet.

Scope

3. The learning disability services in scope of the Programme are outlined in Table 1 and Table 2.

Table 1: Directly provided services

Service	Service Type	Provider	Location	No. of users	Budget 2019/20
Greenfields House	Residential care	County Council	Staffordshire Moorlands	9	£1.028m
Horninglow Bungalows	Supported Living	County Council	East Staffordshire	15	£1.016m
Douglas Road	Residential replacement care	County Council	Newcastle under Lyme	13 beds	£1.109m
Hawthorn House	Residential care	County Council	Lichfield	18	£1.818m
Complex Needs Day Services	Building based day opportunities	County Council	6 locations	58	£2.545m
TOTAL COST					£7.516m

Table 2: Externally commissioned 'residential replacement care' services

Service	Service Type	Provider	Location	No of Users	Actual spend 18/19
Woodland View	Residential replacement care	Lifeways	Cannock	10 beds	£0.534m
Silverbirch	Residential replacement	Lifeways	East Staffordshire	5 beds	£0.232m

	care				
				TOTAL COST	£0.766m
				MAX CONTRACT VALUE	£1.015m

4. The services included in the scope of this report are:
- Douglas Road;
 - Externally commissioned residential replacement care at Woodland View and Silverbirch; and
 - Hawthorn House.

Medium Term Financial Strategy (MTFS) savings

5. The original MTFS target for the Adult Learning Disability Community Offer 2022 programme was £3.7m savings by 2021/22. As at 1st August 2019, £0.9m savings have already been achieved, with £1.8m in progress and approved, leaving a balance of £1.0m to be achieved by 31 March 2022, as shown in Table 3.

Table 3: MTFS savings

	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m
Savings target	1.9	3.2	3.7	3.7
On-goings savings achieved in 18/19	0.9	0.9	0.9	0.9
Savings in progress	1.0	1.0	1.0	1.0
Savings at Greenfields House and Horninglow Bungalows (approved Sep. '19)	-	0.8	0.8	0.8
Total savings	1.9	2.7	2.7	2.7
Balance to be achieved	0	0.5	1.0	1.0

Evaluation

6. Options for each service have been evaluated following engagement with users, carers and staff, and taking into account:
- Current and anticipated future demand;
 - The state of the market; and
 - The quality of current services, including both care provision and the buildings.
7. Recommendations are based upon the following principles:
- The Council will commission services where we are confident the market can provide them; and
 - The Council will directly provide services where necessary, with modernisation of these services to improve quality and reduce operating costs.
8. The recommendations aim to ensure that all services, whether commissioned from the market or directly provided by the Council are:

- a. Statutorily compliant – meeting assessed eligible care and support needs, both current and future;
 - b. Acceptable to users and carers;
 - c. Are sustainable and represent value for money.
9. Engagement with users, carers and staff is summarised in Table 4, with full details included in Appendix 1.

Table 4: Engagement with users, carers and staff

Cohort / Mechanism	Total
People who use services and their carers – meetings / 1:1	77
Staffordshire County Council Provider Staff – briefing sessions	77
Adult Learning Disability Team’s (ALDT) – briefing sessions	44
Citizen Space Survey’s & written submissions	41
TOTAL	239
In addition, Lifeways carried out staff engagement at Woodland View and Silverbirch	

10. The impact of options on cash flow and Net Present Value (NPV) has been modelled in order to explore the effect on expenditure both in the short term and over a 30-year period.

Adults with learning disabilities in Staffordshire

11. The number of adults with a moderate or severe learning disability is predicted to remain relatively stable over the next 10-20 years, as shown in Table 5.

Table 5: number of adults with a moderate or severe learning disability in Staffordshire (source: PANSI Population Statistics)

Age Range	2019	2020	2025	2030	2035
18-24	410	401	392	427	430
25 – 34	553	553	537	499	508
35 – 44	616	519	660	685	671
45 - 54	667	652	574	562	601
55 – 64	577	591	630	595	525
TOTAL	2824	2817	2795	2769	2735

12. The number of adults with a learning disability in receipt of a long-term service funded by the Council has remained relatively stable over the last few years, as shown in Table 6.

