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**Decision Maker:** Executive

**For Pre-Decision Scrutiny by Care Services PDS Committee on:**

**Date:** 21<sup>st</sup> January 2015

**Decision Type:** Non-Urgent Executive Key

**Title:** **LONG TERM CARE FOR OLDER PEOPLE - EXTRA CARE HOUSING SUPPLY AND DEMAND**

**Contact Officer:** Lorna Blackwood, Assistant Director Commissioning  
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**Chief Officer:** Terry Parkin, Executive Director Education, Care & Health

**Ward:** (Farnborough and Crofton Ward)

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1. Purpose of report

1.1 In October 2013 Care Services Policy Development and Scrutiny Committee received an update (Report CS13045) on the Council's extra care housing strategy for older people. The report set out the current provision within the borough and the position with regard to numbers of people living in extra care and residential care as well as the 2013/14 budget position. The report highlighted that there were at that time 14 voids within the extra care service and that officers would continue to monitor whether future demographics and anticipated demands on the service supported any further extra care developments in the borough.

1.2 In the intervening period the level of voids in extra has remained high (as at the end of December 2014 there are 35 voids), placing further pressure on the adult social care budget. At the same time, Affinity Sutton, which owns 3 of the extra care housing scheme buildings, has been considering the future viability of the buildings in terms of their maintenance programme, and have identified Lubbock House as not being viable in the long term due to its condition. As a result this report is seeking agreement to commence consultation with staff on the decommissioning of Lubbock House as an extra care housing scheme for older people alongside the consultation by Affinity Sutton with tenants.

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2. **RECOMMENDATIONS**

2.1 **The Policy Development and Scrutiny Committee is asked to comment on the report.**

2.2 **The Executive is asked to:**

- i. Agree to the commencement of consultation with staff, trade unions and other staff representatives regarding the decommissioning of Lubbock House as an extra care housing scheme for older people alongside the consultation by Affinity Sutton with tenants; and**
- ii Note that a further report will be presented to Members on the outcome of the consultations for a final decision on the decommissioning.**

## Corporate Policy

1. Policy Status: Existing Policy:
  2. BBB Priority : Supporting independence for older people
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## Financial

1. Cost of proposal: Current running cost of Lubbock House £393k (£313k net of income); estimated saving in 2015/16 £150k
  2. Ongoing costs:
  3. Budget head/performance centre: Extra care housing 829\*\*\*\* Older people 824\*\*\*3785
  4. Total current budget for this head: £393k
  5. Source of funding: Care Services revenue budget
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## Staff

1. Number of staff (current and additional): 56.84FTE in the 4 in house schemes (of which 8.3 permanent FTE currently based at Lubbock House)
  2. If from existing staff resources, number of staff hours:
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## Legal

1. Legal Requirement: Statutory Requirement: Although extra care housing is not itself statutory, it is one method by which the Council fulfils its statutory responsibilities to adults who meet eligibility criteria for care services
  2. Call-in: Applicable:
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## Customer Impact

1. There are currently 301 units of extra care housing in the borough including Lubbock House
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## Ward Councillor Views

1. Have Ward Councillors been asked for comments? Yes
2. Summary of Ward Councillors comments: Comments will be reported at the meeting

