

<b>12 January 2016</b>		<b>ITEM 8</b>
<b>Health and Wellbeing Overview and Scrutiny Committee</b>		
<b>Consultation on the proposed changes to the way Social Care is provided in Thurrock</b>		
<b>Wards and communities affected:</b> All	<b>Key Decision:</b> Not Applicable	
<b>Report of:</b> Roger Harris, Director of Adults, Health and Commissioning		
<b>Accountable Head of Service:</b> Les Billingham, Head of Adult Services		
<b>Accountable Director:</b> Roger Harris, Director of Adults, Health and Commissioning		
<b>This report is Public</b>		

### **Executive Summary**

Thurrock Council is having to make considerable savings to its budget and these proposals are contributing to that exercise. Adult Social Care was required to deliver in-year reductions of £500k in 2015/16 and a minimum of £ 750k savings in 2016/17 as part of the Council's Medium Term Financial Strategy (MTFS). These figures do not include any amounts for demographic growth in 2016/17, nor the changes arising from the introduction of the National Living Wage – the combination of which is likely to add at least £2m of pressures to the Directorate.

This report concerns actions to reduce costs and to improve the efficiency and effectiveness of social care services. It provides a summary of the consultation on the proposed changes to the way some aspects of social care is provided in Thurrock. The proposals affect 4 main areas of social care services:

1. Day Care for older people including the service at the Carers' Centre
2. Charges for adult social care services
3. Equipment and adaptations costing less than £50
4. The provision of Extra Care Housing

The consultation undertaken between 14 September and 7 December shows support for increasing the availability of day care but on a reduced number of sites. However, it is also clear some respondents prefer day care to be provided in smaller, more local settings, particularly for people with memory loss or dementia.

The consultation showed strong disagreement with the proposal to increase charges for services. Although a majority indicated they felt they were entitled to receive the services without having to pay more, a significant number commented on the financial pressures faced by the Council and accepted that charges may need to be

raised. In considering this matter Committee will note that means testing will offer financial protection to a significant proportion of current service users.

There was a similarly strong disagreement with the proposal to no longer provide equipment or adaptations costing less than £50. However, a significant number commented that the proposal would be acceptable if safeguards were in place to ensure those service users who face hardship or lack capacity were assisted with sourcing and installation.

In relation to extra care housing, concerns were expressed about the proposal to stop providing extra care housing in Kynoch Court. However, the increase in the number of extra care flats at Piggs Corner will mitigate this loss of provision, as will the development of care-ready housing such as that being developed at Derry Avenue, South Ockendon and Calcutta Road, Tilbury.

The report takes account of the contribution made to achieving the savings target by management action already implemented, including the reduction in the number of social worker posts, and the deletion of other posts. It should be noted that the current proposals for day care are the first phase of a longer term programme of improvements. Further efficiencies are expected to result from this work however the focus will be on developing local flexible and in some cases specialist solutions which can mitigate the concerns expressed during the consultation.

The report provides an estimate of the savings which could be realised if the proposals were implemented to change the day care offer, to no longer provide equipment or adaptations costing less than £50, and to change the provision of extra care housing. An estimate of the increased income resulting from the proposed increase in charges is also given.

## **Recommendations**

- 1. Members are asked to note the summary of the consultation, and the summary of the impact of the proposed changes by Thurrock Coalition, contained in Appendix 1 and 2 of this report.**
- 2. Members are asked to comment on the following proposed options for cost savings and increasing charging income to achieve the budget savings requirement prior to the report going to Cabinet in February for final agreement.**

### **Options for Day Care:**

- 1a to change the day care offer from provision on six sites to three sites (Bell House, South Ockendon; the Carers' Centre Cromwell Road Grays; and Kynoch Court, Corringham) saving an estimated £200,000 in 2016/17 (RECOMMENDED); or**
- 1b to change the day care offer from provision on six sites to 1 site (the Carers' Centre, Cromwell Road Grays) saving an estimated £500,000.**

#### **Options for Charging for Day-Care and Transport:**

- 2a** to increase the charges for day care (except Short Breaks) over a period of three years until the charge is half the full cost of the service, raising in 2016/17 an estimated £56,696 (RECOMMENDED);
- 2b** to increase the charge for transport, to cover the full cost of that service, raising an estimated £2,649 (RECOMMENDED);
- 2c** No change to the current arrangements.