Table 6: number of adults with a learning disability in receipt of a long-term service

Report Month	Staffordshire North	Staffordshire South	Total
July 2017	868	999	1867
July 2018	840	994	1834
July 2019	843	990	1833

13. The number of young people supported to prepare for adulthood has also remained relatively stable, as shown in Table 7.

Table 7: number of young people ‘preparing for adulthood’

Report Month	Age (years)	Staffordshire North	Staffordshire South	Total
July 2018	14 – 17	30	37	67
	18	22	23	45
July 2019	14 – 17	26	35	61
	18	24	26	50

14. All of this suggests that the number of people with a learning disability in receipt of long-term services funded by the Council will remain relatively constant over the next 10-20 years. However, as per national trends, the complexity of need is likely to increase as people live longer with associated health conditions.

Residential replacement care (Respite)

15. Residential replacement care is commonly referred to as ‘Respite’ by people who use these services and their carers.

Current and anticipated needs and market

16. Countywide, in 2018/19 just over 200 people with a learning disability accessed directly booked residential replacement care primarily at Douglas Road, Woodland View and Silverbirch, a slight increase on the previous year as shown in Table 8.

Table 8: residential replacement care usage

Financial Year	Number of people	Number of episodes
2017/18	179	720
2018/19	214	725

17. Figures in Table 8 include activity directly provided, contracted from block booked providers and contracted through spot purchased arrangements. In addition to the expenditure shown in Tables 1 and 2 for directly provided services and services and contracted from block booked providers, there was expenditure of £0.018m for contracted spot purchased arrangements in 2018/19.
18. In addition, 55 people accessed alternative residential replacement care opportunities through non-contracted arrangements and direct payments, a total of 1786 nights at the point of assessment at a cost of £0.262m in 2018/19.
19. The number of people requiring residential replacement care services is likely to remain relatively constant over the next 10-20 years. However, the number of nights may increase slightly due to increases in the complexity of need as people live longer with associated health conditions.

Service overview: Douglas Road

20. The Council currently directly provides residential replacement care at Douglas Road in Newcastle Under Lyme. The facility has thirteen beds and is rated 'good' by the Care Quality Commission (CQC).
21. Usage has decreased due to increasing complexity of need, which means that the eight bedrooms on the first floor are inaccessible for the majority of people using the service (thus presenting an unmanageable demand for the ground floor accommodation), and because of high staff sickness levels, as shown in Table 9.

Table 9: Douglas Road usage

Financial Year	Total bed days	Used bed days	Average Usage (beds occupied per day)
2017/18	4745	3136	8.5
2018/19	4745	2378	6.5

Service overview: Woodland View and Silverbirch

22. The Council also commissions Lifeways to provide two residential replacement care services:
- a. Woodland View, Cannock – ten beds. The Council leases the accommodation from a Registered Social Landlord, following significant financial investment from the Council, as part of a wider development; and
 - b. Silverbirch, East Staffordshire – five beds. The Council owns the accommodation and funded the development.
23. The Council block books ten beds in total across the two services with the ability to spot purchase the remaining five beds. Both services are rated 'good' by the CQC.
24. In September 2019, Cabinet approved an extension to the contracts for the two block-booked residential replacement care services with the current provider until 2nd July 2020 to coincide with the expiry of accommodation lease arrangements.
25. Usage is below capacity, as shown in Table 10, and there have been occasions when the two services have been unable to take people with the most complex needs. Eight people over a three year period were declined by the provider based on complexity; four of these were subsequently supported at Douglas Road, and the remainder were supported by the independent market at a maximum cost of £2,500 per week. In addition, the inability to access residential replacement care in a timely way is a likely a contributing factor in two long term residential care admissions.

Table 10: Woodland View and Silverbirch usage

Financial Year	Service	Total bed days	Used bed days	Average Usage (beds occupied per day)
2017/18	Woodland View	3650	2761	7.5

	Silverbirch	1825	1130	3.1
2018/19	Woodland View	3650	2723	7.4
	Silverbirch	1825	1058	2.8

Issues

26. Residential replacement care services have the following issues in common:
- a. Demand for the services is weekend heavy, which is not sustainable in the medium term;
 - b. The majority of people who use the services continue to access their Day Opportunities Service during weekdays; and
 - c. Emergency placements can affect the provision of planned residential replacement care: both Woodland View and Douglas Road have had a person reside with them for more than 12 months.
27. In addition, carers of people who use the services have highlighted:
- a. There is a lack of clarity about the quantity and quality of activities provided to meet assessed eligible care and support needs;
 - b. The multitude of booking systems are not fair or effective; and
 - c. Communication between providers and carers could be improved.

