

## HAMPSHIRE COUNTY COUNCIL

### Decision Report

<b>Decision Maker:</b>	Executive Member for Adult Social Care
<b>Date of Decision:</b>	30 April 2010
<b>Decision Title:</b>	Byways Reprovision Project
<b>Decision Reference:</b>	1513
<b>Report From:</b>	Director of Adult Services

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#### 1. Executive Summary

- 1.1. This report seeks permission to commit £100,000 capital funding from the 2010/11 budget towards the reprovision of Byways residential home into an Extra Care scheme for Adults with a Learning Disability as it offers the best strategic fit with Hampshire County Council's Learning Disability Strategy, minimises risks to the Council and represents a good value for money option. In return for this funding, Hampshire County Council would secure nomination rights for the scheme.
- 1.2. Byways is a twelve bedroomed residential home for adults with a learning disability in Odiham. It has been running for 50 years and is owned by Byways Trust (now part of a national charity MCCH, previously known as **Maidstone Care and Community Housing**).
- 1.3. The service is now outmoded and, as a large residential care home, does not fit with the strategic direction outlined in Hampshire's Learning Disability strategy, "Ordinary People leading Ordinary Lives".
- 1.4. This report presents options for the longer-term future of the setting.
- 1.5. Evaluation of the options indicates that the preferred option is to modernise this service into an Extra Care project for people with a learning disability. This is a relatively cost neutral option that will deliver better outcomes and ensure that the resulting service is sustainable in the longer term. This will consist of twelve independent flats, nine of which will be available for rent and three of which will be offered as Shared Ownership.
- 1.6. The proposal to develop an Extra Care scheme supports the implementation of Hampshire County Council's Rural Delivery Strategy by promoting choice and independence for people with a learning disability living within rural areas. The proposal also supports the implementation of Hampshire County Council's Sustainable Communities Strategy by

promoting inclusive communities where vulnerable people are safeguarded.

## **2. Contextual information**

- 2.1. Valuing People Now (2009) states that people with a learning disability should have choice about where they live, who they live with and how they are supported. As many people as possible should be supported to live in their own accommodation with appropriate support that promotes choice and independence.
- 2.2. Hampshire County Council's strategy for people with a learning disability, developed in response to Valuing People Now and the views of stakeholders within the county, states: "Hampshire intends to reduce the amount of residential care that it commissions through the independent sector. We will work with the residential provider sector to identify opportunities for the development of alternative models of provision".
- 2.3. In line with this overall direction, Byways has been identified as a provision in need of modernisation, where there is potential for the development of a service that is socially inclusive and promotes independence, choice and control.
- 2.4. Byways is a large, twelve-bedroomed residential home in Odiham that has been running for fifty years. The current nine residents are all women aged between forty-six and seventy-six with an average age of fifty-seven. The majority of the women have lived at Byways for many years. The residents are all active members of the community in Odiham and consider it to be their home.
- 2.5. It has been apparent for a number of years that the current model of provision at Byways is outdated. There have been no new referrals to the home for two years and this is increasingly impacting on the viability of the service.
- 2.6. A strategic analysis of the prevalent support and housing needs of Adults with a Learning Disability living in the north of the County demonstrates a need for flexible housing and support arrangements. Over 36% of adults with a learning disability known to Adult Services in the Basingstoke and Aldershot area are aged over 45. A significant number of these people are living either in residential care or with families and may be seeking alternative accommodation in the near future.
- 2.7. The Adult Services Department has been working with Byways over the last three years to consider how the service could be modernised to meet both the needs of the current residents and future demand. In 2005 the Trustees of Byways approached MCCH (an independent provider of learning disability services) to work with the Trust to modernise the service. MCCH is an Industrial and Provident society with charitable status.
- 2.8. Byways Trust was incorporated in 2005 having been previously a voluntary trust. At the same time it formed a working partnership with

MCCH Society Limited, which became the sole member of Byways Trust. This was in order for Byways to gain the support and financial stability needed to comply with commissioner and regulatory requirements and to ensure financial viability. A Memorandum of Agreement sets out the intentions of the working relationship, which was to ensure that the Byways Board continued to give strategic direction for the development of the service and that MCCH Society Limited would take on the management and provide the infrastructure for the service delivery. As the ultimate controlling party of Byways Trust, MCCH Society Limited prepares consolidated accounts which incorporate the activities of the Trust from acquisition.