#### **Options for charging for Careline:**

- 3a** to increase the charge for Careline, to cover the full cost of that service, raising an estimated £117,900;
- 3b** to increase the charges from 1<sup>st</sup> April 2016 for new service users;
- 3c** to take the opportunity of the recent re-structure to undertake a full review of the community alarm service to establish how effective it is, to explore new models of working including linkages to the out of hours service, and to rationalise the different costing and charging arrangements. For this reason a recommendation on the way forward is deferred until the review is complete. (RECOMMENDED)

#### **Options for Items of Equipment and Adaptations costing less than £50:**

- 4a** No longer providing items costing less than £50, saving an estimated £60,000 but establish an exceptional circumstances system (RECOMMENDED);
- 4b** Continue to provide these items, forgoing a potential estimated saving of £60,000.

#### **Options for Extra Care Housing:**

- 5a** No longer providing extra care housing at Kynoch Court would produce savings in 2016/17 estimated at £81,000; and
- 5b** increasing the number of units at Piggs Corner to 55 flats and also charging concierge costs to rent and service charges would produce savings in 2016/17 estimated at £143,000, (both RECOMMENDED).

#### **Options for Elizabeth Gardens:**

- 6a** From 1 April 2016 charging all existing and new leaseholders at Elizabeth Gardens for the care and support service they receive raising an estimated £8,164;
- 6b** From 1 April 2016 charging only new leaseholders at Elizabeth Gardens for the care and support service they receive which may raise no extra income in 2016/17 (RECOMMENDED).

## **2. Introduction and Background**

- 2.1 On 23 July Committee was presented with a report on a budget review and a requirement for further service changes for adult social care. The context for the report was the requirement for savings in the Directorate as a result of an updated MTFs, and also pressures on services from increased demand from an ageing population living with more complex health and social care needs. The proposals were intended to address part of the savings target of £500,000 for the current year (2015/16) and a further £750,000 for the year 2016/17. In addition the Directorate is facing demand pressures of over £1 million (mainly around the growth of the population and high cost areas such as dementia and autism) plus the costs associated with the introduction of the National Living Wage on 1<sup>st</sup> April 2016 – also estimated at over £1 million.
- 2.2 Committee considered the proposals for service reductions at its meeting on 23 July and resolved that a 12 week consultation should be undertaken. It was noted that this would mean that the required savings may not be delivered this year and further savings opportunities may need to be developed. In consequence it is unlikely that any changes agreed could be introduced before April 2016.
- 2.3 The consultation ran from 14th September to 7th of December; the consultation questionnaire can be viewed on the “Have my say” page of the Council’s website. Appendix 1 of this report summarises the consultation responses. The report provides an analysis of the main options for change, taking account of the consultation responses received. The report also takes account of the information provided by Thurrock Coalition and Healthwatch Thurrock on the equality impact of the proposals. Appendix 2 contains the Summary Report on impact of the proposed changes prepared by Thurrock Coalition for the Committee which includes suggested measures to mitigate the negative impacts of the proposals.

## **3. Issues, Options and Analysis of Options**

### **3.1 Proposed changes affecting Day Care for older people including Day Care at the Carers' Centre**

- 3.1.1 The consultation demonstrated some support for the existing day centre offer (including day care sessions and the sitting service) but there was also a recognition that efficiency savings could be made by consolidating the offer in fewer centres. This would also allow a more flexible service to be offered in terms of the duration of sessions, and improve the availability of day care by offering sessions for a larger number of service users at each site.
- 3.1.2 It is therefore proposed that from April 2016, day care will be provided at Kynoch Court in Corringham, Monday to Friday. As at present, the day care service at Bell House in South Ockendon will be provided Monday to-Friday. and at the Carers' Centre at Cromwell Road Grays every day except Thursday. The service at each site will be expanded at Kynoch Court and

Bell House from 15 to 20 places, and at the Carers' Centre to 25 places. This will result in the provision of 65 places at these centres per day.