Recommendation

28. The recommendation is for the Council to directly provide 10 beds of residential replacement care in Newcastle-under-Lyme. This service would be predominantly for people with complex care needs from across the County.
29. The recommendation is for the Council to commission the independent market to provide a maximum of 15 beds of residential replacement care in the existing accommodation located in Cannock (Woodland View) and East Staffordshire (Silverbirch), with 10 beds block booked and the remainder spot purchased and paid according to occupancy. These services will be used by people from across the county.
30. For commissioned services a reduction against the current cost will be achieved through a typically lower complexity of users, greater efficiency and a reduction in payment for daytime hours to accommodate attendance to Specialist Day Opportunities. The contract duration would be 3-5 years.
31. Together this would give the Council access to a total of 25 residential replacement care beds, which should be sufficient to meet current and anticipated needs as shown in Table 11. This includes an allowance for vacancies of 10-20% to ensure that capacity should always be available.

Table 11: Demand and supply

	Demand based on bed usage 2018/19	Recommended supply Block booked		
		Block booked beds	Spot purchased beds	Total
Newcastle under Lyme	6.5	10	-	10
Woodland View	7.4	7	3	10
Silverbirch	2.8	3	2	5
Other	4.8			
Total	21.5	20	5	25

32. The Council would develop and implement a residential replacement care policy, which would ensure that choice is clear and equitable, maximise use of block booked capacity, and ensure that the Council were not double paying for days when people are booked into residential replacement care and using Specialist Day Opportunities. The Council would also develop a booking system to ensure equitable access in line with needs and ease of booking for carers.
33. These options are recommended, as:
- They are in line with the preferences of carers and other key stakeholders;
 - They guarantee access to quality residential respite replacement care to meet the current range and complexity of needs, in a timely manner on a county wide basis, at a sustainable cost;
 - They are financially the most advantageous; and
 - The Council would retain a position in the market.

Options considered: Newcastle under Lyme

34. Six options were modelled to explore their impact on cash flow and NPV. Table 12 and Appendix 2 show the best estimates. The modelling included the following assumptions:
- Cost of direct provision: £1,730 per week
 - Comparative cost of provision in the independent market: £1,750
 - Capital cost of development: £1.6m
 - Interest rate on borrowing for capital costs: 4.5%
 - Cost of change: £0.275m

Table 12: Residential replacement care Newcastle under Lyme financial modelling

Option	Description	NPV £m (30 years)
1	Keep service at Douglas Road - 7 beds to minimise use of first floor	1.894
2a	Move service to Wilmot Drive - 7 beds with refurbishment	2.015
2b	Move service to Wilmot Drive - 10 beds with	3.954

	refurbishment and extension	
2c	Move service to Wilmot Drive - 10 beds with limited redevelopment	2.714
2d	Move service to Wilmot Drive - 10 beds with full redevelopment	2.148
3	Discontinue direct provision of residential replacement care and buy all beds from independent market	4.205
4	Keep service at Douglas Road - 5 beds with remainder commissioned from independent market	1.896

35. This demonstrates that options 2b and 3 have the most favourable NPVs.
36. Option 2b aligns with feedback from a range of key stakeholders, thus minimising the risk of challenge and complaint.
37. Option 2b is more favourable from an MTFs perspective with savings realised more quickly and totalling £0.821m up to 2024/25 compared to £0.705m for option 3.
38. Option 2b maintains the Council's position in the marketplace, meaning minimal dependency on the independent market to meet the most complex care needs, at a sustainable price.
39. In addition to the NPV analysis, option 2b would also generate a receipt from the sale of Douglas Road of £0.355m.
40. The assumptions used were tested with a sensitivity analysis, as shown in Appendix 2, which demonstrates that within a range of plausible assumptions, option 2b remained the most favourable overall from a financial perspective:
 - a. Option 2b has a positive NPV even under the worst-case scenario; and
 - b. The sensitivity analysis demonstrated the most sensitive variables were the cost of direct provision and the comparative cost of provision in the independent market. This means that option 2b is better able to manage risks: the Council is able to control the costs of direct provision; but has less control over costs in the independent market.
41. Wilmot Drive is a large site, currently under used, and a short distance away from Douglas Road. The site would be refurbished and extended to accommodate residential replacement care alongside the existing Specialist Day Opportunities service. This would allow more efficient use of Wilmot Drive allow Douglas Road to be sold, with reductions in overall utility and maintenance costs in the long term.
42. The anticipated timescale for refurbishment and extension of Wilmot Drive would be 18 months. It is anticipated, savings could be achieved from mid-2020 (subject to the project start date).

