

<b>Cabinet</b>  3 November 2015	 <b>TOWER HAMLETS</b>
<b>Report of:</b> Luke Addams, Interim Director Adult Services	<b>Classification:</b> Unrestricted
Older Persons Day Services Review	

<b>Lead Member</b>	<b>Councillor Amy Whitelock Gibbs – Cabinet Member for Health &amp; Adult Services</b>
<b>Originating Officer(s)</b>	Barbara Disney, Service Manager, Strategic Commissioning
<b>Wards affected</b>	All wards
<b>Key Decision?</b>	Yes
<b>Community Plan Theme</b>	<b>One Tower Hamlets</b>

### Executive Summary

This paper proposes the modernisation of day services for older people with eligible social care needs, in order to meet rising local demand and enable the council to help more older people, in a way more tailored to their care-related and cultural needs. The review and proposed redesign responds to multiple pressures including demographic change, the expectations of service users and the ongoing financial challenges faced by local authorities. As such, the proposed redesign focuses primarily on service improvement and improved outcomes for users, and secondarily on cost efficiency and value for money.

The three elements of this modernisation are:

- reviewing the service specification for older people’s day opportunities in the borough to take better account of the health and social care needs of individuals and their carers, ensure a focus on outcomes in line with Care Act (2014) emphasis and establishing a new preferred provider list with daily rates, through the Council’s procurement route.
- re-providing the service currently available at Mayfield House to improve the offer to our existing service users and widen access to others, particularly Somali women, and provide a more appropriate, culturally-sensitive environment and better value for money in line with the overall ambition of the Council to provide better services which meets all our communities’ needs,
- upgrading the offer at Riverside House, an in-house provision, to create a flagship service for people with complex and high needs, which maximises independence through a reablement approach and prevents

unnecessary hospital admissions or long stays in hospital, to keep older people in their community for longer.

## **Recommendations:**

The Mayor in Cabinet is recommended to:

1. Note the recommendations from the review.
2. Consider and comment on the proposal to extend three current core spot contractual arrangements for St Hilda's East, (Sonali Gardens Older Persons Day Service and Sonali Gardens Older Persons Weekend Service, E1) and Peabody's Older Persons Day Service at the (Sundial Centre, E2) up to September 2016 to enable the completion of a procurement process to establish a preferred provider list with a new service specification. The normal procurement process could take between nine months and a year (a final timeline will need to be confirmed). If members agree this route, the new contract arrangements will start in September 2016.

The annual estimated value of the current arrangements is:

▪ St Hildas at Sonali Gardens	£479,459
▪ St Hildas weekend service	£22,859
▪ Peabody at Sundial Centre	£298,005

Including a small number of additional day service placements that meet specific individual needs, the overall the estimated value of external day service provision is approximately £929,069 per annum.

3. In the event that the Mayor agrees to recommendation 2 then the Mayor is recommended to delegate to the Corporate Director Adult Social Care or to such other officer who then receives such delegation in accordance with Part A of the Scheme of Management in Part 3 of the Council's constitution the power to agree to entering into the interim contracts with the existing providers as detailed in recommendation 2
4. Note the demographic background and growing demand in Tower Hamlets against which the modernisation of older people's day services is presented.
5. Consider and comment on the recommended procurement approach (Option B) set out in Appendix A, which proposes a comprehensive package of services for older people who are eligible for services in Tower Hamlets, to ensure the services are outcomes-focused, tailored to physical, cultural and social needs, and represent quality, efficiency and best value.
6. Consider and comment on the proposal that the Older Persons Pathway Board (or similar) will provide the strategic lead and governance for services

supporting older people, which includes working in partnership with Health, Public Health and partners with a strategic plan for the next 10 years. This will ensure services are responsive to continued change and that adequate resources are allocated and identified to enable ongoing efficient and effective service provision, which promotes a preventative approach.

7. Note that the Mayor in Cabinet will continue to be provided with updates at strategic points in the transformation process and the Lead Member for Health and Adult Services will be involved in the design phase of the service specification and procurement process, at appropriate points.