### 3. COMMENTARY

#### Background to extra care housing

- 3.1 The Council's strategy for long term care for older people is to support independence by moving away from a reliance on residential care towards a new mix of services, marked by a greater emphasis on services to support independent living at home. Since 2004 reports to Members have highlighted the potential of extra care housing for older people as an alternative to residential care.
- 3.2 The Council agreed its strategy for the development of additional units of extra care housing in 2007. At that time there were 186 units of social rented extra care housing in the borough, to which the Council had nomination rights. Five of the schemes were owned and run by Broomleigh Housing Association (now Affinity Sutton) and one by Kelsey Housing Association (now A2 Dominion). Within the schemes service users hold a tenancy with the housing association, with care being provided by the Council (either directly or via an external provider).
- 3.3 In recent years nominations to extra care housing units in the borough have been predominantly for older people, both physically frail and people with dementia, with high dependency levels who might previously have been assessed as needing residential care. Based on this experience, and the experience of other local authorities, suitably designed and staffed extra care housing was considered to be a viable alternative to residential care.
- 3.4 As a result of the report in 2007 the Portfolio Holder endorsed a formal strategy for extra care housing as an alternative to residential care for older people. Estimates at that time were that this would mean approximately 140 older people moving into extra care housing by 2020 who would otherwise have moved into residential care (in addition to the 180 plus people in existing extra care schemes in the borough who were not factored in to the future projections for residential and nursing places). In order to achieve this it was agreed to seek prospective development partners with a view to the majority of new provision being available by 2012.
- 3.5 Since 2007, two of the original extra care housing schemes have closed (Denton Court in Petts Wood and Cranbrook Court in Penge). Subsequently the Council secured three new extra care housing developments leaving a net gain in the new schemes of 115 units compared to the target of 140 new units. Current provision is shown in the table below and is amongst the highest level of provision in London Boroughs:

Scheme	Number of units	Landlord	Tenure	Care provider	Opening date
Apsley Court St Mary Cray	26	A2 Dominion	Social rented	In house Direct Care Service	Pre 2007
Durham House Shortlands	30	Affinity Sutton	Social rented	In house Direct Care Service	Pre 2007
Lubbock House Orpington	30	Affinity Sutton	Social rented	In house Direct Care Service	Pre 2007
Norton Court Beckenham	45	Affinity Sutton	Social rented	In house Direct Care Service	Pre 2007
Crown Meadow Court Bromley Common	60	Hanover Housing Association	Social rented	Mears Care	2011
Regency Court Bromley Common	60	Hanover Housing Association	Social rented	Sanctuary Care	2012
Sutherland House Penge	50	Hanover Housing Association	Social rented	Sanctuary Care	2013
<b>Total</b>	<b>301</b>				

- 3.6 The strategy assumed that by 2013/14 there would be 140 new units of extra care, with a consequent reduction in the number of people in residential care to 218. Potential savings were calculated on the basis of the reduced costs to the Council of supporting someone with high level care needs in extra care rather than residential care. Even allowing for the slightly lower number of new units (115 rather than 140), substantial savings have been achieved through the increase in extra care provision.

### **Current position**

- 3.7 The report in October 2013 highlighted that the number of people going into residential care homes remained higher than anticipated and that there were a significant number of voids (14 at that time) in the schemes overall. Within the new schemes vacant flats attract costs for both rent/ service charge (after a period of 28 days) and staff costs. In the older schemes, although the Council is not liable for void rents, staffing costs are still borne if there are vacant flats. Coupled with other factors, this position resulted in a projected overspend for the full year 2013/14 of £285k in the extra care budget.
- 3.8 The report advised Members that officers would continue to work to establish whether future demographics and anticipated demands on service supported any further extra care developments.
- 3.9 In the intervening period voids across all of the extra care housing schemes have remained high and as at the end of December 2014 there are 35 voids.
- 3.10 In order to sustain maximum utilisation of the extra care units it would be necessary for there to be an average of 16 agreed nominations per month to extra care. From December 2012 to August 2014 the actual average number of agreed nominations per month has been 8. In 2013/14 there was an average of 34 voids per week across all 7 schemes; between April and August 2014 there has been an average of 38 voids per week. This position presents a continuing financial risk in terms of payment for staffing and rent/ service charges for voids and is not sustainable.
- 3.11 Officers have therefore given consideration to reducing the number of extra care units to better reflect current and predicted future demand. Given the void averages a reduction of around 30 units would appear to be the optimum number as this would reduce the void risk whilst still allowing for some variation in demand. Two of the older schemes, Durham House in Shortlands and Lubbock House in Orpington, each provide 30 units. Both properties are owned by Affinity Sutton who are currently considering options for the future of all of their supported housing in the borough. As part of this exercise Affinity Sutton have considered the potential future investment required to maintain their properties to an acceptable standard and have identified Lubbock House as requiring significant investment in the fabric of the building which renders Lubbock house unviable to maintain in the long term. Staff at Lubbock House have continually highlighted maintenance problems for a number of years which have not been satisfactorily resolved.
- 3.12 There are currently 8 voids at Lubbock House with only 19 tenants in residence (plus 3 flats that are used as temporary "step down" flats and so are also treated as vacant).
- 3.13 For these reasons it is proposed to commence consultation with staff on decommissioning Lubbock House as an extra care housing facility alongside Affinity Sutton's consultation with tenants. A further report on the outcome of the consultations will be provided to Members in March. In the event of a decision to decommission, officers would work alongside Affinity Sutton to assist the tenants to be rehoused in one of the other 6 extra care housing schemes in the borough.