- 3.1.3 In order to develop the day care offer further it is proposed that local sessional alternatives to day care in centres is developed, using LACs and voluntary and community organisations including Age UK to connect service users to resources in their community, as well as initiatives such as Community Catalysts and Shared Lives. This could include coffee mornings, hobby and craft groups, chair based exercises and activity clubs etc.
- 3.1.4 In order to improve the service and secure cost savings of up to **£200,000** it is proposed to cease the provision of day care at Harty Close in Stifford Clays, Arthur Barnes Court in Chadwell and at the Lodge at Piggs Corner in Grays. The Café in Piggs Corner will continue to be operated on the current basis by the extra care staff based there. Day care staff will take over responsibility for running the Café at Kynoch Court on the current basis while an alternative provider is found to operate the facility.
- 3.1.5 It is also proposed to introduce charges for service users using day care at the Carers' Centre Cromwell Road (on the same basis as Bell House and Kynoch Court).
- 3.1.6 The consultation highlighted the importance of understanding more fully the need for specialist care for people with memory loss and dementia. While work is undertaken to scope this requirement it is proposed that the Council continues to offer day care places to people with dementia in the day care centres.
- 3.1.7 It is evident from the consultation that most users of these services require transport, and for their carers this is a valuable part of the offer, extending the time during which they are free from their caring responsibilities. It is therefore proposed that transport will continue to be offered to all who are assessed as requiring it.

## **3.2 Proposals affecting charging for adult social care services**

- 3.2.1 In common with a number of national surveys the consultation appears to show a number of misconceptions regarding the provision of, and funding for adult social care. A sizable majority of respondents commented that they felt the services should be provided free, arguing that they expected them to be funded from the National Insurance and general taxation that they have paid during their working life. However, there was some acknowledgement of the fact that while the Council has a duty to provide social care it must do so within the available resources, and that these have been reducing for some years. Overall there was little support for the proposal to extend charging to services previously provided free of charge or charged for at less than the full cost, although a number of respondents did comment that service users should be expected to pay for their social care if they could afford to do so.

- 3.2.2 In a number of cases the respondents indicated the increase in charges would make them unaffordable and lead to service users having to go without the service. Modelling undertaken by Customer Finance shows that in relation to the current users of the services around 30% are assessed as being unable to contribute towards the costs of their care and so they would be unaffected by the proposals. A further 50% are assessed as being able to pay something towards their care and so they may expect to have to pay more, depending on their individual circumstances. The remaining 20% are assessed as, or have stated that they are able to pay the full cost of their care.
- 3.2.3 The proposals to increase charges for day care (including day care sessions at the day care centres, transport to the centres, the sitting service – but not short breaks), extra care housing, and Careline could potentially raise approximately £185,000 in 2016/17 towards the required budget savings when fully implemented. It should be noted that the proposals for day care would be implemented over a 3 year period until half the full cost of the service is chargeable.
- 3.2.4 In relation to Careline, it is noted that charging the full cost of the service would mean a substantial increase of £1.57 per week for service users (or a full £2.50 per week for those Council tenants who receive the service but currently make no contribution to the costs). In light of Housing and Adults, Health and Commissioning coming together, the recent restructure provides an opportunity to review the arrangements and to re-appraise the costs and benefits of community alarm technology to the whole social care prevention agenda. Linkages with the out of hours service and new models of working also merit examination. There is a strong case for deferring any decision on changing the charging arrangements for Careline until this review has been undertaken. To allow for this, the proposed increase in charges for Careline is not recommended at this stage and consequently the potential increase in charging income for 2016/17 is reduced to **£59,300**
- 3.2.5 In view of the opposition to the proposed increase in charges any decision to proceed with this proposal should explain the limited resources available to the Council for the discharge of its social care duties. It would also be appropriate to highlight the safety net provided by means testing so that all those assessed as not having to make a contribution towards the services they receive can be identified and re-assured, and those who may be asked to pay more are offered an assessment to ensure they are receiving their full benefits entitlement.