## 1. **REASONS FOR THE DECISIONS**

- 1.1. A report was approved by Cabinet on the 6<sup>th</sup> November 2013, recommending a process to support the modernisation of day services provided for older people in Tower Hamlets. Those steps included:
  - Carrying out a review of existing eligible day services, with recommendations to improve services so that they respond to changing demand, are more personalized and meet individual needs, within a suite of modernised day service delivery fit for the future.
  - Progressing recommendations from the review to a future Cabinet meeting for approval, with a procurement route and outcome-focused contractual arrangements that have a greater focus on health and wellbeing, including a community based rehabilitation service that enables those with more complex needs to access a day service option, and thus reduce social isolation
- 1.2. The review was a piece of work, not conducted before, across the eligible day service provision. The scope included day services attended by service users aged over 65 with assessed eligible social care needs, but not universal services such as LinkAge Plus or pensioners' lunch clubs. The analysis included current and predicted demographics and changing health and social care needs with predictions for increasing demand up to 2025. It also explored national legislation and guidance, best practice models, service objectives and outcomes to help shape the vision for day opportunities, as historically many services are without detailed service specifications. Consultations with 175 service users, staff and carers captured their experience, aspirations and needs so as to inform service specifications and the training and skills required from staff to shape the future model of service provision. The full review is attached as Appendix C.
- 1.3. The review identified a greater need for flexible, more inclusive provision and more efficient means of delivering services in the community for eligible service users and carers. The review also provided the opportunity to describe the tiers of support and services required to meet the range of older people's needs, with an explicit requirement to build on partnerships with universal services, healthcare and the voluntary sector. The overall aim is to deliver more holistic services with a commitment to outcomes focused on rehabilitation, promoting independence and choice, all ingrained in service design and delivery, whilst recognizing the financial challenges faced by local authorities.

## **2. ALTERNATIVE OPTIONS**

- 2.1 Two procurement options were developed, with the comprehensive Option B being recommended (Appendix A). This includes three key elements:
- a consistent, outcomes-focused preferred provider list for commissioned services;
  - re-provision of the service currently at Mayfield House to improve and widen access to the care provided to Somali men and women;
  - a flagship complex needs centre provided in-house at Riverside House.
- 2.2 The core theme is to deliver a suite of services capturing the range of needs and support required, delivered in a responsive manner from facilities that meet the physical, cultural and social needs of users both now and for the future. Appendix B highlights the benefits and challenges associated with choosing Option B.
- 2.3 Cabinet may decide to pursue option A, which maintains the status quo, minimizing opportunities to modernize and redesign services and failing to provide value for money.

## **3. DETAILS OF REPORT**

### **BACKGROUND**

- 3.1. There are huge pressures in adult social care, particularly in relation to older people, with the implementation of the Care Act 2014 and the impact of new statutory provision for carers across providers and the local authority.
- 3.2. The review, reported on 18<sup>th</sup> August 2014, highlights demographic data and local prevalence which captured an ageing population. The local Joint Strategic Needs Assessment (JSNA) July 2015, reports that there are around 16,700 people who are 65 and over in the borough, 63% are White and 23% are Bangladeshi. Although the population in Tower Hamlets is relatively young compared to other areas (only 6% of the overall population is over 65), the population tends to age earlier and has more complex needs and a high prevalence of certain health conditions. As elsewhere in the country, the number of older people is also expected to increase as people live longer and this will have an impact on the demand for health and social care in the borough. As the review at Appendix C highlights, current capacity in services would not be able to manage the predicted growth in demand, which is why the modernisation of services is necessary.
- 3.3. A Task Force, led by Members, has been set up to review the needs and issues faced by the Somali community in Tower Hamlets and to identify how these needs can be better addressed through local services. This affords an opportunity to improve the Council's engagement with and support for the Somali community whilst improving health inequalities, integration and intergenerational opportunities.

- 3.4. In Tower Hamlets older people are also significantly more likely to suffer from long term conditions than other people of their age nationally, reflecting the significant social-economic deprivation and resulting health inequalities which affect many local residents. For example, 56% of 65-84 year olds report long term limiting illness compared to 48% nationally. For many people in Tower Hamlets, the experience of ageing starts earlier than it does for their counterparts across England. Data shows significantly higher prevalence locally of conditions such as Cardiovascular Disease, Diabetes, Dementia, Cancer and Mental Health Problems, which drives demand for social care, particularly for services that can support people with more complex needs..
- 3.5. The local JSNA also reports that 80% of older people do not meet recommended physical activity levels, and 90% eat less than the recommended five portions of fruit and vegetables per day. This demonstrates the significant need locally and the importance of modernising day services to ensure they focus on wellbeing and promote independence.
- 3.6. In addition, as the review at Appendix C highlights, given the diversity of Tower Hamlets and the range of different communities' needs, day services which meet cultural and religious sensitivities, in accessible and appropriate settings, are crucial.
- 3.7. Overall, the analysis of demographics and growing demand in the review demonstrates the pressing need to reshape day services for older people, so they promote better outcomes and provide support for a range of needs, within the challenging financial context facing the local authority.

### **BEST PRACTICE MODELS FOR OLDER PERSONS DAY SERVICES**

- 3.8. A summary of reviews across a number of inner London Boroughs and other Councils with similar cultural and religious demographic groups, such as Birmingham and Oldham, were also explored and summarised. Best practice would suggest that future provision of day services and better occupation for older people requires a greater emphasis on independence, choice and well-being.

