

Cabinet Committee: Review of the Strategic Direction of Council Residential Care Homes for Older People and Extra Care Services

Note of Informal Meeting held on 12 June 2007

Present:

Councillors

Alan Rhodes (in the Chair)

John Allin

Vincent Dobson

Jill Turner, UNISON

Mick Tinkler, Age Concern

Keith Dobb, Nottinghamshire Care Association

David Pearson, Strategic Director, Adult Social Care and Health

Malcolm Dillon, Service Director - Older People and Strategic Partnerships

Terry Pears, Service Head Residential & Day Care for Older People

David Waller, Finance, Adult Social Care and Health

Paul Davies, Principal Administrative Officer, Chief Executive's Department

Paul Davies, Members' Services, informed those present that since Councillor Rhodes was the only voting member of the Cabinet Committee who was present, the Cabinet Committee was inquorate and a formal meeting could therefore not take place. It had been agreed that an informal meeting would take place instead. Jill Turner expressed concern that this might mean that decisions would not be taken in public. David Pearson assured her that the informal meeting would be held in public, and afterwards there would be consideration about whether an additional meeting of the Cabinet Committee was needed.

The notes of the meeting of the Cabinet Committee on 15 May 2007 were noted. Apologies for absence were received from Councillors Steve Carroll, Mick Storey and Joan Taylor.

INITIAL FINANCIAL EVALUATION MODELS FOR THE FUTURE DEVELOPMENT OF RESIDENTIAL HOMES AND EXTRA CARE

David Waller gave a presentation on the initial financial evaluation of the three models which had previously been presented to the Cabinet Committee, namely:

- Stay as Now, with the Council remaining as a provider of the current level of residential care services
- Withdrawal from providing residential care and developing extra care as an alternative
- Strategic Share: retaining a strategic share of the residential care market and develop extra care services

The evaluation had been a desktop exercise, based on information from past schemes, to illustrate the capital and revenue implications of the options.

During the discussion which followed, Councillor Allin expressed the view that the existing partnership in Rushcliffe showed the effectiveness of the extra care route. In his view, Stay as Now would be too expensive, and withdrawal was not an option. Councillor Rhodes pointed out that this would not be a purely financial decision. Mr Waller observed that while Stay as Now seemed expensive, the cost of the other options could increase with any increase in land or building costs. Councillor Dobson referred to the authority's existing land holdings. Mr Waller pointed out that sites would need to be large enough to meet current or predicted standards.

Jill Turner felt that there was insufficient justification for the figures which had been presented, and that decisions should be based on accurate costings. Any of the costs, not only those of land and buildings, could change. Mr Waller replied that spreadsheets were available to show the calculations behind the figures. He saw the value of a desktop exercise before involving consultants. He expected there to be a feasibility study on a preferred option before going forward to implement it.

Mr Tinkler asked how local authority and social housing providers would react to a partnership approach. Mr Dillon indicated that there was interest from a number of district councils. The department would want to hold further discussion with them and with other providers. Mr Dobb queried that estimated cost of £97,000 per new bed, compared with valuing current beds at £37,000 each. He referred to a scheme in Derbyshire combining a residential care home and flats, where each care home bed was estimated at £55,000. Mr Waller replied that he had looked at homes in the East Midlands to establish comparative costs. Rebuilding costs had been estimated, but could vary according to the site and nature of the building.

Mr Pearson pointed out that a desktop exercise could not show what the market could deliver. However it was based on the updated cost to the authority of residential units and day care. Sale values were based on recent advertisements. In his view, the figures were sufficiently justified for the committee to use them to help decide the way forward.

Mr Dobb questioned the comments about capital charges in paragraph 2.6.4. He pointed out that the independent sector faced them too. Mr Waller explained that they were not a real cost, in that they were something which the authority charged itself. However it did not represent money which could be spent elsewhere if the service was closed down. He added that there were some costs which the authority bore which the independent sector did not face. Mr Dobb agreed that if the authority chose the withdrawal option, there would be additional costs for the remaining parts of the service.

FURTHER INFORMATION IN CONSIDERING THE DEVELOPMENT OF THE STRATEGY FOR RESIDENTIAL HOMES AND EXTRA CARE

Mr Dillon introduced the report, which provided additional information on some of the issues previously raised at the Cabinet Committee. Mr Dobb found the report helpful. In relation to the report's observations about the not for profit sector, he commented that making a profit was a sign of efficiency. Mr Tinkler believed that the quality of care should be paramount. He pointed out that the voluntary sector also provided day care services. Mr Dillon accepted this point. Mr Dobb stated that people did look at Commission for Social Care and Inspection reports, and he was able to quickly tell whether a home was good or not.

Councillor Rhodes believed that it was inevitable that the media would be interested in such a contentious decision. While he had found coverage in the Nottingham Evening Post to be even handed, he felt that the Newark Advertiser had been running a scare story. He pointed out that no decisions had been taken yet. Councillor Dobson said it was important to put people's minds at rest.

QUESTIONS

Councillor Rhodes invited questions from the public to members and officers. Among the points raised were:

- That it would be helpful for the public to be given copies of papers when attending the meeting. This was accepted.
- That the quality of care was very important. Councillor Rhodes agreed, but pointed out that there were other considerations too.
- Whether the move to en-suite facilities was as a result of government requirements. Mr Pearson said that it was, as well a preference by older people for them. There were en-suite facilities in the authority's most recent homes. It was pointed out by the questioner that some older people were happy with shared facilities, and that bathrooms needed to be large enough to take lifting equipment. Councillor Rhodes believed that older people were less accepting of older standards, and were asking for more independence and privacy. He said that the authority needed to plan ahead.
- That the Newark Advertiser was doing an excellent job to inform local people. Councillor Rhodes believed that on this occasion, their coverage was questionable.

The meeting closed at 3.40 pm.