

# BIRMINGHAM CITY COUNCIL

**PUBLIC**

<b>Report to:</b>	<b>CABINET</b>
<b>Report of:</b>	<b>Strategic Director of the People Directorate</b>
<b>Date of Decision:</b>	<b>26 July 2016</b>
<b>SUBJECT:</b>	<b>MAXIMISING INDEPENDENCE OF ADULTS: INTERNAL CARE REVIEW – CARE CENTRES</b>
<b>Key Decision: Yes</b>	<b>Relevant Forward Plan Ref: 002040/2016</b>
<b>If not in the Forward Plan: (please "X" box)</b>	Chief Executive approved <input type="checkbox"/> O&S Chairman approved <input type="checkbox"/>
<b>Relevant Cabinet Member(s)</b>	<b>Councillor Paulette Hamilton – Health and Social Care</b> <b>Councillor Majid Mahmood – Value for Money and Efficiency</b>
<b>Relevant O&amp;S Chairman:</b>	<b>Councillor John Cotton - Health, Wellbeing and the Environment</b> <b>Councillor Mohammed Aikhlaq – Governance and Corporate Resources</b>
<b>Wards affected:</b>	<b>All</b>

<b>1. Purpose of report:</b>
<p>1.1 To seek authority to consult with service users and carers, staff and other stakeholders on a range of proposals in relation to two of the four internal Care Centres, including a proposal to decommission the current services. This is part of a wider programme for future consultation in relation to all of the four Care Centres. The consultation will inform the development of a Full Business Case, recommended proposal and implementation plan and further report back to Cabinet.</p>

<b>2. Decision(s) recommended:</b>
That Cabinet approves:-
<p>2.1 The Outline Business Case (OBC) contained in <b>Appendix 1</b> which sets out an options appraisal and recommendations.</p> <p>2.2 Commencement of consultation with service users and carers, staff and other stakeholders on the proposals in relation to two of the internal Care Centres, including a proposal to decommission the current services (Norman Power Centre – Ladywood and Perry Tree Centre – Erdington).</p> <p>2.3 Commencement of market engagement activity to ensure potential service providers are aware of all the proposed options.</p>

<b>Lead Contact Officer(s):</b>	Alison Malik Head of Service – Complex and Statutory Services Commissioning Centre of Excellence
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### **3. Consultation**

#### **3.1 Internal**

Officers from Legal & Democratic Services, Corporate Procurement Services, City Finance, Birmingham Property Services, Specialist Care Services and the Commissioning Centre of Excellence have been consulted in the preparation of this Cabinet report. Trade Union representatives have also been made aware of the proposals, however further staff consultation will be required as part of the consideration and implementation of this decision.

#### **3.2 External**

Initial consultation on the broad proposal to explore alternative uses; integration and/or shared use with the NHS; transfer to other providers; and consolidating into fewer Care Centres, has been conducted with the public. This formed part of both the Corporate and Directorate Budget Consultation exercises which took place between November 2015 and February 2016. The outcome of this consultation was inconclusive for this service, with 48% of respondents to the corporate consultation agreeing with the proposals overall. However in the more detailed Directorate consultation 34% agreed we should consider alternative uses; 46% agreed we should consider integration and/or shared use with the NHS; only 24% agreed we should consider transferring the service to other providers; and only 28% agreed we should consider consolidating into fewer Care Centres. These results have been considered as part of the development of the Outline Business Case contained in **Appendix 1**.

As detailed in 5.8 – 5.10 below, initial discussions have also taken place with the NHS and other partners as part of the Sustainable Transformation Plan (STP).

### **4. Compliance Issues:**

#### **4.1 Are the recommended decisions consistent with the Council's policies, plans and strategies?**

This decision is consistent with the Council's overall objective of "making a positive difference every day to people's lives".