In summary, this means service provision that promotes a vision which:

- Enables flexible and more personalised support.
- Moves from day centres to wider day opportunities – community hubs.
- Changes the business model and funding streams brought about through Self-Directed Support (personalisation). This leads to a tiered model that focuses on prevention, independence and choice through access to universal services; improved use of the voluntary and independent sector and development of resource centres to support people with the highest level of dependency whilst ensuring greater community involvement.

- Enables rehabilitation and recovery to be more ingrained in practice to promote independence and health.
- Moves service users onto cash personal budgets to support choice and control.

### **CURRENT PROVISION FOR OLDER PEOPLE IN TOWER HAMLETS**

- 3.9. Current spend on Riverside Day Centre and Mayfield House Day Centre, the in-house older people's day services, is approximately £1,095,439 annum. As noted above, for our external providers, the Council spends approximately £929,069 per annum, although these figures can vary due to the spot nature of payment per month on attendance – we only pay for actual attendance.
- 3.10. Although not part of this review nor the proposed procurement, the Council also provides a specialist Dementia service at Russia Lane. This is a building based provision service which has the capacity to support 25 people a day. This service costs £685,000 per annum (not included in the figure above).
- 3.11. The three third sector providers noted at 2.2 are those previously under a block contract arrangement, whereby the council paid a fixed amount for the service regardless of attendance. These services are now paid under spot contractual arrangements as of the 1<sup>st</sup> April 2014, where providers received payments based on the number of older people attending the service. This means that the Council is not paying for places not taken up, thus maximising value for money. As part of the review, the daily cost of services and occupancy of the services has been considered. The table below (at 5.7) highlights the core day services and average attendance over the financial year of 2012-13 capturing eligible service users only.
- 3.12. As illustrated, there is spare capacity in each service. A 'good' attendance (based on feedback from providers) is noted at 80%, which takes into account underutilisation due to sickness, hospitalisations and move on from services, change of need and death. This 'good 80%' expectation needs to be raised through working with providers, social care staff and partners to ensure awareness of the services is increased and appropriate referrals are being made for eligible older people, ensuring we are not missing hidden need.
- 3.13. However, what is apparent is the consistent underutilisation of Mayfield House Service which currently costs £245,397 per annum (this does not include the £24,000 running costs budget for the premises which is held elsewhere in Council). This translates into the cost per head for attendees at Mayfield House of almost double other day services, which average at approximately £44.44 per head. Not only does this represent poor value for money but the service also fails to best meet the needs of our service users.
- 3.14. Currently, Mayfield House does not provide adequate provision for our Somali older people. As Appendix A and C identify, Mayfield House is in a poor state of repair, lacks full disability access and does not provide separate prayer, ablution or activity spaces for men and women, resulting in under-occupancy and lack of access for Somali women. This compares to the highly-adapted

and culturally-sensitive space at other premises such as Sonali Gardens. Re-providing the service currently delivered at Mayfield House, therefore provides an opportunity to improve both the experience of current service users and our offer to Somali women, while ensuring value for money. Ensuring more appropriate and higher quality services aligns with the broader Mayoral commitment, outlined in the strategic plan, to better understand and support the Somali community, which is an ongoing priority.

- 3.15. It is our intention to ensure that, when we go back to the market for a preferred provider list of day services for older people, to ensure that services meet community needs. This will be rigorously tested through the procurement process. Current eligible service users will be reviewed by social worker teams and those not currently eligible will be offered an assessment of needs. Visits to other day services will be offered. For those for whom other services may be more appropriate, information about the range of services will be offered. This may include LinkAge Plus, lunchclubs (including the Somali Senior Citizens Club and Wadajir Somali Community (women’s service) and other universal services.
- 3.16. Benchmarking across neighbouring boroughs highlighted that aside from the rate for Mayfield House, the remaining services were comparable. Any further reduction in rates would compromise the quality of provision and resources available to support the services. Riverside and Mayfield House are the internal service provision noted in the table below.

<b>Service</b>	<b>Capacity per day</b>	<b>Average daily attendance</b>	<b>% as Capacity</b>
Riverside	40	30.6	76.5%
Mayfield House	30	4.26	14.2%
Sonali Gardens	40	27.08	67.69%
St Hilda’s Weekend	12	9.52	79.33%
Sundial	30	21	70%

- 3.17. In addition, for older people aged 50 plus, the Council funds a range of lunch clubs which offer universal access. Linkage Plus is also a universal access service commissioned with the aim to increase wellbeing and prevent the need for more costly health and social care intervention for older people in Tower Hamlets. This partnership of five local organisations works through local community centres, day services and in partnership with other local providers. Part of the proposed modernisation of day services includes a partnership approach to better link up universal and specialist services.
- 3.18. Option B (at Appendix A) proposes a range of opportunities to ensure a much improved, more flexible offer to meet the needs of our older people and carers. This includes:
- reviewing the service specification for day opportunities to take better account of the health and social care needs of individuals and their

carers, ensure a focus on outcomes and establishing a new preferred provider list with daily rates, through the Council's procurement route.

