

ADULTS AND HEALTH SELECT COMMITTEE
14 July 2020
ADULT SOCIAL CARE ACCOMMODATION WITH
CARE AND SUPPORT PROGRAMME UPDATE



Purpose of report: To provide an update on the progress of the Adult Social Care Accommodation with Care and Support transformation programme. The report provides a summary of the Accommodation with Care and Support Strategy for older people and individuals with a learning disability and/or autism, as well as providing information on the programme's progress to date for achieving improved outcomes for residents and delivering a more sustainable service.

Introduction

1. In July 2019 Cabinet agreed the Adult Social Care Accommodation with Care and Support Strategy for older people and individuals with learning disabilities and/or autism.
2. The Adults and Health Select Committee have received updates on the Accommodation with Care and Support Programme as part of the Adult Social Care Transformation Update reports presented to the Committee.
3. This report provides the Adults and Health Select Committee with a dedicated update on the Accommodation with Care and Support Programme's progress to date.

Summary of the issue

4. The care and support system in Surrey is under significant strain and is facing sustained financial challenges. This is due to the following reasons.
5. Firstly, Surrey's population is growing rapidly. By 2030 over 22% of its residents will be aged 65 and over, compared to 19% in 2018. In addition the number of adults with a learning disability and/or autism in Surrey is projected to rise in line with the general population. The 2017 Surrey Joint Strategic Needs Assessment estimated an increase of circa 10% over the next 10 years for this population group¹.
6. Secondly, it is challenging sourcing affordable residential and nursing care beds at Surrey County Council's (SCC) guide prices. The largest area of expenditure in terms of types of care provision for Adult Social Care (ASC) are specialist home care and residential placements.
7. Thirdly, there is insufficient specialist accommodation provision for both older people and working age adults with a learning disability and/or autism, and additional capacity is required urgently to support them to remain in their communities. National

¹ <https://www.surreyi.gov.uk/jsna/>

benchmarking suggests that, for accommodation options for older people, Surrey's biggest gap in provision is Extra Care Housing. It also shows that SCC funds a much higher percentage of people with a learning disability and/or autism in residential care than most.

8. In July 2019 Cabinet agreed the Accommodation with Care and Support strategy to enable Surrey County Council to respond to these challenges.

Our new delivery model for accommodation with care and support

9. Across ASC we are taking a 'strengths based' approach to the delivery of care and support. This means we will work with residents focussing on their wellbeing, setting goals and outcomes. We will have high expectations that the people we work with will reach the highest level of independence that is possible for them.
10. Due to a lack of alternative options, SCC currently relies too heavily on placing individuals in a residential setting. This institutional approach limits our ability to support individuals to increase their independence, enable them to live healthy and fulfilling lives, and achieve their full potential in the community.
11. There are 1,034 (at March 2020) individuals with a learning disability and/or autism in residential care at an average cost of £77,000 per annum. There are 2,896 older people that are placed in SCC funded residential and nursing setting at an average cost of £38,000.
12. There are a variety of sustainable accommodation with care and support models in existence and SCC intends to commission independent living and Extra Care Housing.

Strategic Ambition

Extra Care Housing

13. The Housing Learning and Improvement Network (HLIN) has set out a consistent methodology for calculating Extra Care Housing future demand. This states that demand for Extra Care Housing is likely to be required at 25 units per 1,000 population aged 75 plus, and that the rental element of this demand is based on local market factors.²
14. Based on Surrey's population metrics, it has been calculated that Extra Care Housing rental provision will need to expand by an additional 725 units across the county so that, by 2028, over 1,150 units will be available.