More specifically the consultation relating to the options contained in the Outline Business Case is consistent with the Council Business Plan and Budget 2016+ priorities as follows:

- Fairness – providing citizens with services to maintain their independence for as long as possible and providing the opportunity to influence the future direction of the services they receive.
- Prosperity – the commissioning of services supports the local economy, particularly as the majority of providers are Birmingham-based.
- Democracy – the City Council is committed to developing services for people that help them to live as independently as possible, exercising choice and control over the planning and delivery of the support they need.
- Council of the future – this project supports the wider Future Council programme and the delivery of savings identified in the Council Business Plan and Budget 2016+.

#### 4.2 Financial Implications

The Council's corporate Budget Consultation 2016+ identified a need to change the way in which the four Care Centres are used. This included considering ceasing to provide residential care at one or more Care Centres and/or the Council ceasing to be the service provider and an alternative organisation operating the service.

The approved Council Business Plan and Budget 2016+ included the following saving requirements:

Net Budget 16/17	Saving in 16/17	Saving in 17/18	Saving in 18/19	Saving in 19/20
<b>£8.940m</b>	(£0.300m)	(£0.700m)	(£1.500m)	(£1.500m)

The Outline Business Case contained in **Appendix 1** identifies how these savings may be achieved.

The timeline around the consultation process indicates that there will be a shortfall in the savings in 16/17 of £426k based on the preferred option in **Appendix 1**. Whilst there are also further shortfalls in savings identified for future years in **Appendix 1**, this is in part due to the phased approach to consultation as detailed in 5.11 below. The Directorate will need to identify alternative proposals to mitigate against this.

The consultation activity detailed in **Appendix 2** will be funded through existing staff resources.

#### 4.3 Legal Implications

The Care Act 2014 together with associated regulations and statutory guidance give the power and the duty to provide a range of services to meet assessed eligible need for care and support.

#### 4.4 Public Sector Equality Duty

An initial Equality Assessment has been completed and will be revised and updated as the project develops towards a Full Business Case. This Equality Analysis is contained within **Appendix 3**.

The Equality Assessment has considered the options contained in the Outline Business Case and currently identifies that the proposals would have the most significant impact on those with the following protected characteristics; age; disability; religion and belief; gender and race. These will be the focus of the Equality Analysis as it develops throughout the consultation period and in developing the Full Business Case.

## **5. Relevant background/chronology of key events:**

- 5.1 The service operates as part of the internal Specialist Care Services (SCS) and provides both long term residential care for adults over 65 years old and short term intermediate care for those leaving hospital or to assist in them avoiding hospital admission.
- 5.2 Long term residential care is provided for those citizens who are unable to live independently in their own home. Residential homes are registered to provide personal care and are able to provide personal care services such as washing, dressing, providing meals, companionship and social activities and are delivered in a permanent care home setting.
- 5.3 Also operated from the Care Centres are five day services, again for those aged 65 and over. This service has developed to provide opportunities for social contact, mental stimulation and physical exercise and to meet each individual's assessed eligible needs for care and support within a group setting. This is the subject of a separate report which was approved by Cabinet on 28 June 2016 seeking permission to consult on changes to this element of the service.
- 5.4 The service is delivered from four sites, which were built to a high specification in 2008 to enable the Council to deliver services to people with complex care and support needs, particularly those with a dementia diagnosis:
- Norman Power Centre – Ladywood
  - Perry Tree Centre - Erdington
  - Anne Marie-Howes Centre - Sheldon
  - Kenrick Centre – Harborne
- 5.5 The Care Centres each contain 64 beds split over two floors, half of which are used for long term residential care and half of which are used for Intermediate Care or Enhanced Assessment. The Council operates the long term residential services in all of the Care Centres, as well as 32 Enhanced Assessment Beds on the top floor of the Kenrick Centre. There are currently 96 of the Intermediate Care/short terms beds currently leased to Birmingham Community Healthcare NHS Trust for the delivery of Intermediate Care. The remaining 32 Intermediate Care beds at the Norman Power Centre have recently been decommissioned by the Birmingham Community Healthcare NHS Trust
- 5.6 The residential services delivered from the Care Centres and managed by Birmingham City Council, are accessed via a social work assessment to identify care and support needs and to confirm the person has an eligible need for care and support. The remaining Intermediate or Enhanced Assessment short term beds are allocated through separate processes once a person is medically fit to leave hospital but may require further health and social care assessment to identify their future care and support needs.