- as part of the overall ambition of the Council to provide better provision which meets all our communities' needs, re-providing the service currently available at Mayfield House to improve the offer to our existing service users and widen access to others, particularly Somali women, and provide a more appropriate, culturally-sensitive environment and better value for money.
- upgrading the offer at Riverside House, an in-house provision, to create a flagship service for people with complex and high needs, which maximises independence through a reablement approach and prevents unnecessary hospital admissions or long stays in hospital, to keep older people in their community for longer.

- 3.19. The recommendations of the review meets the general duties under the Care Act 2014 including the promotion of an individual's well-being and independence, supporting people to retain or regain skills and confidence, and preventing or delaying the deterioration of needs for care and support.
- 3.20. It is proposed that the three elements of the redesign should run concurrently. Current service users will have their needs reviewed and be supported to make a choice about where they attend day services from the preferred provider list, taking into account any cultural needs as a priority, alongside their eligible care needs.
- 3.21. There will inevitably be a need for a transition period, where the council will work closely with service users and carers to alleviate any disruption and fears about changes to or loss of existing services.
- 3.22. In relation to Mayfield House in particular, the review notes that the service is currently attended by older people without eligible needs for social care. The council will ensure those people are signposted to alternative day opportunities appropriate to their needs, in line with the commitment to choice. For example, through the council's universal provision, such as lunchclubs, there are a range of centres and groups tailored to Somali men and women.
- 3.23. Although the Council will endeavour to provide a geographical spread of service through the service specification and procurement process, all service users will be assessed in relation to their transport needs, and provided with support as required, to enable them to access the service which best meets their care-related and cultural needs.
- 3.24. The specification for the new preferred provider list will focus on outcomes, incorporating user and carer feedback, addressing the issues identified in the gap analysis and explicitly building in requirements to delivery culturally-tailored services that meet a range of communities' needs.

- 3.25. Subject to Cabinet approval, the process for change should be governed and monitored by the Older People's Pathway Board (or similar) which is made up of service user representation, health and social care representation and third sector representation. This will ensure services are responsive to continued change and that resources are allocated effectively and identified to enable support for all older adults through prevention and early intervention provision - crucial for ongoing efficient and effective service provision.

#### **GAP ANALYSIS AND USER EXPECTATIONS:**

- 3.26. Further data regarding recommendations and analysis can be found in the Review. However, along with the recommendations in 2.1, further gaps to address in the revised service specification include requiring;
- A more joined up approach with existing lunch clubs and universal services that could offer alternatives to day opportunity provision
  - A One Tower Hamlets approach which recognises diversity and offers support in an inclusive environment where services, facilities and support meet individual needs in the community. Currently some of our day services and lunch clubs provision are effectively dis-engaged from the One Tower Hamlets approach by failing to encourage inclusive services which promote diversity.
  - Co-ordinated support to carers, in relation to assessments and for clear information and guidance regarding the local offer and range of support, advice and services that they can access in the community.
  - Inclusive services to include services for older persons identifying themselves as Lesbian, Gay, Bisexual and Transgender.
  - Additional training to promote the continued development of staff to support individuals from the Somali and Bangladeshi community with Dementia.
- 3.27. Consultation with service users and carers identified a range of expectations which the modernised service aims to reflect, including:
- Improved information about the range of day services available and a streamlined referral process
  - Culturally sensitive services with supportive staff and social interaction, including activities and outings
  - A focus on physical and mental wellbeing, to maintain independence, confidence and skills
  - Options to attend weekend services and flexible or one-off days
  - Better information and support for, and communication with, carers

#### **4. COMMENTS OF THE CHIEF FINANCE OFFICER**

- 4.1 The current cost of older persons day services included in this review is **£2,024,508.**
- 4.2 As shown by the following table the average daily rates for in-house provision is much higher than the external provision:

Older People Day Care Provision	Capacity per day	Average daily attendance	2014-15 Spend £'	Average Daily Rate at 100% Occupancy '£	Average Daily Rate at Actual Occupancy '£
<b>Inhouse Provision</b>					
Riverside	40	30.6	841,042	83.11	108.64
Mayfield House	30	4.26	254,168	33.49	235.83
<b>External Provision</b>		150	929,069		24.48

- 4.3 Due to low attendance Mayfield House features as the most expensive day care service. The current high cost of the service justifies pursuing the three components of option B, which would produce a saving based on current estimates of **£122,809** per annum. Option A represents the do nothing option and would not produce any savings. From a value for money perspective, option B is the better option.

