

**OPTION: REVIEW OF CONTRACTS**

**BUDGET SAVING: Day Care - £100,000  
Extra Care Housing - £200,000  
Respite and short term care - £300,000**

**DESCRIPTION OF OPTION**

**Extra Care Housing**

The Council has worked with partners to provide over 200 units of extra care housing for older people across 5 locations in the borough. Extra Care Housing is a form of residential care or sheltered housing, whereby the resident lives with a high degree of independence but also receives constant support and protection.

***This option involves the Council re-tendering the contracts for these services to seek to provide a service at the same quality but with better value for money, with consideration of the projected huge increase in our elderly population in the coming years.***

Extra Care Housing is a valued and beneficial service for those people using it; it is more cost effective and provides a higher level of independence for people than traditional residential care.

**Residential and Respite Care**

The Council is committed to working with people who use services, their families and carers, partners and providers to develop services and to encourage the market to deliver flexible and personalised respite and short term breaks. The introduction of block contract arrangements for a small number of short term care beds to facilitate assessments post hospital discharge has the potential to generate savings for the Council.

***The option involves the introduction of contract arrangements for a small number of short term care beds to help with providing assessments after a person has been discharged from hospital.***

**Day Care**

The Council is committed to working with people who use services, their families and carers, partners and providers to develop services. The Council is developing a contracting framework for day care provided by independent sector providers. This may deliver efficiencies through improved commissioning and the opportunity to standardise daily rates.

***The option further proposes that the Council reviews its approach to commissioning day care provided by the independent sector to deliver efficiencies.***

**RATIONALE FOR SAVINGS**

**Extra Care Housing**

The Council is reviewing these services and developing a contract specification which takes into account future demand from an increasing older population to ensure it delivers a cost effective

alternative to residential care. The proposal involves commissioning a smaller block of care which will make costs between the schemes more consistent.

### **Residential and Respite Care**

The Council currently spends £3.6m on independent respite care.. The cost of this care is generally higher than residential and nursing care because of its short term nature and unpredictable demand. It is anticipated that providers will charge more competitive rates if they have a guaranteed level of demand. In some areas competition may be very limited, which will impact on the savings that could be generated, it will, therefore be necessary also to review the level and type of services.

### **Day Care**

A contract arrangement would enable the Council to implement a standardised rate for day care. The average cost of day care is currently £385 per week, the Council may need to purchase less rather than rely purely on price to deliver a saving in this area.

### **IMPACT**

There may be a positive impact for the voluntary, community and faith sector to have an opportunity for appropriate service providers to bid for these contracts.

### **MITIGATION**

Discussions will take place with relevant providers to mitigate any issues with the market responding at the estimated level.