

Report to: **Cabinet**
Date: **27 July 2010**
By: **Director of Adult Social Care**
Title of Report: **Older Peoples Services at 39 Harvard Road, Ringmer**
Purpose of Report: **To provide Cabinet with the outcome of the consultation on the recommendation to close 39 Harvard Road**

RECOMMENDATIONS

Cabinet is recommended to:

- 1. agree to the closure of 39 Harvard Road, Ringmer and that respite services are fully recommissioned from the independent sector; and**
 - 2. agree to the reinvestment of savings into the Community Care budget.**
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1 Financial Appraisal

1.1 Appendix 1 sets out the financial information for 39 Harvard Road in Ringmer, together with the costs associated with the reprovisioning of respite services, where appropriate, in the independent sector. In summary, the total net budget for 2010/11 for services is £911,200. In a full financial year, it is estimated that the costs of respite reprovisioning, will total £465,347, thereby delivering an ongoing saving of £445,853 (approximately one half of the current costs) to be reinvested in overall service provision.

1.2 The maximum one-off costs relating to redundancy (£222,983) and pension augmentation (£289,316) will be £512,299 making the payback period for closure approximately fourteen months, although the actual payback period is expected to be shorter as some staff could be redeployed.

1.3 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 39 Harvard Road is a purpose-built residential care unit in Ringmer owned and operated by the County Council. It provides 37 residential respite care beds for frail older people and has a Care Quality Commission (CQC) rating of "Two Stars" (Good). The care home was built in the early 1970s and whilst the quality of care is of the highest standard, the physical environment is not up to the standards that would be expected in a modern purpose-built care home.

2.2 As 39 Harvard Road only provides short term care, there is no statutory requirement to undertake any consultation prior to closure. In order, however, to ensure an open and transparent process, on 8th June, 2010, Cabinet agreed to consult service users, their representatives and other key stakeholders on the option to close 39 Harvard Road for the following reasons:

- The room sizes do not meet current CQC standards and do not have en-suite facilities.
- The review of Directly Provided Services (2007 -2009) concluded that it was neither appropriate nor cost-effective for the Council's residential care homes to provide standard residential care.
- Self Directed Support gives service users choice over how their care needs are met , which is likely to result in a reduction in demand for traditional respite services.
- The current users of Harvard Road are dispersed over a very wide geographical area.

- There is adequate alternative provision in the independent sector.
- Full reprovisioning in the independent sector would release approximately £450,000 per annum (one half of the current costs) to be reinvested in overall service provision.

3 Consultation Summary

3.1 In the four week consultation period, from 9th June to 6th July, a series of individual and collective consultation meetings took place. In addition, views were sought from a range of stakeholders by letter, telephone and email. Appendix 2 outlines the consultation process. A total of 138 comments were received during the consultation period, with none in favour of the proposal, 36 opposing the proposal with reasons and 102 opposing the proposal without giving a reason but asking questions, making comments or expressing concerns.

3.2 There were numerous positive comments about the high standard of care that is being provided at 39 Harvard Road, with very strong support from service users, carers, staff and local residents for the need to continue to provide services on the site. Some service users were very keen to receive their respite care closer to home (e.g. Eastbourne, Seaford, Frant) while others valued the difference a stay away from their locality offered.

3.3 Some respondents demonstrated a lack of understanding in respect of the limited range of services provided at 39 Harvard Road and the reasons for the home's low occupancy levels. Unfounded concerns were also raised about the availability of English-speaking staff, lower quality care and higher "real" costs in the private sector. A sample of comments received is included in Appendix 3 and a full set of consultation responses is available in a file in the Member's Room.

4 Alternative Service Provision

4.1 Whilst it is acknowledged that there is limited alternative provision in the immediate Ringmer area, Appendix 4 shows that the service users who currently access Harvard Road are dispersed over a very wide geographical area (including Eastbourne, Seaford, Peacheaven, Uckfield, Heathfield and Crowborough and as far away as Wadhurst) with only five of the current 85 service users regularly accessing the respite care beds living in the Ringmer Parish.