## 5. LEGAL COMMENTS

- 5.1 The report identifies alternative procurement options for day services for older people and recommends that the Council proceeds with option B as outlined in the appendix and approval for three interim contracts to be entered into one each with the existing providers pending completion of a procurement exercise. This is to ensure that there is no break in the service provision.
- 5.2 The recommendations of the review may contribute to the Council meeting its general duties under the Care Act 2014 which include:
- Section 1: To promote an individual's well-being. Where the authority following an assessment has made a determination that an individual has eligible care and support needs it is under a duty to meet those needs (s18).
  - Section 2- to provide or arrange for the provision of services, facilities or resources, which it considers will— (a)contribute towards preventing or delaying the development by adults in its area of needs for care and support; (b)contribute towards preventing or delaying the development by carers in its area of needs for support; (c)reduce the needs for care and support of adults in its area; (d)reduce the needs for support of carers in its area. In performing that duty, one factor a local authority must have regard to is the importance of identifying services, facilities and resources already available in the authority's area and the extent to which the authority could involve or make use of them in performing that duty;
  - Section 4: To establish and maintain a service for providing people in its area with information and advice relating to care and support. This service should include information about the choices and types of care

and support available, choices of providers available and how to access the care and support.

- Section 5 : To promote the efficient and effective operation of a market in services for meeting care and support needs in its area. This is commonly known as 'market shaping' and 'commissioning'. The Council must facilitate a local market that offers a diverse range of high quality and appropriate services. The proposals in this paper align with the Council's general duty.

- 5.3 The estimated value of the services that require further contractual arrangements exceeds the relevant threshold contained in the Public Contracts Regulations 2015 (the Regulations) and they fall within the remit of "social and other specific services" in accordance with regulations 74 and Schedule 3 of the Regulations. In view of this the Council is required to fully comply with the Regulations and subject the services to a level of competition to ensure compliance with the principles of transparency and equal treatment. In addition, the Council would be required to place an advert in the Official Journal of the European Union (OJEU) together with a further notice in the OJEU when a contract is awarded, amongst other things.
- 5.4 Extending the spot contracts in relation to St Hilda's East, Sonali Gardens and Peabody in order to align them with the intended procurement process would be regarded as a 'direct award' and as such, the Regulations would be breached. The Council could be subject to a challenge from an organisation which has not had the opportunity to tender for the contracts together with a damages claim and more significantly, the purported contracts could be annulled.
- 5.5 Directly awarding the contracts would require a specific waiver of the Council's procurement procedures (Procedures) and the Council should be satisfied that one of the grounds for waiving them under section 12 of the Procedures is acceptable. The ground which could be relied upon is 12.1(a) of the Procedures which states that a waiver is permissible where "the nature of the market for the works to be carried out or the supplies or services to be provided has been investigated and has demonstrated that only a single source of supply is available, or it is otherwise clearly in the Council's interest to do so".
- 5.6 Reasons are provided in the report as to why it may be considered appropriate to deviate from the Council's procurement procedures, which may be summarised as follows:
- (i) the Council has conducted preparatory work and intends to conduct public procurement as quickly as possible from the date of any Cabinet approval;
  - (ii) the Council is obligated to continue to provide services in accordance with its statutory functions and it would be undesirable for no services to be provided until the new procurements have been completed and

- may in certain circumstances lead to the Council breaching other statutory obligations; and
- (iii) it is arguably in the Council's best interests to extend the contracts and align them with the award of a contract under the intended procurement exercise.
- 5.7 There is a risk of challenge to the proposed contract awards for alleged non-compliance with the Regulations and its own internal procedures. The risk is lessened as the Council has, arguably, a pragmatic reason for requiring these short term contracts and has some basis, by reason of the preparatory steps taken, that it is not the Council's long term intention to avoid competition. The Council should note that new discreet contracts are to be awarded to the organisations rather than extending the existing arrangements
- 5.8 The Council has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness. This is referred to as the Council's best value duty. One of the ways in which the Council achieves best value is by subjecting its purchases to competition and the Option B recommendation to procure the services will likely assist the Council in complying with this duty and with its Procedures. The Council should note that the services should be tendered as one procurement procedure, with each of the different packages comprising a different "lot" under the procurement. This would be a methodology consistent with the new emphasis under the Regulations and would be compliant with the Council's Procedures.
- 5.9 The Council should note that it is required by the Public Services (Social Value) Act 2012 to consider how its procurement activities might secure the improvement of the economic, social and environmental well-being of Tower Hamlets. The Council should be satisfied that due regard has been given to these duties in light of the consultations relating to the services and at the time of seeking Cabinet approval for the procurement on 3<sup>rd</sup> November 2015.
- 5.10 Any change in provision or services should be considered in accordance with the public sector equalities duty under the Equalities Act 2010, which requires the Council when exercising its functions to have 'due regard' to the need to eliminate discrimination (both direct and indirect discrimination), harassment and victimisation and other conduct prohibited under the Act, and to advance equality of opportunity and foster good relations between those who share a 'protected characteristic' and those who do not share that protected characteristic. The Council should perform a proportionate equality analysis before determining its preferred procurement option and prior to any changes being made. It is likely that consultation with service users, service users' families and other stakeholders will need to take place in order to understand potential impacts.
- 5.11 Any consultation carried out for the purposes of assessing the impact of service changes should comply with the following criteria: (1) it should be at a time when proposals are still at a formative stage; (2) the Council must give

sufficient reasons for any proposal to permit intelligent consideration and response; (3) adequate time must be given for consideration and response; and (4) the product of consultation must be conscientiously taken into account. The duty to act fairly applies and this may require a greater deal of specificity when consulting people who are economically disadvantaged. It may require inviting and considering views about possible alternatives.