- 2.9 A financial appraisal of the audited accounts relating to MCCH Society Limited undertaken by County Treasurer’s indicates that MCCH Society Ltd is a low risk contractor with no material financial concerns.
- 2.10 MCCH and Byways Trust acknowledge that the current service model is outdated and, whilst the support is valued by the current residents, it has limited appeal to people with a learning disability who are choosing where they live. MCCH and Adult Services have been working together to determine an alternative model of housing and support that will meet the needs of both the current clients and the wishes and aspirations of future service users in line with the strategic direction of the Department.

### 3 Option Appraisal

- 3.1 An appraisal was made of the four key options:
  - a. No change. Maintain Byways as a residential care home.
  - b. To create an alternative housing and support model in the form of Extra-care.
  - c. To close Byways and for the residents to move into houses in the community with support from MCCH and/or another domiciliary care agency.
  - d. To close Byways and support the current residents to move to alternative accommodation.

The result of the option appraisal is set out below:

Option	Benefit	Risks
<p><b>a.</b> <b>Maintain Byways as a residential home</b></p>	<ul style="list-style-type: none"> <li>• Maintenance of the status quo for current residents.</li> <li>• There will be no change in funding arrangements for those residents who are currently</li> </ul>	<ul style="list-style-type: none"> <li>• Large capital investment required (approx £1m) for property to meet Care Quality Commission (CQC) standards.</li> <li>• 100% increase in care package costs will be required for home to be</li> </ul>

Option	Benefit	Risks
	<p>funded by other Local Authorities.</p>	<p>financially viable. For the 7 Hampshire clients, this increase is equivalent to £217,000 pa additional pressure).</p> <ul style="list-style-type: none"> <li>• Service will become increasingly unviable as vacancies occur resulting in further increase in care package costs or home closure.</li> </ul>
<p><b>b. Creation of alternative housing and support model (Extra Care)</b></p>	<ul style="list-style-type: none"> <li>• Security of tenure for current and future clients (settled accommodation Public Service Agreement (PSA)16.</li> <li>• Option for 3 clients to purchase their own accommodation on the site (Shared Ownership).</li> <li>• More person-centred and flexible delivery of support in line with individual's current and future needs.</li> <li>• Ability to effectively implement Self Directed Support (SDS).</li> <li>• Meet gap in the market for Extra Care support for adults with a learning disability.</li> <li>• Sustainable model of support in line with strategic</li> </ul>	<ul style="list-style-type: none"> <li>• 4 of the current clients will be able to seek Ordinary Residence in Hampshire.</li> <li>• Future clients currently funded by Other Local Authorities wishing to move into the Scheme could seek Ordinary Residence in Hampshire. NB this risk would be negated for the duration of the nomination agreement.</li> </ul>

Option	Benefit	Risks
	<p>direction, future demand and Valuing People Now.</p> <ul style="list-style-type: none"> <li>Analysis of potential local demand demonstrates that there are 186 people with a learning disability known to Adult Services, aged over 45 living in north of the county. It is anticipated that a number of these people would benefit from such a scheme in their local area.</li> </ul>	
<p><b>c.</b>  <b>To close Byways residential home and for the residents to move into houses in the community with continued MCCH support</b></p>	<ul style="list-style-type: none"> <li>Security of tenure and Settled Accommodation for current residents (PSA 16).</li> <li>Flexible support packages based on individual needs in line with SDS.</li> <li>Promotes choice and independence.</li> </ul>	<ul style="list-style-type: none"> <li>4 of the current clients would be able to seek Ordinary Residence in Hampshire.</li> <li>Loss of economies of scale in the delivery of core day and night support resulting in increased revenue pressure compared to option b.</li> </ul>
<p><b>d.</b>  <b>To close Byways and support the current residents to move to alternative accommodation outside of the local area</b></p>		<ul style="list-style-type: none"> <li>This option was deemed unacceptable to Byways Trust and MCCH in light of the history of the service, the covenant in place in respect to the home and the fact that it has been the home of the current residents for up to fifty years.</li> </ul>