### **3.3 Equipment and adaptations costing less than £50**

- 3.3.1 The consultation proposed that the Council would no longer provide lower value items such as raised toilet seats, bath lifts and hand rails and half steps, and instead offer information and advice about how the items may be sourced by the service user, carers or families and, where necessary, installed. The

consultation noted this has been the practice for some time with a neighbouring borough.

- 3.3.2 This proposal also met with strong disagreement although a good many comments received were supportive, with a number noting the benefits to service users in terms of obtaining the equipment they need at their convenience, and in the choice of colour or design that appealed to them.
- 3.3.3 Analysis of the current usage of the catalogue agreed with our community equipment provider ECL (formerly Essex Cares) indicates the proposal to no longer supply items of equipment or adaptations costing less than £50 could save **£60,000** in a full year.
- 3.3.4 However, it is likely that there will be cases where service users will be unable to source equipment or where there is an urgent need to provide and fit the equipment – e.g. to prevent someone staying in hospital when they are fit for discharge. As a result officers will work up proposals for exceptional circumstances arrangements to apply so that it does not cause unnecessary delays or possible deterioration in someone's circumstances.

### **3.4 The provision of Extra Care Housing**

- 3.4.1 There are two separate proposals regarding the provision of extra care housing. The proposal concerning the Council's extra care housing schemes recognises that schemes of 65 flats or more are usually needed to ensure financial viability. For this reason it is proposed to expand the Council's extra care offer at Piggs Corner to create 55 flats on the site. Savings in the region of £155,000 are estimated for Piggs Corner in 2016/17 as a consequence of night time cover being provided by a concierge service (funded by rents and service charges) in conjunction with the social care out of hours service. By providing domiciliary care at Kynoch Court and no longer letting flats as extra care housing, net savings in the region of **£81,000** are projected for 2016/17 (based on annual operating costs of 192,873, and allowing for the need to commission additional home care packages for service users who remain - estimated to be £111,509).
- 3.4.2 Also relevant is the investment in specialised housing for older adults in the Borough, in response to the recommendations of the HAPPI Report. Currently 25 specialised homes have been developed at Derry Avenue South Ockendon with a further 36 in the development pipeline for Calcutta Road Tilbury. Work undertaken during the course of the recent housing needs assessment to complement the Social Housing Market Assessment will provide justification for significant further investment in these types of schemes across the Borough.
- 3.4.3 During the course of the transition to the new arrangements, each resident will be assessed to ensure that the necessary arrangements for their care and support are maintained. Transitional protection will also be offered in terms of

the charging for both the housing and social care services so that no tenant/service user is expected to pay more than they currently pay.

- 3.4.4 In relation to the extra care offer at Elizabeth Gardens, there is a need to address the anomaly whereby all tenants in the scheme make a contribution to the 24/7 care and support service (subject to means testing) but some leaseholders do not. In relation to those leaseholders who state that they do not use this service, it is clear that their decision to move to a scheme which provides these facilities and services means they know they do not have to rely on any external care and support service should they need assistance.
- 3.4.5 A further safeguard in relation to those on low income is that every resident will be offered a financial assessment in respect of the affordability of the charge for the care and support services: And the Council has a duty to ensure that the charge is fair and that it does not take residents below a specified minimum income. As noted above, implementing this change, as well as addressing a charging anomaly may raise an estimated **£8,000** per year compared to the current pattern of contributions. However, many leaseholders felt that this potential cost was not made clear to them when they brought their property. As a result, if the service is not being used by leaseholders the core charge will only be implemented for new owners after 1 April 2016.