Options considered: Cannock and East Staffordshire

43. The option to discontinue block booked residential replacement care in these areas was not modelled as this would be against the preferences of carers, thereby risking complaint and challenge. It would also be unlikely to offer good quality services for people in a timely way, and at an affordable cost, with a requirement for a high use of spot purchased services. In addition, the Council would make a loss on historic financial investment made in the accommodation.
44. The option for the Council to directly provide residential replacement care in these areas was not modelled as this would require set up costs and it is highly unlikely that the ongoing cost would be lower than that offered by the independent market.

Financial implications

45. Once fully operational, the on-going cost of directly providing a 10-bed residential replacement care service in Newcastle under Lyme is £0.925m annually, net of borrowing costs required to fund the development. There would be a saving of £0.119m in 2020/21 rising to over £0.171m annually from 2021/22 in comparison to current costs. There would be additional savings from a reduction in use of spot purchased beds.
46. The ongoing cost of commissioning residential replacement care in Cannock and East Staffordshire would be a maximum of £0.9m annually. This is a bed price of £1,153 per week and would allow a saving of £0.058m in 2020/21, rising to £0.115m annually from 2021/22 in comparison to current costs.

Staff implications

47. Due to the proposed reduction in the beds for the directly provided service, it will be necessary to review staffing numbers. Staff and recognised Trade Unions would be consulted on the potential proposals and implications. The anticipated cost of change has been included in the calculation of savings.

Residential Care

Current and anticipated needs

48. Countywide, approximately 495 people with a learning disability are in residential care. Admissions to residential care have remained relatively stable at an average of 35 per annum over the last three years; of whom around 40% are people transitioning into adulthood and 60% are older adults.
49. The number of people requiring residential care is likely to remain relatively constant over the next 10-20 years, although it is likely that the complexity of their needs will increase as people live longer with more associated health conditions.

State of the market

50. The Council contracts with 78 providers for residential care. Most offer care for people with moderate to high needs and the number of providers who offer care for people with the most complex needs is relatively small.

51. 90% of the residential care market is rated as either 'good' or outstanding' by the CQC. There have been 5 recorded 'provider failures' in the last 24 months.
52. The reference rate for residential care for people with a learning disability and/or autism is £854 - £1256 per week. In 2018/19 40% of new placements exceeded the reference rate. It is anticipated that purchasing residential care for the majority of the people residing at Hawthorn House in the independent market would exceed the reference rate, due to the complexity of their needs.
53. The price of new placements for people with the most complex needs has increased by 25% between 2016/17 and 2018/19. Indications for new placements in the current financial year, thus far, indicate a further increase.

Service Overview: Hawthorn House

54. The Council currently directly provides residential care at Hawthorn House in Lichfield. The facility has 17 residents and is rated 'good' by the CQC.

Hawthorn House consists of two main buildings and a derelict third property on a large site. The site is underutilised, and the buildings are in a poor state of repair. The current layout requires a higher than average staffing ratio, and delays in decision making, have contributed a relatively high cost of £2,050 per bed per week.

55. In 2007 Cabinet decided to reprovide this service by transferring residents to alternative accommodation and care arrangements and closing Hawthorn House. A plan to pursue alternative Supported Living arrangements was abandoned in January 2018 due to the escalating complexity needs of residents, rendering this option inappropriate for the majority of residents.
56. Care Act assessments have indicated that the needs of the majority of the current residents would be best met in residential care. Carers have expressed a preference for residential care, and the view is supported by the Registered Manager, noting that the complexity of needs is well managed in the current service and that needs are anticipated to escalate further.