- 3.2. The option appraisal clearly indicates that option b offers the best outcome for the current residents, MCCH Society Limited and Hampshire County Council Adult Services. Subsequently, a proposal has been developed to build an extra care scheme on the current Byways site. This will result in the development of twelve flats that will provide settled accommodation for twelve adults with a learning disability. It is anticipated that nine of these units will be utilised by the current residents of Byways and that there will be capacity for three new service users. Following a request from Adult Services, MCCH has agreed to offer three of the units as Shared Ownership. The individuals living in the other nine units will have a tenancy agreement with Byways Trust. All of the individuals living in the scheme will have access to core support from MCCH (including night support). Each person will then be able to decide who they want to support them for any support required over and above the core hours utilising individual budgets. This model of Extra Care is not considered to be a care home and personal care will not be provided in the core support.
- 3.3 All of the current residents have been actively consulted about the proposal and nine are keen to live in the new accommodation. Person centred planning is currently being undertaken with all residents which will include determining how they wish to be supported. The residents will be supported to move into houses within Odiham and be supported by MCCH whilst the new accommodation is built.
- 3.4 The Human Resource (HR) implications of the proposal have been addressed by MCCH Society Limited which has carried out a consultation process with all the staff working in the service. All members of staff have accepted the proposal and will be issued with new job descriptions. The new job roles will be as support workers.
- 3.5 The plans for Byways are very much supported by the local community and local Councillors. This is a unique project as it will be the first Extra Care scheme for adults with a learning disability in the county. Both nationally, and within Hampshire, it is acknowledged that people with a learning disability are living longer and the need to develop accommodation and support that can respond to people's changing needs as they age is vital.
- 3.6 The proposed scheme will offer opportunities for people with a learning disability to remain in their local community. Currently, there are limited support and accommodation options for people living in the area which may result in people having to move away from their community as their needs change. This scheme will facilitate increased opportunities and choice for adults with a learning disability living in the Odiham area to stay living within their community.
- 3.7 Planning permission for the Scheme was granted by Hart District Council on 16 December 2009. The residents will be supported to identify temporary accommodation in the village from April and the 12-month building programme will be initiated in June 2010.

## 4 Finance

4.1 Each of the three potential options (excluding option d) detailed in section 3 will result in revenue implications for Hampshire County Council Adult Services. The relative implications of each option are detailed below:

### 4.2 To maintain Byways as a residential home (option a)

4.2.1 MCCH have advised that there would be a significant increase (£216,965) in care package costs in order for the service to be viable. This is not considered to be a viable option by Byways/MCCH for the following reasons:

- 1) Level of on-going capital investment that will be required to ensure the home remains 'fit for purpose' in line with CQC requirements.
- 2) A significant reduction in the numbers of people wishing to live in residential care and a subsequent reduction in demand which has been evidenced by a lack of referrals.
- 3) This option would not fit with the Valuing People Agenda and strategic priorities for Hampshire County Council Adult Services.

Current costs to HCC per week	Current costs to HCC per annum	Revised costs to HCC per week	Revised costs to HCC per annum	Increase/decrease per annum
<b>£3,560</b>	<b>£183,715</b>	<b>£7,700</b>	<b>£400,400</b>	<b>£216,965</b>

### 4.3 Creation of an alternative housing and support model in the form of Extra Care (option b)

4.3.1 The costs have been determined by identifying the individual support needs of the current residents and the inclusion of an element of shared day time and night support. As the units will be developed on one site, this provides an economy of scale in respect to the shared support elements.

4.3.2 The modelling assumes four individuals who are not currently funded through Hampshire County Council Adult Services claiming Ordinary Residence (OR) in Hampshire. Whilst the costs detailed below are slightly more than the first option there is potential for some of the costs to be met via Supporting People funding. Recent changes to the eligibility criteria for the Independent Living Fund will reduce the likelihood of any of the current residents being eligible.

Current costs to HCC per week	Current costs to HCC per annum	Revised costs to HCC per week	Revised costs to HCC per annum	Increase/Decrease per annum excluding OR	Additional OR for current residents	Increase/decrease per annum including OR
<b>£3,560</b>	<b>£183,715</b>	<b>£7,975</b>	<b>£414,721</b>	<b>£92,057</b>	<b>£138,949</b>	<b>£231,006</b>

#### **4.4 Byways residential home closes and the residents move into supported living within the community (option c)**

4.4.1 In the event that the proposed scheme did not go ahead on the Byways site, the current residents would move into houses within the community and receive domiciliary support from MCCCH and/or another domiciliary care agency. This option also assumes four individuals who are not currently funded through Hampshire County Council Adult Services claiming Ordinary Residence in Hampshire. This option loses the economies of scale created by the Extra Care model as each house would require separate core day and night support in order for the residents to be safe. As a result this is by far the most expensive option for the Council.