#### **4. Reasons for Recommendation**

- 4.1 The available funding for social care in Thurrock is not sufficient to cover the cost of all the services currently provided, and as noted above, further financial pressures are anticipated as a result of demographic changes. A number of efficiency measures have already been undertaken, and operating costs have been reduced, including the deletion of a number of social worker and other posts. By remodelling the day care service and extra care housing we hope to make further savings while improving the offer. However, a significant shortfall remains and to cover this, the only options available are to seek further contributions from those who pay for their care, or to reduce the level of service provision further. In relation to the latter it must be borne in mind that the Council must make sure it continues to meet its statutory duties.

#### **Financial implications of the proposals**

- 4.2 In view of the significant financial pressures in adult social care, and in the context of wide spread opposition to any increase in charges but also the acceptance (by a minority) of the appropriateness of seeking increased contributions from service users who can afford to pay, Committee is asked to comment on the proposed changes, (including the further safeguards proposed in their report), which are intended to raise in the region of **£543,000 in costs savings and increased charging income in 2016/17.**



4.3 The estimated savings related to each of the proposals are as follows:

	2016/17
<p><u>Day Care:</u>                      Option A (Recommended) - Providing day care for 20 service users per day at Bell House and Kynoch Court and for 25 at the Carers' Centre i.e. 65 places in total (5 days at Bell House and Kynoch Court and 6 days at the Carers' Centre) would give an estimated saving of £200,000 in 2016/17.                      Option B (not recommended) - Providing day care for just 25 high care service users per day at 1 centre (the Carers' Centre) would give an estimated saving of £500,000 in 2016/17.</p>	£200,000
<p><u>Equipment and Adaptations costing less than £50:</u>                      No longer providing these items would save £60,000. However, measures to mitigate the difficulties faced by those on low incomes or who are otherwise unable to source and install the items means the full value of this saving will not be realised.</p>	£60,000
<p><u>Extra Care Housing (Piggs Corner):</u>                      The estimated cost saving from the introduction of concierge at night time with an out of hours social care service would produce an estimated saving of £155,000 in 2015/16. When transitional protection for existing tenants is factored in the saving needs to be reduced by an estimated £12,000</p>	£143,000
<p><u>Extra Care Housing (Kynoch Court):</u>                      No longer providing extra care housing at Kynoch Court would give an estimated saving of £192,000, less the estimated costs of providing domiciliary care to the existing residents (111,000) would save £81,000 in 2016/17</p>	£81,000
<b>Total estimated savings for the proposals in 2016/17</b>	<b>£484,000</b>

4.4 The estimated income from charging related to these proposals is as follows (to be phased in over 3 years 2016-19):

	Yr1	Yr2	Yr3
Day Care	£2,020	£50,894	£94,276
Transport	£2,649	£2,649	£2,649
Alarm	£117,902	£117,902	£117,902
Elizabeth Gardens	£8,164	£8,164	£8,164
Sitting Service	£11,956	£11,956	£11,956
Carers Centre	£42,720	£48,935	£55,150
<b>Forecast Total</b>	<b>£185,411</b>	<b>£240,500</b>	<b>£290,097</b>
<b>Assumptions</b>			
1. All current service users remain active.			
2. Service levels remain constant			
3. Contribution levels remain constant.			
4. No growth or throughput has been factored.			
5. No alterations in other non-residential service provisions have been factored in.			

## Issues and actions arising from the consultation

- 4.5 Clearly, if there were other options, the Council would not choose to propose reductions in services, or increases in charges, for adult social care in Thurrock. In considering the proposals for change contained in this report account has been taken of the responses to the consultation. In particular:
- 4.5.1 Means testing will limit the full impact of any increase in charges to around 20% of service users, although a number of others, who make some contribution to the costs of their service may also see an increase. To limit the impact of this, financial and benefits assessments will be offered to all affected;
- 4.5.2 Transitional protection will ensure that existing tenants in extra care housing pay no more for their housing and social care than they do at present. Further, the proposed changes at Piggs Corner and Kynoch Court will in time result in an enhanced service and increased number of extra care places in the Borough;
- 4.5.3 In the light of the responses to day care proposals, further work will be undertaken to develop more flexible community based offers, to scope a more specialised offer for people with dementia, to continue to offer transport to all who are assessed as requiring it, and to make these offers available to service users who fund their own social care;
- 4.5.4 Phasing in the proposed increase in the cost of day care to half the full cost over 3 years, with only a small increase from the present level of charge in the first year; will ease the effect of the increase initially and allow account to be taken of the impact of the increase on service users;
- 4.5.5 As noted in the consultation summary in Appendix 1 below, the proposals to charge up to half the full cost for short breaks would result in substantial increases in costs for some service users. It is also not clear that with the effect of means testing any significant increase in income would result. For these reasons it is recommended the proposal is not progressed;
- 4.5.6 In preparing the Equality Impact Assessment full account will be taken of the evidence submitted by Thurrock Coalition on the impact of the proposed changes to the provision of adult social care in Thurrock, and all recommendations for mitigation will be examined in detail with consequent action proposed in a report to Cabinet in February 2016.