Independent Living

² www.housinglin.org.uk/assets/Resources/Housing/Housing_advice/Extra_Care_Housing_-_What_is_it_2015.pdf

15. As of March 2020, SCC currently funds 1,034 people with a learning disability and/or autism in residential care and spends £84m per year. Benchmarking undertaken shows that SCC is a very significant outlier both in terms of the total amount spent on supporting people with learning disabilities and/or autism and the proportion spent on supporting people in residential care.
16. ASC has identified circa 410 people who are likely to be suitable to move to alternative independent living provision. SCC spends £35m on their residential care and support.
17. In addition to the people already funded by SCC, it is estimated that around 90 new people per year with a learning disability and/or autism will require accommodation funded by SCC.
18. Our strategic ambition is to reduce the number of people with a learning disability and/or autism in residential care by 40-50% over the next 5 years by expanding the development of new independent living provision.

Progress to date

Extra Care Housing

19. There are three Surrey County Council owned sites that are being developed for Extra Care Housing following a decision by Cabinet in October 2019. The sites are the Former Pond Meadow School Site in Guildford, the Former Pinehurst Resource Centre in Surrey Heath and the Former Brockhurst Care Home in Runnymede.

The Former Pond Meadow School Site

20. We will publish a Design, Build, Finance and Operate (housing management services) Invitation to Tender (ITT) this summer to identify a development partner for the Former Pond Meadow School site. We will procure the care contract separately later.
21. The tender process and documentation are close to completion and we are awaiting feedback from suppliers on our Market Engagement presentation. This market intelligence will inform our final approach for tendering. To date feedback from the market has been positive and there is a keenness for this opportunity to be tendered, despite the challenges posed by Covid-19.
22. The deadline for publishing the ITT has been delayed, because we sought to understand the market environment during the Covid-19 pandemic and our project resource was diverted to support the Council's response to the crisis.
23. We plan to make up for lost time during the evaluation phase of the tender and we anticipate awarding the contract to the successful supplier in Autumn 2020.

The Former Brockhurst Care Home and the Former Pinehurst Resource Centre

24. Cabinet agreed that these two sites will be delivered by our Joint Venture partner Places for People.
25. At the start of January 2020 ASC submitted our design requirements for the two schemes to the Joint Venture, who then had 40 working days to respond with their indicative site development plans. To date the Council has not received the Joint Venture's final indicative site development plans that have been agreed by its Board. The Joint Ventures pace of delivery is greatly delaying progress for developing these sites.
26. Due to the slow pace of delivery and ongoing challenges around communication and partnership working, we are exploring alternative options for delivering Extra Care Housing at these locations.
27. If the joint venture is no longer deemed suitable for developing these schemes, we will provide Cabinet with a report outlining our proposed next steps and seek its approval to employ an alternative delivery model.

Tranche 2 site locations for Extra Care Housing

28. Property Services have identified a further two sites that are suitable for Extra Care Housing. Adult Social Care Commissioning have confirmed that these sites meet the criteria and demand profile for their clients. We are now in the process of preparing the business cases for developing Extra Care Housing at these locations and plan to agree the route to market for the design, build and housing management of these schemes with Cabinet in Autumn 2020.

Independent Living Programme

29. The independent living programme is making good progress and work is underway to secure improved outcomes for Surrey residents.

Void Management

30. Our new voids management process has led to 15 of an original 80 voids being filled. We are identifying residents for a further 12 vacant units. We are reviewing the remaining 53 of the original 80 voids to verify whether they are fit for purpose. Due to Covid-19 restrictions we might not be able to review some of these vacancies in person until social distancing rules have been relaxed. We are exploring innovative and technological solutions that allow us to review the voids virtually.

New Properties

31. Property services have identified three Surrey County Council owned sites that are suitable for independent living. Adult Social Care Commissioning have confirmed that these sites meet the criteria and demand profile for their clients. We are now in the process of preparing the business cases for developing independent living at these locations and plan to agree the route to market with Cabinet in Autumn 2020.

32. We will also work closely with our district and borough colleagues to assess the potential for placing individuals with learning disabilities and/or autism in their supported living housing stock. This will help increase our independent living capacity in Surrey in the immediate future.