Current costs to HCC per week	Current costs to HCC per annum	Revised costs to HCC per week	Revised costs to HCC per annum	Increase/Decrease per annum excluding OR	Additional OR for current residents	Increase/decrease per annum including OR
<b>£3,560</b>	<b>£183,715</b>	<b>£7,975</b>	<b>£611,425</b>	<b>£216,414</b>	<b>£211,045</b>	<b>£427,459</b>

#### **On-going revenue implications**

4.5 In return for a one off £100,000 investment in the scheme, Hampshire County Council Adult Services has negotiated 100% nomination rights for the twelve units. The Nomination Agreement will ensure that Hampshire County Council Adult Services will be able to decide who, in addition to the current residents, will be able to move into the scheme. If a person who is receiving funding from another Local Authority moved into the project, they could potentially claim Ordinary Residence (OR) in Hampshire on the grounds that they have a tenancy. This may result in Hampshire County Council Adult Services being approached to take on funding responsibility for the person. The Nomination Agreement would negate the risk and associated costs of clients funded by Other Local Authorities moving into the scheme and seeking Ordinary Residence in Hampshire for the duration of the agreement.

- 4.6 To date, the Nomination Agreement proposal has been suggested to last for three years. Hampshire County Council has recognised that a fixed time period may not be the most appropriate model for the Nomination Agreement and further discussion with MCCH is planned to take place to finalise the details of the Agreement.
- 4.7 In the event that the Nomination Agreement was not in place, there is a significant risk of increased financial pressure on the Learning Disability budget if people from other local authorities move into the scheme in the future. This is estimated to be in the region of £100,000 per annum (based on 2 individuals with support packages of circa £1,000 per week).
- 4.8 The support hours that have been determined to inform the above costs of options b and c are based on the residents requiring support to develop and maintain skills to live in their own homes. MCCH will be working with each of the tenants to promote skill development and dependency on direct support which, will in turn, reduce the care package costs. The revenue implications of this Extra Care model in addition to the increased costs associated with Ordinary Residence have been factored into the 2011/12 budget.
- 4.9 For the duration of the Nomination Agreement, there will be no risk of additional financial pressure resulting from Ordinary Residence claims. Following the Nomination Agreement period, Hampshire County Council Adult Services will need to ensure that people who are the funding responsibility of Hampshire are supported to move into the project. There is the potential for people to move into the scheme who are currently in high cost residential placements, including out of county placements, who are likely to be supported at less cost within this scheme.

### **Capital**

- 4.10 The total scheme cost for MCCH Society Limited is anticipated to be £2.4m. The majority of the funding for the project will be raised through the sale of four new build properties and any potential shortfalls will be met from reserves, borrowing and fundraising. The financial appraisal undertaken by County Treasurers indicates that MCCH Society Ltd is a low risk contractor. MCCH and Byways Trust have committed to fund raising the majority of the deficit but are asking for Hampshire County Council's support for the project and have requested £100,000 capital investment.
- 4.11 The £100,000 capital will be sourced from the Adult Services capital funds that have been set aside for Extra Care in 2010/11. Funds would be transferred to MCCH at a time and with such conditions that Hampshire County Council is satisfied that this funding will be used to ensure the delivery of the proposed Extra Care Scheme.
- 4.12 The final agreement with MCCH and Byways Trust in respect of nomination rights will be an acknowledgement of the risks posed to

Hampshire County Council if people currently living out of area move into the scheme. In effect, the one off payment of £100,000 capital will ensure that any rent deficit created by voids will be met by MCCH for the duration of the Nomination Agreement. Due to the age and needs profile of the current residents, there is a high risk of voids within the initial years of the project.

- 4.13 Hampshire County Council Adult Services will continue to work closely with MCCH and Byways Trust to determine nomination rights and referral processes that will be implemented post the Agreement. All parties are committed to working together in an open and transparent manner to ensure the best interest of both the current and future tenants, Hampshire County Council Adult Services, MCCH and Byways Trust.
- 4.14 At the end of the Nomination Agreement, Hampshire County Council Adult Services would want to negotiate a minimum of a 12 week period per void to identify appropriate individuals to move in to the service before MCCH have the option to advertise the vacancy. This would largely negate the risk of clients from outside of Hampshire clients utilising this scheme and claiming Ordinary Residence and would ensure that the scheme is available for local people.

## **5 Legal**

- 5.1 Section 2 of the Local Government Act 2000 provides the Local Authority with the power to do anything that is likely to promote or improve the social well being of their area. The development of an Extra Care scheme in Odiham will achieve this by modernising housing options in the area and creating a flexible accommodation and support model that will be able to respond to meet the needs of local residents.