Recommendation

57. The recommendation is for the Council to continue to directly provide a residential care service in Lichfield.
58. The service would have 15 beds and would be able accommodate the majority of the current residents of Hawthorn House in the first instance, where residential care is deemed the most appropriate. In the future it would be used to meet the needs of people with the most complex needs countywide where the independent market is unable to offer a quality service at an affordable price.
59. This option is recommended, as:

- a. It is in line with the preferences of carers and other key stakeholders;
- b. It will provide residential care to people with the most complex needs, on a county wide basis, where the independent market is unable to offer a quality service at an affordable long term cost; and
- c. It is financially the most advantageous;
- d. The Council would retain a position in the market providing support to people with the most complex need and promoting competition and sustainability.

Options considered

60. Five options were modelled to explore their impact on cash flow and NPV. Table 13 and Appendix 3 show the best estimates. The modelling included the following assumptions:

- a. Cost of direct provision for people with the most complex needs: £1,460 per week;
- b. Comparative cost of provision in the independent market: £1,530 per week;
- c. Capital cost of development: £2.820m
- d. Interest rate on borrowing for capital costs: 4.5%
- e. Cost of change: £0.772m

Table 13: Residential care Lichfield financial modelling

Option	Description	NPV £m (30 years)
1	Keep Hawthorn House.	-
2	Rationalise Hawthorn House to lower house with 12 beds	6.926
3	New build on Scotch Orchard site with 12 beds	7.579
4	New build on Scotch Orchard site with 15 beds	8.634
5	Discontinue direct provision of residential care and commission all beds from the independent market	-3.051

- 61. This demonstrates that option 4 has the most favourable NPV.
- 62. A reduction against the current cost of direct provision would be achieved by consolidation of the service into a single building allowing a reduction in utility and maintenance costs, as well as a reduced staffing ratio.
- 63. In addition to the NPV analysis, option 4 would also generate a receipt from the sale of Hawthorn House of £0.580m.
- 64. The assumptions used were tested with a sensitivity analysis, as shown in Appendix 3, which demonstrated that within a range of plausible assumptions, option 4 remained the most favourable from a financial perspective and has a positive NPV even under the worst-case scenario.
- 65. Option 4 would allow the Council to limit the cost of providing care to people with the most complex needs in the medium to long term in the context of rising costs in the independent market.

66. The Scotch Orchard site is a short distance away from Hawthorn House and is currently vacant. The site would be redeveloped with a new building to accommodate the residential care service. This would allow Hawthorn House to be sold and reduce utility and maintenance costs in the long term.
67. The anticipated timescale for redevelopment would be two years. Savings could be achieved from mid-2020 (subject to the programme start date).

Financial implications

68. Once fully operational, the on-going cost of directly providing a 15 bed residential care service in Lichfield is £1.4m annually, net of borrowing costs required to fund the development. There would be a saving of £0.246m in 2020/21 rising to over £0.4m annually from 2022/23 in comparison to current costs.

Staff implications

69. Due to the proposed reduction in the beds for the directly provided service, it will be necessary to review staffing numbers. Staff and recognised Trade Unions would be consulted on the potential proposals and implications. The anticipated cost of change has been included in the calculation of savings.

Anticipated savings summary

70. The savings generated by the recommendations in this report are summarised in Table 14. Work is in progress to identify savings to achieve the remaining balance.

Table 14: savings summary

£m	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m
Savings target	1.9	3.2	3.7	3.7
On-goings savings achieved in 18/19	0.9	0.9	0.9	0.9
Savings in progress	1.0	1.0	1.0	1.0
Savings at Greenfields House and Horninglow Bungalows (approved Sep. '19)		0.8	0.8	0.8
Savings from these recommendations		0.4	0.5	0.7
Total savings	1.9	3.1	3.2	3.4
Balance to be achieved	0	0.1	0.5	0.3