## **5. Consultation (including Overview and Scrutiny, if applicable)**

- 5.1 In line with the recommendation of the Committee at its meeting on 23 July a consultation on the proposed changes to the provision of adult social care was undertaken over 12 weeks between 14 September and 7 December 2015.
- 5.2 Two questionnaires were produced (one an easy read version for people with learning disabilities) and were published on the consultation portal. Letters were sent with the questionnaires to some 2,800 users of non residential services in Thurrock. In addition Thurrock Coalition and Healthwatch Thurrock held meetings and events across the Borough during the consultation period. The Council also ran briefings for staff and providers, attended the Thurrock Over Fifties Forum and met leaseholders at Elizabeth Gardens to discuss the proposed changes.
- 5.3 In total 528 separate responses were received. These have been entered onto the consultation data base to inform the analysis contained in this report.
- 5.4 In the “About You” section of the questionnaire 72% of those responding to the questions gave their age as 60 years or more, 68% said they were female and 30% male, and 52% indicated they considered themselves to be a disabled person:

## **6. Impact on corporate policies, priorities, performance and community impact**

- 6.1 These are dealt with in the body of the report.

## **7. Implications**

### **7.1 Financial**

Implications verified by: **Kay Goodacre**  
**Finance Manager**

The proposed cost savings measures and proposed increases in charges set out in this report are required in order to ensure that the overall savings target within the Medium Term Financial Strategy is delivered. A decision on implementing the proposals will need to be taken by Cabinet, taking account of the views of the Committee, and the Council’s statutory responsibilities.

### **7.2 Legal**

Implications verified by: **Dawn Pelle**  
**Adult Care Lawyer**

This consultation has been undertaken in accordance with the Thurrock Joint Compact between the Council and third sector partners. A Community and

Equality Impact Assessment is currently being prepared in line with the Council's policy. A further report will be made to Cabinet in February for final agreement on the proposed changes to the provision of adult social care as set out in the report.

### 7.3 **Diversity and Equality**

Implications verified by: **Natalie Warren**  
**Community Development and Equalities  
Manager**

A Community and Equality Impact Assessment, taking account of the consultation responses and the Submission from Thurrock Coalition on the impact of the proposed changes is being prepared. When finalised, this will be signed off by the Head of Adult Services and matters relevant to the implementation of the proposals, including mitigation measures for negative impacts, will be reported to Cabinet alongside any recommendations for changes to provision and charges they are asked to approve.

### 7.4 **Other implications** (where significant) – i.e. Staff, Health, Sustainability, Crime and Disorder)

These are covered in the body of the report.

### 8. **Background papers used in preparing the report** (including their location on the Council's website or identification whether any are exempt or protected by copyright):

- The consultation questionnaires can be viewed on the Have my say page of the Council's website or via: <https://consult.thurrock.gov.uk/portal>
- The Council Consultation Portal contains data from all 528 responses received to the consultation on proposed changes to adult social care in Thurrock.
- Summary report on the impact of the proposed changes from Thurrock Coalition.

### 9. **Appendices to the report**

1. Summary analysis of the consultation responses
2. Summary report on the impact of the proposed changes from Thurrock Coalition

#### **Report Author:**

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