## **6. ONE TOWER HAMLETS CONSIDERATIONS**

- 6.1 The overall aim of the recommendations stemming from the review of older peoples day services, is to achieve a range of provision that meets the needs of all our communities in a more inclusive way. This includes cultural, religious and language aspects of services.
- 6.2 The proposed offer also highlights the need to consider older people who identify as Lesbian, Gay, Bisexual and Transgender.
- 6.3 The increased focus on those with more complex needs or the need for an enhanced reablement service to be provided through the in-house service at Riverside will enable greater independence and alleviate social isolation.

## **7. BEST VALUE (BV) IMPLICATIONS**

- 7.1 The reprovision of Older People's Day Services offers the opportunity to ensure a range of local services, which meet local older people's needs in a way that addresses the demands of the Council's Best Value duty. The competitive procurement process leading to a preferred provider list will ensure that we have a range of local provision for our older residents that offer value, quality and choice.
- 7.2 The review also notes the consultation which has been undertaken to develop the recommendations

## **8. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT**

- 8.1 There are no direct environmental implications arising from the report or recommendations.

## **9. RISK MANAGEMENT IMPLICATIONS**

- 9.1 The aim of the review and recommendations is to improve the quality and appropriateness of provision for both existing and potential service users. However, concerns may be raised by long term users of services, that any change or reprovision might be perceived as a "loss" and lead to complaints. This can be mitigated through discussion and consultation.

## **10. CRIME AND DISORDER REDUCTION IMPLICATIONS**

10.1 There are no direct implications of crime and disorder arising from this report or recommendations.

## **11. SAFEGUARDING IMPLICATIONS**

11.1 Section 42 of the Care Act 2014 establishes that when a local authority has reasonable cause to suspect that an adult in its area (whether they are ordinarily resident there or not), who has care and support needs, is experiencing or at risk of neglect or abuse, including financial abuse, the authority must make enquiries, or ask others to, as to what action, if any, may be required and who should take that action. This duty would apply regardless of whether the adult's needs are 'eligible needs' for local authority assistance. Beyond this duty there are no specific implications arising from this report or the recommendations.

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### **Linked Reports, Appendices and Background Documents**

#### **Linked Report**

- NONE.

#### **Appendices**

- Appendix A: Procurement Options Efficiencies And Risk Analysis:
- Appendix B: Benefits And Challenges
- Appendix C: Review of Older People's Day Services in London Borough of Tower Hamlets

#### **Background Documents – Local Authorities (Executive Arrangements)(Access to Information)(England) Regulations 2012**