4.2 There is adequate alternative provision in the independent sector which will enable many of the current service users to access a greater range of high quality residential respite services nearer to their own home. A report from the Service Placement Team is attached at Appendix 5, providing details of the available alternative provision within the current Harvard Road catchment area.

5 Conclusion and Reason for Recommendation

5.1 Whilst it is acknowledged that there is a significant amount of local support to retain this service in Ringmer, the fact that very few local people actually use the service for their respite care, combined with the high unit cost (when compared to independent sector provision of equal quality), means that maintaining this provision is both unsustainable and unaffordable.

5.2 The closure and reprovisioning in the independent sector of the 37 residential respite beds at Harvard Road will not only release a significant amount of funding to meet the increasing demands of the local population, but, in line with the Putting People First Concordat, will also offer service users greater choice and control over how and where their care needs are met.

KEITH HINKLEY
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Lead Members : Councillors Glazier and Bentley

Local Members : Councillor St. Pierre

BACKGROUND PAPERS: Cabinet 8th June, 2010. – Directly Provided Services at 39 Harvard Road

**39 HARVARD ROAD – FINANCIAL APPRAISAL
OUTTURNS & BUDGETS:**

	2009/10 ACTUAL OUTTURN £	2010/11 BUDGET £	2010/11 PROJECTED OUTTURN (closed Oct 10) £	2011/12 PROJECTED OUTTURN £
Staffing	925,470	925,400	462,700	0
Premises	75,078	72,600	36,300	0
Transport	4,839	4,900	2,450	0
Supplies & Services	67,861	74,900	37,450	0
Third Party Payments	132	0	0	0
Support Services	4,829	600	300	0
Capital Charges - depreciation & impairment	12,595	11,000	5,500	0
Reprovisioning costs of respite service	-	-	232,674	465,347
Redundancy	-	-	222,983	0
Pension augmentation	-	-	289,316	0
Subtotal Expenditure	1,090,804	1,089,400	1,289,673	465,347
Income	(178,236)	(178,200)	(89,100)	0
TOTAL NET COSTS	912,568	911,200	1,200,573	465,347

HARVARD RD UNIT COSTS:	
Available places	37.00
% Average Occupancy	74%
NET Unit Cost (£) per week	£638.24

REPROVISIONING COSTS :	DIFFERENCE :
= 28 beds used	
£318.73 *	£319.51
X 28 beds X 52.143 weeks	
£465,347 per annum	

* £429.03 = Residential preferred provider fee in 2010/11 = £429.03 – £110.30 (Minimum client contribution) = £318.73

**SUMMARY OF ESTIMATED
COSTS AND SAVINGS: ***

HARVARD ROAD	2010/11 ESTIMATE £	2011/12 ESTIMATE £
Net budget	911,200	911,200
<u>Future projections</u>		
Operational costs	544,700	0
Reprovisioning costs of respite service	232,674	465,347
Redundancy #	222,983	0
Pension augmentation #	289,316	0
	1,289,673	465,347
Additional cost/(saving)	378,473	(445,853)

Notes

* Assuming closure in October 2010

Worst case scenario

39 HARVARD ROAD CONSULTATION PROCESS

Consultation Period: 9th June 2010 to 6th July 2010 (4 weeks)

Stage One – regarding proposal to Cabinet

1. **Meeting with Harvard Road Staff – 28th May 2010 – 12 staff + UNISON attended**
 - held by Shane Heber (Head of Operations, DPS) and Cheryl Bone (Project Manager, DPS) – 12 staff attended, plus Rachelle Woolman-Clarke (Personnel Officer) and Tony Watson (Branch Secretary - Unison). The GMB Union was invited but did not attend.
2. **Letter to Staff from Director of Adult Social Care - 28th May 2010 – 45 letters**
3. **Letter to Users from Director of Adult Social Care - 28th May 2010 – 53 letters**
 - Sent to service users receiving respite on that date and to those regularly receiving rolling respite at Harvard Road
4. **Letter to Stakeholders from Director of Adult Social Care - 28th May 2010 – 65**
 - A copy of the June Cabinet Report was attached to the letters (50 by email/15 by post).
 - To UNISON, GMB Union, members of the East Sussex Older People's Partnership Board, East Sussex Seniors' Association, East Sussex Downs & Weald Primary Care Trust, Lewes District Council, Ringmer Parish Council, Age Concern, Care for the Carers, Norman Baker (local MP), Councillor Rosalind St. Pierre (local Member).