- 5.7 The long and short term care delivered from the Care Centres is regulated by the Care Quality Commission (CQC). The Care Centres are a popular choice with citizens and their families. However the Council recognises that it may no longer be best placed to provide these services directly and that alternative approaches to commissioning need to be explored.
- 5.8 The NHS Shared Planning Guidance 16/17 – 20/21 was published in December 2015. This outlined a new approach to help ensure that health and social care services are more integrated. Every health and social care system in England has been asked to produce a multi-year Sustainability and Transformation Plan (STP), showing how local services will evolve and become sustainable over the next five years.
- 5.9 To deliver a plan that is based on the needs of local populations in Birmingham and Solihull, local health partners and social care partners have come together to develop an STP which will help drive transformation in service user experience and improved outcomes.
- 5.10 As a result of this planning and aligned to the potential changes that were outlined during the Budget Consultation process, a number of discussions have taken place about opportunities for joint commissioning of services between health and social care and also the potential future use of the internal Care Centres.
- 5.11 This report is requesting permission to consult on only two of the current four Care Centres (Norman Power Centre – Ladywood and the Perry Tree Centre – Erdington). Proposals and permission to consult in relation to the two remaining Care Centres (Anne Marie Howes Centre – Sheldon and the Kenrick Centre – Harborne) will be put before Cabinet in due course. This phased approach to consultation will ensure that any feedback received from the consultation for the first two Care Centres is fully considered but also that there is sufficient opportunity to take account of the work described in 5.8 – 5.10 above.
- 5.12 This report is therefore requesting permission to consult on the three options contained in the Outline Business Case. This includes the recommended option of the proposed decommissioning of the internal residential services. The consultation process is detailed in **Appendix 2** which will take place over a three month period, due to commence in August 2016.
- 5.13 As this project continues to develop towards a Full Business Case we will alert potential service users that the service is subject to consultation and advise them how they can engage with the consultation process.

## **6. Evaluation of alternative option(s):**

- 6.1 The alternative options are detailed in the Outline Business Case contained in **Appendix 1** but are summarised below:

**Option 1:** No change – The option does not deliver significantly against the identified outcomes and in particular the savings targets set in the Council Business Plan and Budget 2016+.

**Option 2:** Stop delivering residential care in Norman Power and Perry Tree Centres and, by working jointly with the NHS through the Better Care Programme and Sustainability and Transformation Plan, change the use to step-up / step-down recovery beds to be delivered by organisations external to the Council – this is the recommended option as it delivers significantly against the savings targets set out in the Council Business Plan and Budget 2016+. This is one of recommended options detailed in the Outline Business Case in **Appendix 1**.

**Option 3:** Use the Care Centres for the delivery of high dependency dementia nursing care, but to be provided by organisations external to the Council – this would be the second preferred option as it delivers significantly against the savings targets set out in the Council Business Plan and Budget 2016+. However it would not provide the opportunity to the wider health and social care system for an integrated model relating to out of hospital care. This is one of recommended options detailed in the Outline Business Case in **Appendix 1**

## 7. Reasons for Decision(s):

7.1 To approve the Outline Business Case (OBC) contained in **Appendix 1** and to consult on the future of the service.

### Signatures

### Date

Councillor Paulette Hamilton  
Cabinet Member for Health and  
Social Care .....

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Councillor Majid Mahmood  
Cabinet Member for Value for  
Money and Efficiency .....

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Peter Hay  
Strategic Director for People .....

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### List of Background Documents used to compile this Report:

### List of Appendices accompanying this Report (if any):

1. Outline Business Case
2. Consultation Plan
3. Equality Assessment

<b>Report Version</b>	<b>0.7</b>	<b>Dated</b>	<b>14 July 2016</b>
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