

Meeting: Cabinet
Date: 28 July 2005
Subject: LIFT/PFI Project
Responsible Officer: Lorraine O'Reilly
Contact Officer: Marilyn Vertes
Portfolio Holder: Margaret Davine
Key Decision: No
Status: Part I

Section 1: Summary

This report updates Members on the People First Social Care LIFT/PFI project to deliver three Community Resource and two 6-bedded residential units Centres for people with Learning Disabilities for which the Council initially obtained £10m PFI credits from the Department of Health in 2000. It summarises adjustments to the project which have been made in the light of legislative and organisational changes impacting on both the Council and the PCT.

Decision Required

- Agreement to the preparation of an Outline Business Case for 3 Neighbourhood Resource Centres combining day care provision for people with severe learning disabilities and other complex needs with community based support from assessment and care management staff and outreach workers subject to Cabinet approval of a viable business plan. This is urgently needed to secure the continued provision by the DoH of the £10m PFI credits for which the credit life expired on 31 March 2005.
- Endorsement of proposal to deliver residential buildings outside LIFT.

Reason for report

The LIFT/PFI project for three Neighbourhood Resource Centres supports :

Strengthening of Harrow's communities by:

Delivering appropriate services to people through all life stages

Valuing Harrow's customers by:

Joining up with other service providers so that users receive a seamless service

Impact through Harrow's partnership by:

Delivering on its priorities in relation to improving access to services and integrating health and social care services (Healthy Harrow)

Benefits

1. Capital funding available from the DoH to enhance Harrow provision by £10m.
2. The new Neighbourhood Resource Centres will significantly improve the quality of service to clients who use the current Brember and Vaughan Day centres neither of which is fit for purpose in terms of building design or service provision. The new CRCs will be designed to take account of the severe disabilities of the majority of Brember clients whilst providing improved opportunities to promote and support greater independence of more able clients.
3. Co-location of care management and outreach workers with staff from provided (day care) services will make better use of resources by enabling more "joined-up" working and simplifying client/carer's contacts with service providers. It will also enhance person-centred planning which is required by the Valuing People White Paper.
4. The development of three multi-purpose CRCs in sites across the Borough will also contribute to the area model of working and become an important community resource linked with other local provision.
5. The provision of two new residential units which meet statutory standards, one for people needing long term residential care, the other to support people with the transition to supported housing.

Cost of Proposals

Capital

- Secured funding of £10m worth of PFI credits from DoH
- Additional Capital provision of c. £2m being sought in capital programme 2006/7 for the rapid provision of residential units outside LIFT/PFI scheme. The proposal is being put forward in a separate report to Cabinet on the Capital programme
- Capital receipts potential: See Part 2 Information Item
- Consultancy fees of £100k already contained in capital programme 2005/6 and 2006/7

Revenue

- An estimated figure has been placed in the MTBS for 2007/8 (subject to an agreed business case) and this is specified in Part II due to the possible commercial implications.
 - Revenue costs for current Brember and Vaughan services based on provision within 2005/6 budget: £2.2m incl. staffing costs which do not form part of the LIFT process.
 - Probability of savings accruing from the relocation of staff from the Civic Centre and other centres to the new Neighbourhood Resource Centres (NRCs)
 - Possibility of contribution from PCT on relocation of services to new NRCs
- More detailed work on financial implications will need to be agreed by Cabinet via a full business case for the NRCs at its meeting in October.

Risks

- Loss of £10m in PFI credits from DoH if scheme not approved quickly
- Failure to deliver (because of withdrawal of PFI credits) project which has been planned and subject for consultation over long period
- Damage to Council's reputation
- Damage to relationship with PCT and DoH
- Financial constraints on the Council's ability to improve its support to clients
- Closure of Bessborough Road residential unit with no working alternative and breach of statutory duty to provide residential care for adults with learning disabilities
- Vulnerable clients put at risk

Implications if recommendations rejected

- Withdrawal of DH PFI credits.
- Inability to deliver project in short term due to lack of Capital provision
- Detrimental impact on clients having to use centres which are not fit for purpose

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| <ul style="list-style-type: none">• Inability to provide new residential places and for adults with learning disabilities ahead of Bessborough Road closure• Damage Council's reputation• Inability to improve BVPI relating to people helped to live in the community |
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Section 2: Report

Brief History

The development of three new resource centres and two 6-bed residential units for people with learning disabilities was originally the basis of a PFI proposal. It also included a similar unit for people with mental health needs, later withdrawn due to changing service needs. £10m worth of credits were agreed for the scheme (known as PFI 2) by the Department of Health on 5 April 2000. The Council initially committed two sites, the Vaughan Centre and Peel Road to the scheme. Buckingham Road, an office for Community Care (Older People's) Services was later identified as the third site on the basis that the Care Management staff based there could be relocated in a new development proposed under LIFT at Kenmore.