Stage Two – following Cabinet agreement to Consultation

5. **Letter to Staff from Director of Adult Social Care - 8th June 2010 – 45 letters**
6. **Letter to Users from Director of Adult Social Care - 8th June 2010 – 60 letters**
 - 53 Letters sent to all those service users who received letter dated 28th May 2010
 - 7 Letters sent to service users who had recently been admitted to Harvard Road and not received the initial letter
7. **Letter to Stakeholders from Director of Adult Social Care - 8th June 2010 – 65**
8. **Consultation Meetings – held at Harvard Road by Cheryl Bone (Project Manager):**
 - 14th June 2010 -19 staff attended
 - 14th June 2010 -15 service users consulted (inc. 2 individual meetings)
 - 17th June 2010 - 5 service users consulted at individual meetings
 - 21st June 2010 -10 staff attended
 - 21st June 2010 - 2 service users consulted at individual meetings

Summary of All Comments/Queries Received since 8th June 2010

- 9 Letters, emails and telephone calls received from staff/volunteers
- 18 Letters, emails and telephone calls received from service users/carers
- 90 Letters, emails and telephone calls received from local residents
- 21 Letters, emails and telephone calls received from stakeholders, of which:
- 14 – Ringmer Parish Council
 - 7 – Other Stakeholders

No comments were received from:

- Norman Baker, MP
- Age Concern
- Care for the Carers
- UNISON
- GMB Union
- Lewes District Council
- East Sussex Downs and Weald Primary Care Trust

Comments received during the Consultation Process

A total of 138 comments were received during the consultation period: 9th June 2010 to 6th July 2010.

Of those comments:

- 0 were in favour of the proposal
- 36 were opposed with reasons
- 102 were opposed without reason given (eg. views, comments and concerns) or were requests for further information/general queries

Selection of comments received from service users/carers:

“...I think it is a facility that is needed. The care provided by the staff, the accessibility to other agencies and the great community involvement was first class and should not be lost.” **JM, carer** (Ref. 20)

“... it would be easier to be in Seaford... I would not object to it at all and I would see my wife more often.” **JL, service user** -Mr. L lives in Seaford (Ref: Section 8 – Service User Interview)

“Is this the only place like this in East Sussex? I walk along the corridors and half the rooms are unoccupied...It must cost a lot to run.....” **RP, service user** (Ref: Section 8 – Service User Meeting Minutes)

It is disgusting..... It's such a nice place. I have been here a fortnight and it is helping me no end...” **JH, service user** (Ref Section 8 – Service User Meeting Minutes)

“...I'm totally sickened with the lot of them. You can tell I'm angry and justly so.” **Mrs. M, carer** (Ref 67)

Selection of comments received from staff :

“No staff dispute that the building is inadequate. It is just the fact that it was to be demolished and rebuilt here. That is what people are upset about...” **CB, staff member** (Ref Section 9 - Staff Meeting Minutes)

“Isn't it a shame that everything comes down to saving money, but to whose cost? We had been through all the room sizes etc. and decisions had been made for a re-build by Agewell and that the money was available. I am really upset that this is now a no go.” **SO, staff member** (Ref 13)

“..I feel care should not be a money-making exercise and it is not all about en-suites, new furnishings etc., but all about the tender loving care and consideration service users receive in their remaining years..” **LE, staff member** (Ref 129)

Selection of comments received from local stakeholders/residents:

“It leaves me speechless!.....” **Mrs.PC, local resident** (Ref 71)

