

AGENDA MANAGEMENT SHEET

Name of Committee	Cabinet
Date of Committee	7 September 2006
Report Title	Department of Health Extra Care Housing Fund Bid 2007-08
Summary	This report seeks approval for the Adult, Health & Community Services Directorate to bid for funding from the £40 million Department of Health (DoH) Extra Care Housing Fund for 2007 –2008 in partnership with a number of key stakeholders, including South Warwickshire Primary Care Trust (PCT), in order to meet the 3 October 2006 deadline for bids efficiently and effectively.
For further information please contact:	John Bakker Interim Head of Adult Services Tel: 01926 412612
Would the recommended decision be contrary to the Budget and Policy Framework? [please identify relevant plan/budget provision]	No
Background papers	Modernising Adult Services Provision – 21 st January 2003 Health and Welfare Overview and Scrutiny Committee Report and 6 th February 2003 Cabinet Report Evaluation of Meadow View – 20 th July 2004 Social Care and Welfare Overview and Scrutiny Committee Report and 26 th August 2004 Cabinet Report Contractual Arrangements - Warwickshire Care Services – 9 March 2006 Cabinet Report

CONSULTATION ALREADY UNDERTAKEN:-

Details to be specified

Other Committees

Local Member(s)

- | | | |
|--------------------------|-------------------------------------|--|
| Other Elected Members | <input checked="" type="checkbox"/> | Councillor Frank McCarney
Councillor Mrs Josephine Compton
Councillor Richard Dodd |
| Lead Cabinet Member | <input checked="" type="checkbox"/> | Councillor Colin Hayfield |
| Cabinet Member | <input type="checkbox"/> | |
| Chief Executive | <input type="checkbox"/> | |
| Legal | <input checked="" type="checkbox"/> | Jane Pollard |
| Finance | <input type="checkbox"/> | |
| Other Chief Officers | <input type="checkbox"/> | |
| District Councils | <input type="checkbox"/> | |
| Health Authority | <input type="checkbox"/> | |
| Police | <input type="checkbox"/> | |
| Other Bodies/Individuals | <input type="checkbox"/> | |

FINAL DECISION **Yes**

SUGGESTED NEXT STEPS:

Details to be specified

- | | |
|---|--------------------------|
| Further consideration by this Committee | <input type="checkbox"/> |
| To Council | <input type="checkbox"/> |
| To Cabinet | <input type="checkbox"/> |
| To an O & S Committee | <input type="checkbox"/> |
| To an Area Committee | <input type="checkbox"/> |
| Further Consultation | <input type="checkbox"/> |

Cabinet – 7 September 2006

Department of Health Extra Care Housing Fund Bid 2007-08

Report of the Strategic Director of Adult Health & Community Services

Recommendations

- That the Cabinet approve Adult, Health & Community Services (AH&CS) bid for funding from the £40 million Department of Health (DoH) Extra Care Housing Fund for 2007 –2008 in partnership with a number of key stakeholders, including South Warwickshire Primary Care Trust (PCT), in order to meet the 3 October 2006 deadline for submission bids efficiently and effectively.
- That the Cabinet approve the Authority entering into any contractual arrangements in relation to this bid on terms and conditions approved by the Strategic Directors of Performance and Development, Resources and AH&CS.

1. Introduction

- 1.1 Extra Care Housing or Very Sheltered Housing and a range of other terms are often used interchangeably to describe a type of housing, with care and support. It is a form of specialised housing for older people and other adults with varying care needs.
- 1.2 The DoH has made £40 million available for 2007 –2008 to develop new extra care housing places in England in areas where need has been demonstrated (as reflected in relevant strategies, particularly local Supporting People strategies and regional housing strategies).
- 1.3 All bids must be made in line with the published DoH criteria, before midnight on 3 October 2006.
- 1.4 All bids should have the support of all key local stakeholders including housing authorities, Supporting People Commissioning Body, Primary Care Trusts and other partners as appropriate.