- NONE

#### **Officer contact details for documents:**

- N/A

**APPENDIX A: PROCUREMENT OPTIONS EFFICIENCIES AND RISK ANALYSIS:**

	<b>Description</b>	<b>Strengths</b>	<b>Weaknesses</b>	<b>Efficiency Savings</b>
Option A	<p>This is the do nothing option which maintains the status quo and involves:</p> <ul style="list-style-type: none"> <li>▪ Maintaining the in-house day services: Riverside and Mayfield House</li> <li>▪ Maintaining the current spot contract arrangements with Sundial Centre, Sonali Gardens and St Hilda's weekend service.</li> <li>▪ Maintaining the range of alternative spot contractual arrangements which service users have elected to use to meet their needs</li> </ul>	<ul style="list-style-type: none"> <li>▪ Would engender very little controversy</li> <li>▪ Service consistency for users</li> </ul>	<ul style="list-style-type: none"> <li>▪ Would not be "future proof". It is likely that our older people in the future would prefer a model that would better meet their aspirations for older age.</li> <li>▪ Would be unlikely to meet all the demands of the Care Act 2014, particularly around prevention, service user choice and independence, and cash personal budgets</li> <li>▪ Costs would continue to escalate and the Council may need to make increasingly difficult choices in the future.</li> <li>▪ A building at Mayfield which could not be adapted to provide facilities to meet the religious and cultural needs nor inclusion for women.</li> <li>▪ NOT A RECOMMENDED ROUTE</li> </ul>	<ul style="list-style-type: none"> <li>▪ None</li> </ul>
Option B (Package with three components) 1	<p>This option looks particularly at the in-house Riverside Day Service based at Jack Dash House, Millwall:</p> <ul style="list-style-type: none"> <li>▪ Currently costing £841,042 including a transport recharge of £445,075 per annum, the service offers a five day a week service with a potential capacity for 35 people per day. The average attendance is 76.5%.</li> <li>▪ The proposal is to enhance this service to enable an intense Complex and high needs day service to use as the day service of choice for our most vulnerable residents who have the most complex needs. There may be options around health staff being co-located within this service to be explored which would enhance the offer to these residents.</li> </ul> <p>This option would not yield savings within the service but enhances the offer to the more vulnerable people, who may then access less intense services, so the service would provide better value for money. The service would deliver support to up to 35 people a day but with an increased reablement focus as the needs will be more complex. The service would contribute to the hospital to home care pathway and would minimise unnecessary readmissions.</p>	<ul style="list-style-type: none"> <li>▪ Would maximise the use of a valued local service for older people in the borough</li> <li>▪ Would enhance the offer to older people in the borough, particularly those who would wish to remain in their own home for their last years of life, by offering an alternative to residential care.</li> <li>▪ Would contribute to addressing issues around loneliness and social isolation, both of which impact on health and wellbeing</li> <li>▪ Would maximise people's independence and potentially address issues of hospital readmissions</li> <li>▪ Offers opportunities for current staff to be "up-skilled"</li> <li>▪ Offers opportunities for the in-house reablement team carers to be "bank workers" thus minimising any use of agency workers and offering consistency to service users</li> <li>▪ Offers opportunities to invest in redesigning the garden space (sensory garden, dementia friendly, outside dining, raised flower beds, vegetable/her garden)</li> </ul>	<ul style="list-style-type: none"> <li>▪ May lead to complaints from some current service users who may not be happy with a change of service delivery, or provider if they no longer meet criteria for the new service</li> <li>▪ May not offer immediate cashable savings but may offer some savings in the form of deferring homecare and/or residential care until later in life.</li> </ul>	<ul style="list-style-type: none"> <li>▪ None</li> </ul>

Option B (Package) 2

This option looks at Mayfield House, the in-house service for Somali older people, based in Bethnal Green:

- Currently costing £245,397 annually, the service offers a five day a week service with a potential capacity for 30 people per day. This equates to a unit cost per full day of £235.83 per day based on an average attendance of just 14.2% of available places (an average of 4.2 people who meet eligibility criteria per day).
- The proposal recommends reconfiguring the offer to our Somali older people, closing the building at Mayfield House, reviewing the 13 people who are registered with the service currently to ensure needs will be met and potentially transferring to other day services of their choice. One of our spot contracted services in particular, at Sonali Gardens would be able to offer a range of day services in a high standard purpose build. They have separate prayer and ablutions facilities and activity areas for male and female attendees, and a large kitchen suitable for the preparation of meals. This would enable a better quality of provision, offer more choice for Somali women who have felt excluded from the service historically and contribute to the Council's savings
- However, there would be implications for the staff team (comprising of a manager, three day care staff, a cook and a temporary day care worker) implications around TUPE and/or redundancy. It is likely that there would be other opportunities for these staff but further work to identify the range of options and opportunities would need to be completed when the way forward for day services is identified.
- There are a group of older men who sometimes use the service as a "drop-in" but who do not meet eligibility criteria. These men would be better placed using services such as LinkAge Plus or one of the Council's lunch clubs which are specifically set up as part of the preventative agenda to maximise the independence of individuals, offering a range of activities which promotes health and wellbeing.
- There is a gap in the Council's offer to Somali Women and this option would provide the opportunity to address this to ensure equity for the women. Women have felt excluded from the service, in part due to their perception of the male users and in part, due to the very poor facilities to enable male and female attendees to be separate which the building has to offer.
- The building that the service is housed in is in a poor state of repair with limited facilities. All other opportunities for day services for older people in the borough are provided from better facilities.
- The option of the use of the Queen Victoria Seaman's Rest (QVSR) Centre in E14 was requested to be explored as an option. However on doing so, this centre has not been commissioned by LBTH for a number of years. It also operates largely as an accommodation and welfare service for seafarers', ex-service men as well as for self-referrals from the homeless community. It is for all adults and males. It does not have the facilities for prayer, ablutions, and halal kitchen as required nor enable women to be access the service. Based on current usage, looking to deliver and support a day service provision for Somali elders from QVSR would pose too great a risk in both meeting service users' needs and the synergy with other attendees at the centre.
- Fits with the One Tower Hamlets the overarching theme of the refreshed Community Plan and which describes our commitment to reducing inequality and bringing local communities closer together
- May lead to opportunities for the staff team to develop additional skills beyond the current service area

- The current building does not have the physical space to accommodate the building changes required or the potential increase of users to capacity. Any changes would therefore require capital investment and still not significantly improve on the services for both male and female service users.
- A transition plan which is supported for all users eligible or not will be a lever for its success. This will include providing information and support to access universal provision such as lunch clubs as well as other day services in the Borough to offer a range of options. This also creates an opportunity to work more closely with current local providers to improve on their offer of service and include carers in the decision making.