There are two key ambitions for Hampshire defined in the Hampshire Sustainable Community Strategy that this project will support:

- a) Hampshire's communities are cohesive and inclusive, and vulnerable people are safeguarded. This scheme will enable vulnerable people to be active members of their local community, promoting social inclusion and a cohesive community within the area.
- b) Hampshire's residents can make choices to improve their health and wellbeing. The development of this scheme will enable local people to choose to stay in their community in the event that their health and/or social care needs change.

## **6 Performance**

- 6.1 The re-provision of Byways residential home will be able to support the Adult Services Department in delivering social care to Hampshire residents. This scheme contributes to the Department's achievement of Care Quality Commission (CQC) outcomes, particularly Outcome 4

(Increased Choice and Control), increasing choice and options for independent living. The scheme will also provide evidence in CQC Domain 9 in relation to the Department commissioning services and using resources to transform and shape the local economy.

- 6.2 The scheme will offer 12 units of Settled Accommodation in accordance with NI 145 'Adults with a Learning Disability in Settled Accommodation' part of PSA 16.

## **7 Service User involvement**

- 7.1 All of the current residents at Byways have been involved in discussions about the development of the new scheme and are currently being supported to think about whether they would like to rent or own their new accommodation.

## **8 Risk Assessment**

- 8.1 **Risk:** People currently funded by Other Local Authorities may wish to move into the scheme and subsequently claim Ordinary Residence in Hampshire.

**Resolution:** In return for the capital investment requested in this report, Hampshire County Council Adult Services will secure 100% nomination rights for the scheme, ensuring that it is only offered to local people who meet eligibility criteria, subsequently negating the Ordinary Residence risk for a minimum of three years.

## **9 Recommendation**

- 9.1 It is recommended that the Executive Member for Adult Social Care gives approval to commit capital funding of £100,000 from the 2010/11 budget towards the Byways Redevelopment scheme to build twelve units of Extra Care accommodation for adults with a learning disability on the Byways site in Odiham.

## CORPORATE OR LEGAL INFORMATION:

**Links to the Corporate Strategy**

<b>Hampshire safer and more secure for all:</b>	yes
Corporate Business plan link number (if appropriate):	
<b>Maximising well-being:</b>	yes
Corporate Business plan link number (if appropriate):	
<b>Enhancing our quality of place:</b>	yes
Corporate Business plan link number (if appropriate):	

**Other Significant Links**

<b>Links to previous Member decisions:</b>		
<u>Title</u>	<u>Reference</u>	<u>Date</u>
Extra-Care Housing Capital Funding	915	November 2009
Hampshire Personalisation Commission Report		November 2008
<b>Direct links to specific legislation or Government Directives</b>		
<u>Title</u>		<u>Date</u>
Valuing People Now		2009
Valuing People		2001
Ordinary People leading Ordinary Lives (Hampshire Strategy for Learning Disability)		2008

**Section 100 D - Local Government Act 1972 - background documents**

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

<u>Document</u>	<u>Location</u>
None	

## **IMPACT ASSESSMENTS:**

### **1. Equalities Impact Assessment:**

- 1.1 A comprehensive Equalities Impact Assessment on Extra-Care Housing has been carried out and there are no adverse impacts in terms of equality or inclusion. Input will be sought however, from the Equality and Inclusion team in developing the Referrals and Allocations Policy for the scheme.
  
- 1.2 In preparing this report, account has been taken of the requirements of the Corporate Equalities Plan and Race Scheme. Both the referral process and the support contract attached to his scheme will ensure that the provider will perform their duties with due regard, to eliminate unlawful discrimination and to promote equality of opportunity to all people and to promote good relationships between different racial groups.

### **2 Impact on Crime and Disorder:**

The County Council has a legal obligation under Section 17 of the Crime and Disorder Act 1998 to consider the impact of all decisions it makes on the prevention of crime.

The impact of the proposed development on the prevention of crime has been considered. All of the tenants will be supported to understand and recognise types of crime, particularly within the context of them living in their own accommodation rather than registered care. The scheme will be a new build development which will incorporate intercom systems which may assist in the prevention of crime.

### **3 Climate Change:**

The scheme, as with all new-build Extra-Care schemes has been designed to facilitate the prudent and efficient use of resources and to encourage sustainable consumption and production.