2. Background

- 2.1 In response to the DoH notice advert of 3 August 2006, AH&CS wish to submit a bid to central government by the deadline of 3 October 2006 for funding to build and service Extra Care Housing. The decision will be notified to us in March 2007 and completion of the build is required by March 2008.
- 2.2 DoH Bidding Guidance states that “bids will need to demonstrate how they will make a significant impact on improving the health of older people or other people who have Long Term health conditions, such that social exclusion can be tackled. Bids will have to show:
- How the proposal will result in improved health outcomes for the target group, especially through supporting self care initiatives
 - The explicit benefit to people in the wider community and in local neighbourhoods
 - Hospital admissions and re-admissions or move-on to residential care can be reduced – including estimates of numbers involved”
- 2.3 DoH Bidding Guidance states that “bids will need to demonstrate how effective their partnerships are, by showing the benefits of co-operation in three areas -
- Partnerships between health (primary care, acute and mental health trusts), social care and housing
 - Partnerships with active involvement of older people and/or other beneficiaries of schemes
 - Partnerships with private and/or community and voluntary sectors”
- 2.4 DoH Bidding Guidance states that “all Bids will need to demonstrate good value for money, in three areas:
- Grant per unit or Total Cost Indicator (TCI) as per Housing Corporation
 - Numbers of people supported, including in the wider community
 - Utilisation of other funding sources”

3. Specific Details on WCC Bid

- 3.1 Initial AH&CS discussions have identified two sites that subject to ongoing checks by WCC property legal advisers would suit Directorate strategic objectives and match funding bid criteria.

3.1.1 Site A

WCC land (1 acre) or WCC and additional Primary Care Trust (PCT) land (approx. 1.4 acres)

- Current total provision on 3 local sites = 115 beds (of which WCC contract/provide 89)
- Proposed provision = 60 rooms + 60 Extra Care dwellings)
- This option would require either an Extra Care extension to be built on current WCC site (1 acre) or a possible demolish and new build on combined site (1.4 acres)
- This option could possibly be part-financed by sale of the two smaller local sites in the area in order to generate capital receipt to fund build at an alternative site, e.g. WCC and PCT-owned site(s)
- This option would require partnership arrangements with a range of key local stakeholders, e.g. housing association, PCT, independent care provider, District Council as well as Supporting People Commissioning Body
- A number of housing associations and independent care providers are well placed to provide the build and care element of any partnership

Accommodation number increase generated = 5

3.1.2 Site B

WCC land (1.65 acres) currently sublet to independent provider via lease to housing association

- Current provision = 26 beds (of which WCC contract 22) for Adults with a Physical Disability (PD)
- Proposed provision = 60 rooms + 60 Extra Care dwellings
- This option may require the transfer 26 PD beds to alternative site, e.g.. extension/rebuild in the grounds of Site A, possibly through leasing arrangement if transfer is on to WCC land
- This option would require partnership arrangements with other providers, developers and constructors via a phased approach in order to significantly increase availability and range of accommodation care options, e.g. Extra Care, 60-bed residential care facility
- This option would require timescales for demolish, new build/rebuild, decant to alternative sites agreed with residents/carers and providers, including WCC Homes for Elderly People (HEPs)
- This option would require a partnership arrangement with a Registered Social Landlord (RSL) as the current care provider is not registered to provide housing
- A number of housing associations and independent care providers are well placed to provide the build and care element of any partnership

Accommodation number increase generated = 94

3.2 Indicative Example of New Build/Cost of Extra Care Housing Provision calculated as follows*;

Average Unit - 50 square metres
Typical build cost for new scheme - £1000 per sqm
Add approximately 30% for communal areas
Add 16% for fees and other on costs

* Source – Housing - Learning and Improvement Network (LIN)

3.2.1 Site A - New Build/Cost of Extra Care Housing Provision projected costings as follows;

60 (units) x 50 (average unit sqm) x 1000 (build cost (£) per sqm)	= £3m
3m x 30% communal costs	= £900k
3m x 16% fees and on costs	= £480k
Total projected cost	= £4,380,000