- May lead to complaints from some current service users and the non-eligible people who use the service as a drop-in, who may not be happy with a change of service delivery, or provider if they no longer meet criteria for the new service.
- May require more resources to the Somali Lunch Clubs due to increase in numbers attending.
- Fears from users about loss of a service which they have used for many years and are comfortable with, even though it is under-used and in a poor venue.
- Concerns from the Somali community that their needs will not be met by the reprovision, even though the aim is to improve the quality and appropriateness of provision for both existing and potential users, specifically Somali men and women.

- Based on the average attendance of eligible service users, it is anticipated that the cost of the 4.2 service users to be placed at, for example, Sonali Gardens, would be £26,014 per year, including transport – and taking into consideration staff costs (if TUPE'd ) of £92,289, this would equate to an estimated saving of **£122, 809**.

Option B (Package) 3

This option reviews the range of spot provision for day services in the borough and recommends that the services are standardised in terms of quality and price. .

- There were three block purchased day services in the borough for older people: Sundial Centre (Peabody), Shipton Street, E1, Sonali Garden (St Hilda's East), Tarling Street, E2 and St Hilda's East Weekend Day Centre (E2) whose contracts ended in March 2014. These services are now managed as spot contracts at a cost. Peabody – Sundail £52.02 per day with transport and £37.58 per day without transport respectively. St Hildas – Sonali is £55.60 per a day Monday – Friday with transport and £74.51 on weekends, £51.39 without transport per a day. This price includes transport but there is a lower rate without the cost of transport. The average daily rate for additional spot contracts sits at £39.35 per day.
- The review identifies what our service users will want from these services, best practices and outcomes for day opportunities along with benchmarking cost from neighbouring boroughs. Establishing a preferred provider list (with daily rates for tender) will enable the Council to drive up and monitor quality standards and ensure that our service users get value for money as well as outcome focused services driven by updated specifications for services and staff competencies.

- Offers a range of choices to older people about how they would like to spend their day, especially when considered alongside the LinkAge Plus and lunchclub offer.
- The contracting model will ensure quality standards, that the London Living Wage is paid, community benefits such as local employment, apprenticeships, volunteering opportunities, intergenerational work are adhered to.

- Limited savings although there will be the opportunity to limit the range of pricing through the procurement process. With an increase of need as data suggests savings are likely to diminish per year rather than increase unless there is investment and capacity building in universal services.

- Based on calculating an average spend across core services (excluding in house) based on current occupancy, financial modelling highlights that some savings have been achieved. It is unlikely that further savings will be made going forward
- **Options B, package is recommended to take forward.** It would be prudent to manage the potential for change as one as there are interdependencies involved. This would enable a coherent approach to the development of a range of day services that are of a consistently high quality standard which maximise independence.
- The range of services would enhance the local offer, increase choice and improve health and social care outcome.

## **APPENDIX B: BENEFITS AND CHALLENGES**

Options: Package B to be taken as a whole

<b>Strengths</b>	
Offers greater choice for older people in the borough	Contributes to addressing loneliness and social isolation of older people
Offers the opportunity to maximise independence through reablement	May minimise hospital admissions and readmissions
Offers opportunities for in-house staff to develop a greater range of skills	If agreed, this proposal would make savings of <b>£122,809 per annum</b> although there would be no savings in 2015-16
Offers opportunity for greater partnership working through health, social care and third sector, in turn improving services for service users and for carers	
<b>Opportunities</b>	
To strengthen "One Tower Hamlets" offer	To meet the needs of Somali Women which is a gap in current service provision
Improve the built facilities and enhance user experiences meeting cultural and religious needs.	To enable a more integrated model by working with health care professionals more closely
To ensure community benefits, such as London Living Wage, local employment, apprenticeships and volunteering opportunities	To promote intergenerational work, thus valuing the contribution of older people in our society
To create greater integration in Tower Hamlets Communities	Opportunity to invest in buildings fit to meet the range of physical, emotional and practical needs of service users, services running as Community Hubs ensuring a range of support is available to a broad group of the community improving access and awareness
<b>Weaknesses</b>	
Long term planning is required to both facilitate future markets and respond to changing need otherwise cost will continue to rise	Will need support from SPP via the writing of a "top up" policy to ensure equity across all service user groups
<b>Threats or Risks</b>	
Complaints and Member enquiries from service users and their families	May not be able to achieve longer term cashable savings
Increase of rental charge to Sonali Gardens to the market rate	The service may need to relocate due to cost. It will also be very likely that the provider will increase the daily rate it charges to be able to absorb the additional cost and for financial viability.
Fears of service discontinuity from existing users of Mayfield and Riverside House	Fears within the Somali community that the re-provision may not meet their specific needs