“.. We are all aware that cuts in services are inevitable and that 39 Harvard must take its share, but PLEASE DO NOT DECIDE ON CLOSURE.” **HD, local resident** (Ref 118)

“... Unlike other Homes, I have always found Harvard House to be far more like “home from home” and the care and quality of staffing to be excellent. Many of the members of the Evergreen Club echo these sentiments...” **Mrs. MH on behalf of Ringmer Evergreen Club** (Ref 96)

“...Whilst I am in favour of private enterprise, when it comes to the efficient use of council taxes, it is hardly right for private profit to be creamed off in the provision of such an essential service....” **Mr. V.C.T, local resident** (Ref 98)

“... Ringmer WI totally oppose its closure.” **JK, President Ringer WI** (Ref 21)

Selection of comments received from Ringmer Parish Council:

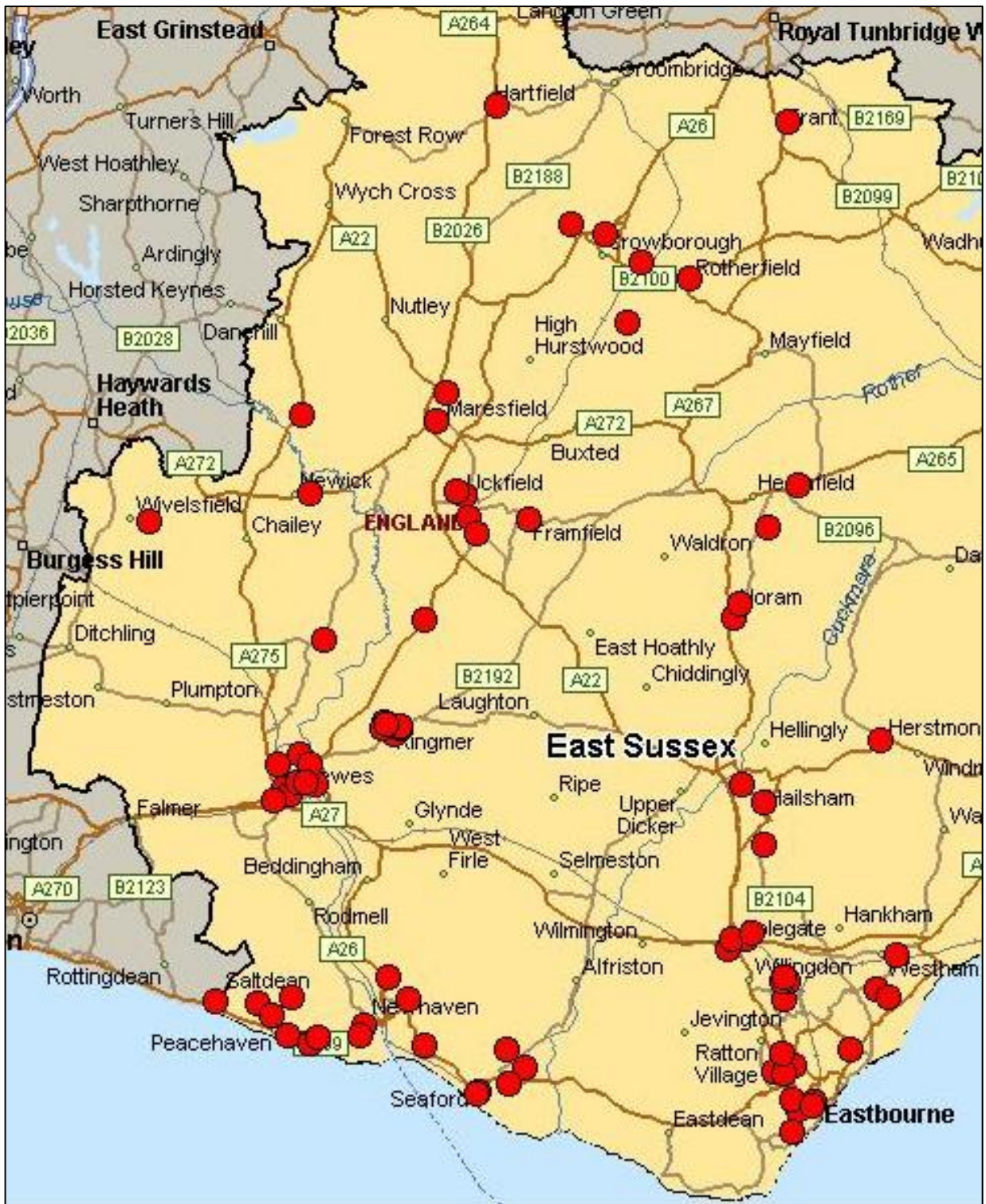
“Ringmer Parish Council accepts that under present economic circumstances the replacement of 39 Harvard Road by a new PFI-funded East Sussex County Council care facility is not affordable. It also accepts that the current care home at 39 Harvard Road does not meet 21st-century physical standards, and that any adaptation would be expensive. The replacement of 39 Harvard Road by a new private sector care home, under an agreement that included the provision of a range of ESCC-commissioned services for local people, would be an acceptable alternative way forward. **Ringmer Parish Council submission** (Ref 112)