3.2.2 Site B - New Build/Cost of Extra Care Housing Provision projected costings as follows;

60 (units) x 50 (average unit sqm) x 1000 (build cost (£) per sqm)	= £3m
3m x 30% communal costs	= £900k
3m x 16% fees and on costs	= £480k
Total projected cost	= £4,380,000

3.3 If sites are to be remodelled, then costs may vary enormously due to a number of issues, including;

- Location/condition of current buildings and/or sites
- Rehousing (decant) costs
- Longer timescales
- Design and specification compromises

4. The Proposed Way Forward

4.1 Under Section 3 Bidding Criteria, one of the qualifying criteria (bullet point 7) states that "...care arrangements must be agreed between partners", and another (bullet point 11) that the "...DoH will seek the views of...the Commission for Social Care Inspection (CSCI) regarding deliverability of the bid".

4.1.1 In response to a request to provide clarification on the above, the DoH have provided the following feedback via the Extra Care Housing Fund 2007/08 Question and Answer (Q&A) website;

i).**Q:** "...care arrangements must be agreed between partners" - does this mean, for example, it is sufficient to detail the intention around the model of care, i.e. an integrated/segregated model, or is the expectation that more specific detail is required around who the care/support providers may be?

A: The answer is yes; the detail of the intention and a timetable will be appropriate. When agreements are not made, the bid will have to indicate what processes are in place to ensure that agreements for care arrangements and registration with CSCI will be secured.

ii). **Q:** Local Authority tendering requirements will mean that the care contract will need to be tendered for and this will not take place until a scheme is in development and therefore the it will not be possible to identify a specific care provider. Would the process for contracting with timescales be sufficient here?

A: As Q i)., i.e. the answer is yes; the detail of the intention and a timetable will be appropriate. When agreements are not made, the bid will have to indicate what processes are in place to ensure that agreements for care arrangements and registration with CSCI will be secured.

iii). **Q:** Recognising the necessity of a care partner being registered with CSCI is important, but how would CSCI be in a position to provide a view about the deliverability of a bid unless it knew who the intended care partner was going to be?

A: CSCI's views on the deliverability of the bids will be sought

4.2 Subject to Cabinet approval, and in light of the above feedback, work with regard to bidding, i.e. detail of the intention and an appropriate timetable, should be commenced with all key stakeholders at the earliest opportunity, including a land law perspective.

4.2.1 In order to alert housing associations and independent providers and commence dialogue with regard to any proposed funding bid, it is suggested that this be added to the agenda of the AH&CS Independent Sector Forum at the earliest opportunity, with the forum acting as a sub-group to the WCC key stakeholder group at this stage.

5. Conclusion

5.1 It is recommended that Cabinet agree to a bid for funding in partnership with key stakeholders in order to:

- Ensure the most efficient and effective funding bid is completed within the timeframe
- Further develop partnership-working between WCC and a range of key local stakeholders
- Further develop market capacity and the range of service options
- Address market shortfalls in county “hotspots”
- Make best use of land and property resources
- Support future accommodation strategies
- Secure continued stability and good quality of service for users
- Continue good performance and service user satisfaction
- Contribute to the Adult Social Care Performance Improvement Action Plan
- Maintain overall market stability

6. Recommendations

6.1 That the Cabinet approve Adult, Health & Community Services (AH&CS) bid for funding from the £40 million Department of Health (DoH) Extra Care Housing Fund for 2007 –2008 in partnership with a number of key stakeholders, including including South Warwickshire Primary Care Trust (PCT), in order to meet the 3 October 2006 deadline for submission bids efficiently and effectively.

6.2 That the Cabinet approve the Authority entering into any contractual arrangements in relation to this bid on terms and conditions approved by the Strategic Directors of Performance and Development, Resources and AH&CS.

GRAEME BETTS
Strategic Director of Adult Health &
Community Services

Shire Hall
Warwick

30 August 2006