Risks and Mitigation

71. The anticipated risks and mitigating actions are summarised in Table 15.

Table 15: Risks and mitigating actions summary

Service	Risk	Mitigating Action
All	Challenge and	- The programme has engaged with

	complaint (inc. judicial review) from impacted key stakeholders.	<p>all key stakeholders to consider options.</p> <ul style="list-style-type: none"> - - Services will continue to meet assessed eligible care and support needs and remain statutorily compliant. - Affected staff and Trade Unions would be consulted in line with Council policy.
All	Needs of the current cohort change	<ul style="list-style-type: none"> - The programme has considered current and future anticipated need using a range of evidence sources which indicates continued levels of need county wide. - Accommodation will be designed to be flexible to changing needs. In addition, stringent Project Management will be required to ensure delivery in specified timescales.
All	Capacity of ALDT to undertake necessary Assessments	<ul style="list-style-type: none"> - The programme will work with the Strategic Lead to discuss assessment requirements and associated timescales.
Residential Replacement Care and Residential Care Redevelopments	CQC may not register the new accommodation due to size and/or shared location	<ul style="list-style-type: none"> - The programme will work closely with CQC – including supporting Registration documentation and guidelines. .
Directly provided services	The anticipated cost of services may exceed those specified.	<ul style="list-style-type: none"> - The costs will be subject to continual review to ensure the required financial efficiencies are achieved.

Community Impact Assessment (CIA)

72. Findings are summarised in Table 16 with the full and Executive Summary CIA included at Appendix 4.

Table 16: CIA Key Summary Points

Domain & Impacted Parties	Benefits	Risks & Mitigating Actions
<p>P.S.E.D</p> <ul style="list-style-type: none"> - Disability - SCC Staff 	<p>People will receive care and support in the most appropriate setting to meet their eligible needs.</p> <p>The Council will continue to</p>	<p>There may be a risk of complaint and challenge about distance travelled to services where these are countywide - <i>The Council will ensure adherence to</i></p>

	employ a skilled and trained workforce	<p><i>Statutory Responsibilities ref: location as an assessed eligible need and the subsequent provision of transport.</i></p> <p>Any change in job descriptions and structures may result in changes to services and subsequently state of employment – <i>Affected staff and Trade Unions would be consulted in line with Council policy.</i></p>
<p>Health & Care</p> <ul style="list-style-type: none"> - Mental Health & Wellbeing - Healthy Lifestyles - Accidents & Falls Prevention - Access to Social Care - Independent Living 	The Council will continue to provide and commission services that promote health and wellbeing	<ul style="list-style-type: none"> - There may be a risk of complaint and challenge about distance travelled to services where these are countywide - <i>The Council will ensure adherence to Statutory Responsibilities ref: location as an assessed eligible need and the subsequent provision of transport.</i>
<p>Economy</p> <ul style="list-style-type: none"> - Economic Growth - Workplace Health & Environments - Access to good quality jobs 	<p>The Council will continue to employ a trained and skilled workforce.</p> <p>The Council will continue to commission services from the independent market which will provide job opportunities in the local community.</p>	<p>There may be a risk of complaint and challenge about the Council continuing to directly provide services this is – <i>the Council is already a direct provider of in both Newcastle under Lyme and Lichfield so this risk is limited.</i></p> <p>The competitive process to identify the providers in the independent market may not be successful - <i>A soft market exercise has already indicated interest</i></p>

<p>Environment</p> <ul style="list-style-type: none"> - Built Environment / Land Use - Transport 	<ul style="list-style-type: none"> - The Council will seek to maximise the use of its assets – including land and accommodation. 	<ul style="list-style-type: none"> - People may need to travel further to access a service thus negatively affecting the environment)
<p>Localities / Communities</p> <ul style="list-style-type: none"> - Community Capacity / Development 	<ul style="list-style-type: none"> - All services will be expected to support development of community capacity and build links with local communities 	<ul style="list-style-type: none"> - There is a high level of demand / expectation of the Community Capacity Agenda – through engagement concerns have been expressed about the potentially limited financial resource and capacity to support with the growth of community capacity, and suitability for providing support to people with complex need – <i>Regular and meaningful engagement with key stakeholders</i>

List of Background Documents/Appendices:

Appendix 1 - Summary of Engagement Feedback

Appendix 2a -Financial modelling for residential replacement care in Newcastle under Lyme

Appendix 2b: Financial modelling for residential replacement care in Newcastle under Lyme – Sensitivity analysis

Appendix 3a: Financial modelling for residential care in Lichfield

Appendix 3b: Financial modelling for residential care in Lichfield – Sensitivity analysis

Appendix 4: Community Impact Assessment

Contact Details

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