“The only reason Harvard Road is not running at full capacity is, in my opinion, because ESCC prevented this from happening ...” **VH, Ringmer Parish Councillor** (Ref 15)

Ringmer Parish Council confirms that there is a continuing and unmet need for the provision of residential, nursing, respite and day care services in the Ringmer-Lewes area. **Ringmer Parish Council submission** (Ref 112)

Ringmer Parish Council would very strongly oppose the sale of the site of 39 Harvard Road for market housing. **Ringmer Parish Council submission** (Ref 112)

Home Address of Current Service Users



Independent Sector Residential Respite Care Providers

The number of Care Quality Commission (CQC) registered 2 Star (Good) Care Homes able to provide older people's respite in the relevant areas are as follows:

Ringmer	2
Lewes	2
Seaford	6
Newhaven/Peacehaven/Telscombe	2
Eastbourne	19
Polegate	3
Hailsham	2
Uckfield	1
Heathfield	2
Crowborough	6

In the Eastbourne and Polegate areas nearly all the homes accept respite placements at our published rates. However these homes are often full and placement options are provided further east towards Bexhill, Hastings/St Leonards; in these areas there is oversupply of residential care provision. Since the closure of Gilda Crescent and St Anthony's Court the Department has operated a block contract respite bed arrangement with one residential home in Eastbourne. This provision, alongside spot purchasing in and outside Eastbourne, has met the residential respite requirements of this area.

In Crowborough and Seaford a half to two thirds of the homes accept placements at the Department's rates. In Lewes and the more rural areas where there are fewer homes then it becomes harder to achieve placements at our published rates. However, the Department rarely approaches homes in these areas for respite placements as Harvard Road has been the main provider for these areas. Because of this the information about homes and rates in these areas is based on sourcing permanent placements. Some of the homes in these areas have a significant number of vacancies; they may well be interested in a high volume of respite placements that would be generated by the closure of Harvard Road, particularly as the rate we pay for respite care is 5% higher than permanent placements.

Although there are only two suitable providers in the Newhaven/Peacehaven/Telscombe area, the Department also uses providers in Brighton and Hove to increase choice in this region and achieve placements at Local Authority rates.

Across the County, and through use of some providers just over its western borders, there is enough residential respite provision in the independent sector to meet the extra purchasing required if Harvard Road closed.

Other Considerations

The Department has had recent communication from independent sector providers asking about where they could develop their services and whether there were any homes in the area for sale.

Prior to the closure of Harvard Road, the independent sector would be forewarned of an increase in the need for residential respite care in a structured way which would allow providers to prepare for increased demand in the particular geographical areas required. Consideration would also be given to specific arrangements with some providers (e.g. block contracts) in order that respite care provision was secured in specific locations required by the Department.