Following issues around the affordability of the PFI proposals from the only bidder, MACE, in July 2004 Cabinet endorsed a new proposal to deliver the PFI project for three Learning Disability Resource Centres and two 6-bed residential units through the LIFT organisation. The project would utilise sites on Vaughan Road and Peel Road and look at developing a third centre on the site of disused allotment in Kenmore Road in conjunction with the PCT who had a clinic in the same road needing re-provision. Changes in the PCT and Council structures have delayed the project but it has now been reviewed and updated and there is an urgent imperative to progress work to avoid the potential loss of £10m of PFI credits to the Council. Within this context the PCT has been requested to clarify its position as a matter of urgency.

Agreement in principle to the transfer of the PFI credits to LIFT was given by the Department of Health in December 2004 and the credits were extended up to 31 March 2005. A meeting with the Department of Health Financial Appraisal Officer on 6 June 2005 has confirmed that the PFI credits are still available subject to:

- the scheme remaining broadly within the spirit of the original proposal and any changes justified in terms of improvements to service practice and quality
- evidence of a rapid timetable for progressing and completing the scheme

The Department has been sent a letter which broadly confirms these requirements but there is an urgent need to follow up with evidence of rapid progress on the scheme in order to ensure that the PFI credits are not withdrawn.

Options considered

The original proposals for the three CRCS were based on the provision of 60 places for day activities to replace the existing Brember and Vaughan Learning Disability Day Centres and were influenced by the imperative to replace the current Brember and Vaughan Day Centres. It is now felt that these proposals do not go far enough in

addressing the varying needs of people currently attending Learning Disability day centres, some of whom need intensive support and therapy on site, whilst others are able to be active in the local community with the right support. It has also been recognised that the CRCs need to be integrated into the development of area-based services and to this end, the location on the same site of care management and outreach support workers could be beneficial.

The revised proposals envisage three Neighbourhood Resource Centres (NRCs) that will provide a more holistic service to both clients with profound disabilities and those more able to live in the community, as well as their carers. The scheme is still based on the use of sites in Wealdstone, Vaughan Road and Kenmore Road. However, given the need to apply for planning permission to make alterations to the Vaughan building where the locally listed status will be a factor, it is also proposed that the possibility of an alternative site be explored within the context of a general review by officers of social care provision. This may provide the Council with an opportunity for increased Capital receipts.

The new NRCs will be expected to:

- a) provide for 40/45 severely disabled clients attending on a regular basis and, in addition, for a further 20/30 more able clients needing support in the community and possibly occasional attendance at the centre. One centre will focus on the needs of older clients with dementia and/or challenging behaviour
- b) provide flexible work bases on all the sites for care management, outreach workers and staff from a range of other disciplines to support the more able clients by enabling them to attend educational, social and leisure activities in the community instead of replicating existing models of day care
- c) utilise the additional multi-disciplinary skills acquired by the co-location of above staff to complement the day care support to clients with complex needs and challenging behaviour and provide a more holistic service
- d) link use of NRCs with Area developments in the locality to meet the needs of the local community.

The revised proposals support the Government's agenda for the promotion of independence and social inclusion. They are also more appropriate to the person-centred planning approach of Valuing People and take account of the increasing incidence of dementia in the Learning Disability population as a result of their increased life expectancy. In addition, the greater integration of Council and other services envisaged on the sites has the potential to provide more cohesive support to clients and families and make access and communication easier.

In addition the above adjustments to the scheme, it is proposed to remove the two residential units from the LIFT scheme and progress them within the capital programme because there is an urgent need to develop new provision to replace the Learning Disability residential unit at 79 Bessborough Road. It does not meet DDA requirements or CSCI standards and risks being closed down by the end of the financial year with a

consequent loss of residential capacity to the Council. The new units are not intended to be “like-for-like” replacement of Bessborough. One unit will provide long term residential care for (mainly older) people with the most severe learning disabilities; the other will be a short stay facility for younger, more able people and will support them with the transition to supported housing thereby promoting independence and social inclusion. Capital funding has been identified to carry out the new build more quickly than would be possible within LIFT.

Consultation

LIFT will undertake consultation with service users, the local community and other stakeholders to inform the development of the project. The Council will undertake consultation on the change of land use and as part of the planning permission application as appropriate.

Financial Implications

The PFI credits of £10m should cover the Capital and revenue implications of the three Neighbourhood Resource Centres as now proposed but more detailed work is needed on location and design in order to facilitate prediction of future Revenue costs and provision within the MBTS.

Legal Implications

To be considered when more work has been completed on an Outline Business Case. The LIFT/PFI project team includes legal officers.

Equalities Impact

This scheme meets levels 1 & 2 of Harrow’s Race Equality Scheme by supporting the delivery of Valuing People Strategy.

Section 3: Supporting Information/ Background Documents

Cabinet Report: Social Care PFI Project (Community Resource Centres for People with Learning Disabilities) and Housing PFI Project - 29 July 2004

Cabinet Report: Social Services Private Finance Initiative (PFI) – Residential and Day Care Services for People with Learning Disabilities - 18 March 2003

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