- 3.14 Additionally, if the decommissioning were agreed, officers from the Council's Housing Division would discuss future alternative uses for the Lubbock House site with Affinity Sutton.
- 3.15 As mentioned above the Council has worked previously with Affinity Sutton to decommission two extra care housing schemes, successfully assisting approximately 90 people to move to accommodation in other extra care housing schemes. The process is carefully managed jointly by the Council and Affinity Sutton, with Affinity Sutton carrying out the required consultation with tenants and the Council's care management team carrying out reviews of tenants' care needs to ensure that the scheme they move to can appropriately meet their needs. The Council would continue to provide a high standard of service throughout any closure period. No one living at the scheme would be left to make their own arrangements.
- 3.16 The consultation process will require existing voids in the other 6 extra care schemes to be held vacant pending a final decision. This will incur costs in the short term but as there are currently vacancies these costs have been taken into account in budget projections for 2014/15. Following consultation and working with tenants and their relatives to identify suitable alternative accommodation, there would be a gradual move of tenants from Lubbock House to ensure a managed process during which time Lubbock House would remain appropriately staffed. It is anticipated that if agreed, moves would take place between April and July 2015.
- 3.17 Tenants at Lubbock House have been informed of the proposal at a meeting at Lubbock House on 20<sup>th</sup> January. Initial feedback from tenants and their families will be reported at the PDS meeting. Affinity Sutton will initiate formal consultation with the tenants during February.
- 3.18 The care service at Lubbock House was included in the market testing for the Council's direct care service but can be excluded from the package of services should Members agree to decommission the scheme. An update on the direct care service market testing appears elsewhere on this agenda.

#### **4. POLICY IMPLICATIONS**

- 4.1 The proposal takes into account the Council's objective to ensure that services provide value for money.

#### **5. FINANCIAL IMPLICATIONS**

- 5.1 The current cost of Lubbock House in 2014/15 is £393k (£313K net of client contributions).
- 5.2 The draft budget for adult social care for 2015/16 assumes a reduction of £150k in the cost of extra care housing. There may be costs in the short term by leaving any voids vacant but by utilising the voids in the other schemes, Lubbock House could be decommissioned and costs saved.
- 5.3 More detailed financial implications will be presented to Members once the consultation is completed and the final proposals have been made.
- 5.4 Tenants are entitled to a statutory Home Loss Payment in these circumstances which includes allowance for removal costs – this would be funded by and paid by Affinity Sutton directly to tenants.

## 6. PERSONNEL IMPLICATIONS

- 6.1 There are currently 56.84FTE in the 4 in house schemes which make up a pool of staff across all 4 schemes. 8.3 permanent FTE are currently based at Lubbock House with vacant posts being covered by temporary agency staff. Staff and their representatives have been informed of the content of this report and if the recommendations are agreed formal consultation will commence with all staff potentially affected, along with staff representatives. Staff and trade union perspectives on the decommissioning proposal will be presented to a further meeting of this committee and the Executive for Member consideration alongside any other stakeholder feedback. If Members agree the proposal, having considered staff and trade union comments, the Council will seek to manage the implications in line with its legal obligations to avoid redundancies or mitigate the impact on affected staff through redeployment, vacancy management, etc.

## 7. LEGAL IMPLICATIONS

- 7.1 Although extra care housing is not itself statutory, it is one method by which the Council fulfils its statutory responsibilities to adults who meet eligibility criteria for care services

<b>Non-Applicable Sections:</b>	
Background Documents: (Access via Contact Officer)	CS13045 October 2013 Extra care housing strategy for older people - update