

Councillor David Winskill

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To: All Cabinet members

Dear Colleagues,

I wanted to write to you before you meet on 18th August 2011 to review your decision to close four residential and respite homes.

As you are aware, the meeting of the Overview and Scrutiny committee on the 15th August 2011 was well attended by service users, their families and carers. We heard a range of concerns about the proposals including, as the recommendations of the committee suggest, unease about the transparency of the financial case for the closures, the consultation of some service users and that many service users have no details on what their future provision will be nor feel they have been engaged in the planning of substitute services.

I'm sure that you will consider the formal recommendations at your meeting but this letter gives more details on why I pushed for the decision to be referred to you and highlights my concerns of the financial opaqueness of the decision.

I agree that, generally, there will be savings made by moving residents from in-house residential and respite care into commissioned care from the independent and private sector. According to your figures the average 'unit cost' of residential provision by the Council is £25,541 compared to an average of £21,046 in the independent sector – this represents a 'unit cost' saving of £4,495. This achieves a total £503,440 saving, assuming no change in the number of residents we will provide for.

The report suggests however that the headline savings from residential home closures is £1.8million. This concerns me in two ways:

1. The majority of the £1.8million saving in Council-run residential care is realised from the natural mortality of one cohort of current service users and not through savings made by the Council. This 'turnover' assumes that we do not have to re-provide residential care for 65 residents currently receiving care and therefore we only provide in-house care for 47 rather than 112 residents.
2. This was also highlighted by Cllr Diakides at the meeting on Monday. The decision to close residential and respite care is taken within the context of a large Adult Social Services budget. From memory, the Director of Adult Social Services suggested that the commissioning budget is in the region of £24million. Nowhere in the report does it refer to any implications to any

other budget lines in Adult Social Services (extra-care, supported living at home etc) elsewhere in the Council or an effect of these changes on the budgets of the NHS. I am concerned that the cabinet is taking a decision, either without a wider impact assessment on these budgets or, if this is taken with comprehensive knowledge of the knock on effect to, for example, the commissioning budget, that councillors and the public have not been given sight of these figures. We need to have sight of the effect on the commissioning budget to understand whether the overall savings to the Council from in-house care are real. If not, this fundamentally calls into question the ability of the Council to save the £1.8million suggested in the report.

In light of these I would like answers to the following:

- How did the Council calculate the number of service users that the Council will not have to re-provide for (i.e. 65)? Was any consideration given to the increase in mortality of residents currently living in the residential and respite homes and is the assumed rate of 'turnover' higher than normally expected in a similar timeframe?
- Was consideration given to the wider implications to Adult Social Service budgets and, if so, why were details not provided with the original decision of the cabinet on the 19th July 2011 and the subsequent meeting of the Overview and Scrutiny committee on the 16th August 2011.

.. and two further general questions:

- Generally, the costs of commissioned services are cheaper than Council-run residential care. However, according to 13.2 in the cabinet report the cost of commissioned services for the re-provision at Broadwater Lodge is more expensive than the in-house provision (£939,400/33beds = £20,875 compared to £373,024/17beds = £21,942). Why is this the case and does this not suggest that it is financially viable to keep Broadwater Lodge open?

Considering this the Council could save another £48,015 by keeping Broadwater Lodge open and keeping this centre full (Difference in cost of in-house to commissioned care = £1,067 x 45 capacity beds = £48,015)

- Considering, as was suggested many times during the O&S meeting, that the Council commissions a vast amount of its residential (75%) and respite care (90%) already, did the Adult Social Services department have any long-term plans to close Cranwood, Broadwater Lodge, The Red House and 100 Whitehall Street before the latest financial settlement from government? As 7.9 of the report dated 19th July 2011 says "In addition and in line with the national direction of travel, Adult Services has looked to reduce reliance on residential care, with more people supported to live at home with support where needed, to remain as independent as possible." – when did the Council first look to do this? Did the more immediate need to find savings expedite these plans?

My group supports the general move to personalised budgets and giving people a real option for the sort of care and support they will need as they get older.

Our concern is that there has been a hurried decision to make headline savings at the expense of working with users and carers to develop appropriate and viable models of care.

Kind Regards,

A handwritten signature in black ink that reads "David Winkill". The signature is written in a cursive style with a large, sweeping initial 'D'.

Cllr David Winkill