

WIRRAL COUNCIL

CABINET XXXX

SUBJECT:	Transformation of Day Services and Daytime Provision
REPORT OF:	<i>GRAHAM HODKINSON - DIRECTOR OF ADULT SOCIAL SERVICES</i>
RESPONSIBLE PORTFOLIO HOLDER	COUNCILLOR CHRISTINE JONES

1. PURPOSE OF REPORT

1.1 The purpose of this report is:

- i. To advise Cabinet regarding proposals to transform Council provided day services and day centre provision for people with physical and learning disabilities and mental health needs
- ii To provide an analysis of current and future need as the basis upon which decisions regarding the above services should be made within the current financial context.
- iii To outline potential options to respond in a positive manner to the issues identified and to seek approval to consult on the preferred options.

2. BACKGROUND AND CONTEXT

2.1 The Council currently operates as in-house services six day centres for people with physical and learning disabilities, three day centres for people with mental health needs and six day services offering “work type” placements for people with a disability. These have close links with their communities, operate increasingly personalized services and carry out a range of trading activities including catering and sale of plants and produce.

2.2 The model of operation needs to evolve further to meet national expectations and changing needs. The policy of offering people Personal Budgets has changed the profile of service provision. It is increasing demand for flexible support packages, which has in turn reduced demand for traditional long term day care. There is evidence that service users often attend more than one day centre and “mix and match” provision. Young people who are making the transition from children’s to adult’s services are not choosing to attend day centres. Council run day centres have not been maintained to market standard and have sometimes been seen as less flexible and innovative than alternative types of provision.

- 2.3 There is also evidence of an increasing demand for the “work type” placements delivered in six of the council’s day services. These currently offer the equivalent of around 130 full time places a day to service users and are anxious to expand the provision to manage demand.
- 2.4 Conversely, there is evidence of high levels of support for day centre provision from those people who currently use the service and their carers. Following a Cabinet decision in September 2011, an extensive consultation was undertaken on a future model for day services. This confirmed the value of the centres as places where people go to meet friends, socialise and learn new skills.
- 2.5 There are also continuing changes in the population of people requiring support in the community, with a steady rise in the number of people with the highest support needs who will continue to require specialist centres which can offer skilled therapeutic support and appropriate equipment and facilities. In addition the population of people who attend day centres is aging and are likely to require a different range of services into the future.
- 2.6 In September 2011 Cabinet approved a report which identified that the best way to resolve the complexities identified above was to:
- consult with people about developing a transformed model for the remaining day centre provision.
 - enable the “work type” day services to prepare to “spin off” from council control by piloting this approach within a “Business Hub”

The rest of this report addresses the options to transform day services which arise from these pieces of work.

3. TRANSFORMATION OF DAY SERVICES

- 3.1 A comprehensive consultation designed to engage people in a discussion about developing a revised model for Adult Day Services was undertaken from November 2011- February 2012 and through this the primary reasons for attending day services were identified as meeting friends, socialising and learning new skills
- 3.2 In addition to this feedback it has been necessary to take into account the following factors to develop options to deliver a modernised service. These are as follows:
- The predicted demand for any future service. This has been based upon an analysis of current levels of occupancy of the day centres, future need in terms of the population of young adults coming through the transition process and the choices they are making about what type of day provision to access. This demonstrates that

around 33% of the places currently available are not being used. Given the drive towards more personalised services this is likely to increase in coming years and there is a need for the department to consolidate its provision at the same time as ensuring that there is sufficient capacity to meet the needs of the learning disabled, physically disabled and mental health “populations”. Based on this analysis it will be necessary for the department to ensure sufficient capacity to support 312 people with physical and learning disabilities and 36 people with mental health needs on a daily basis.

- Having sufficient capacity to meet high dependency needs. As highlighted above, there is a significant minority of service users with profound disabilities who will continue to need specialist centres.
- Where services are located. Any new model of service provision has to be flexible enough to meet individual needs and take into account the increasing emphasis on services based on a locality model, nearer to where people live.
- The level of capital investment in the current provision which would be required to bring centres up to a modern standard. Full condition surveys have been carried out on all buildings and it has been established that although some centres are in a much better state of repair than others, the cost of basic reparation to bring all buildings up to an acceptable standard would be £1.5m This estimate covers only the basic repairs needed and does not include any level of improvement.
- The need to deliver £1.5m savings over three years as part of the council’s budget strategy.

Option 1

a) Close one large day centre and consolidate Mental Health provision into one centre.

b) Continue to consolidate current day centre provision and retain as an in-house service

c) Continued development of the Social Enterprise Network based at Cole Street

a) Year 1 saving would be approximately £1 million pounds; this would be a combination of staff and premises costs.

b) Years 2 & 3 savings would be £500,000 per annum based on a combination of staff and premises costs

Option 2

- a) Close one large day centre and consolidate Mental Health provision into one centre**
 - b) Continue to consolidate current day centre provision and test the social care market in relation to feasible options for provision to be run as a social enterprise**
 - c) Based on market testing outcomes all remaining day care provision to be run as a social enterprise (year 3)**
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- a) Year 1 saving would be approximately £1 million pounds, this would be a combination of staff and capital costs.
 - b) Year 2 saving of £500,000 due to continued consolidation, year 3 saving of £1 million

Either option is based upon certain assumptions which may change. The closure of one large centre and the consolidation of mental health services will impact upon usage of remaining centres. An impact assessment and evaluation will need to be carried out to fully assess the impact upon the feasibility of moving towards a wholesale move to a social enterprise model