Recruitment

33. We are in the process of recruiting to a dedicated operational team to support the delivery of independent living in Surrey. This 'Move on Team', which includes social workers, senior social care assistants and administrative staff will focus on reviewing our clients' needs including housing needs and is expected to be fully resourced by June 2020.

Procurement

34. We have drafted a new Independent Living Specification and key performance indicators, which we will be engaging stakeholders with over the summer to gather their feedback. It has been agreed that independent living will be procured through a framework that encourages core and flexi schemes and facilitates hub and spoke provision.

Deregistration

35. We are working with providers to increase the capacity of independent living through deregistering existing residential provision. We have identified providers that are willing to employ this new business model and we will work with them to ensure any future changes are managed effectively for the benefit of their residents. CQC has currently suspended all deregistration activity because of Covid-19. However we will continue to work with providers to ensure we are well prepared for when CQC resume their deregistration activity.

Savings

Extra Care Housing

36. The Council's focus is on developing new Extra Care Housing settings for which the Council has 100% of the nomination rights so that all of the units can be used to support people that the Council has a duty to fund care for. It is expected that on average each additional affordable Extra Care Housing unit in these settings will save £4,600. Assuming conservative average occupancy of 90%, once the 725 planned affordable units are all fully operational then the total financial benefits to the Council are expected to be £3m per year.

Independent Living

37. There are significant savings to be achieved through this programme. Firstly the Council will no longer pay for the hotel and accommodation cost for individuals placed in independent living. Based on detailed cost information gathered as part of a cost of care exercise undertaken, it is estimated that hotel and accommodation costs account for on average 21% of the total cost of the current cohort.

38. When the average reduction in assessed charging income anticipated to arise from the shift from residential care to independent living is factored in, the average cost reduction relating to ceasing to pay for hotel and accommodation costs alone is estimated to be 18% of the net expenditure of each residential care placement currently funded. Savings of £6.7m per year could be achieved through supporting people identified as likely to be suitable to move from residential care to independent living. This relates to the hotel and accommodation costs only and does not factor in any potential reduction in care costs.
39. Further financial modelling is required to robustly predict the scale of savings that may be achievable in relation to care costs between residential care vs independent living. However, if care costs were reduced by 10% in independent living compared to residential care then further savings of £2.8m could be achieved for the identified cohort on top of the accommodation cost saving. The total cost reduction saving to the council would therefore be £9.5m per year.
40. It is important to remember that reduction of care and support costs for people with a learning disability and/or autism represents a lifetime saving as people with this level of need will typically receive funded care and support over their entire adult life. The cumulative cash saving of funding care for the cohort of individuals that move from residential care to independent living could be more than £210m based on the average age of and average life expectancy for this client group.
41. Further cost avoidance would be achieved on top of this by ensuring new people requiring support funded by the Council are placed in independent living as opposed to residential care. It is clearly evident therefore that the development of independent living has the potential to deliver huge financial benefits for SCC in addition to leading to better outcomes for people.

Conclusions

42. The ASC Accommodation with Care and Support programme is making steady progress to develop additional affordable specialist accommodation capacity in Surrey and is employing measures to ensure the pace of delivery is not greatly setback by the national Covid-19 crisis.

Recommendations

43. Members of the Adults & Health Select Committee are invited to note the update and to raise any challenges they feel appropriate.

Next steps

44. Below are the next key programme milestones for the coming months:
 - 44.1 Summer 2020 – publish the Design, Build, Finance and Operate Invitation to Tender for an Extra Care Housing scheme at the Former Pond Meadow School.

44.2 Autumn 2020 – Cabinet agree further sites for Independent Living and Extra Care Housing.

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Sources/background papers:

Surrey Joint Strategic Needs Assessment - <https://www.surreyi.gov.uk/jsna/>

Extra care housing – what is it in 2015?

www.housinglin.org.uk/_assets/Resources/Housing/Housing_advice/Extra_Care_Housing_-_What_is_it_2015.pdf

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