4. Social Enterprise Network development

- 4.1. Work to develop this proposal has focussed on three main areas; support for the services aiming to become public sector mutual organisations, location, and securing a financially sustainable business model. These are detailed below.
- 4.2 Public Sector Mutuals. The original idea was to support the “spinning off” of up to six small day services and as part of the preparation, each of the services involved has worked with Invest Wirral to establish an individual business plan and brand identity. There are concerns, however, about the sustainability of the business plans and because of this the department would now wish to move forward on the basis of establishing one public sector mutual, likely to be a social enterprise, which would incorporate all six day services.
- 4.3 A new business plan will be prepared in response to the department’s Learning Disability Commissioning Plan. It is recognised that this organisation will need some certainty in terms of the demand for their core business, that is, the provision of therapeutic support to people wishing to access training and employment. It may be necessary for

the department to agree to commission this provision on behalf of individuals for up to three years to ensure that the mutual can develop into a sustainable business. In addition, Social Enterprise Investment Fund (SEIF) funding is being sought to enable the nascent organisation to access the specialist legal and human resource advice necessary to progress to the next stage. The outcome of this will be reported to a future Cabinet.

4.4 Location. The original intention was to locate the business centre, or “hub” within a refurbished Riverside Day Centre. However, once a building conditions survey had been carried out it became clear that the building had considerable deficiencies and would require at least £700,000 to bring it to an acceptable standard. It has therefore been necessary to explore possible alternative sites including the former Cole Street School in Birkenhead. This too would require some modifications including the installation of a lift. Detailed costing for this refurbishment is being finalised but it is also possible that up to £700,000 will be required. As a consequence, it is proposed that any decision about location is deferred until the new business plan has been completed.

4.5 The next steps in this programme are as follows:

- Continue to support the development of business plan through the SEIF
- Ensure the alignment of these service developments within the detailed commissioning plan for learning disability

5.0 RELEVANT RISKS

5.1 If the recommendations in this report are not agreed, the Council runs the risk of providing services at its Day Centres that people will not use. This will result in additional financial pressure as resources will be locked into empty buildings rather than being reinvested into supporting people in the community.

5.2 With regard to the social enterprise, the risk is that the Council will miss the opportunity to modernise the service in line with current best practice. This will result in the Council not being able to meet the aspirations of people with disabilities for work based training and employment opportunities.

5.3 All of the options for modernising day services involve the closure of Council run buildings with the resultant risk to staff employed. Whilst management has been covering vacancies with agency staff there is still a potential impact on up to xx staff directly employed by the Council.

6.0 OTHER OPTIONS CONSIDERED

6.1 See section 3 above

7.0 CONSULTATION

7.1 Consultation on the options described in Section 3 will be subject to a twelve week statutory period. Service users, their carers, staff and Trade Unions will be fully consulted. Consultation will be cognisant of previous consultations undertaken in relation to the services in question.

8.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUP

8.1 None identified.

9.0 LEGAL IMPLICATIONS

9.1 **There is an** additional twelve week period within any changes should not be changed in order to allow for the possibility of legal challenge and/or judicial review - **Surjit will need to input here**

10.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS

10.1 Day Centres

- i. The closure of one large day centre and the consolidation of mental health services will result in a saving of £2 million over three years but will include a reduction of staff
- ii. There will be a resale value to the Council if the sites of the former day centres are sold.
- iii. There are significant implications for staff arising from these proposals. Posts will be lost and full consultation with staff and trade unions will be undertaken. In addition there are significant skills development issues to be addressed with remaining staff as the service moves into its new model. The department has already engaged “Skills for Care” to undertake an analysis of the skills required within the workforce and a developmental programme will be implemented.

10.2 Social Enterprise Network

- i. It is anticipated that the creation of a social enterprise network will generate additional efficiencies within the day services budget and these will form part of the plan to commission this service. It is not, therefore, possible to quantify additional savings at this stage.
- ii. There will be significant implications for staff working within these services as they move forward into a new organisation. Specialist Human

Resource advice will be sought to ensure that TUPE implications are fully understood and there will be extensive consultation with staff and unions as the Business Plan is developed.

11.0 EQUALITIES IMPLICATIONS

11.1 Has the potential impact of your proposal(s) been reviewed with regard to equality?

Yes - completed.

12.0 CARBON REDUCTION IMPLICATIONS

12.1 Proposals to reduce the number of buildings in operation will have a positive impact in terms of carbon reduction.

13.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

13.1 Planning permission is not required.

14.0 RECOMMENDATIONS

14.1 Cabinet is recommended to

i. Approve in principle the preferred options below as the best way to take services forward:

Enter into a period of statutory consultation as to the most appropriate option to modernise day services.

ii Enter into a period of statutory consultation with regard to the proposal to close one large centre and to consolidate the mental health day services into one centre.

iii. Agree the proposal to establish one social enterprise to deliver work like placements, authorise officers to take forward the work programme necessary to enable this and receive a further report, early in 2013, with firm proposals for the future design of this service.

15.0 REASONS FOR RECOMMENDATIONS

15.1 The proposals within this report are seeking to balance the needs of the service user groups identified, to increase choice and control, to redesign services that are out dated and not fit for purpose and contribute to the challenging financial context confronting this Department.

15.2 As indicated all options are seeking to positively balance a range of competing matters recognising the demographic and financial pressures confronting this Department.

REPORT AUTHOR:

Christine Beyga

Head of Personal Support

Telephone: (0151) 666 3624

christinebeyga@wirral.gov.

