

<b>Meeting:</b>	<b>Director of adults and communities</b>
<b>Meeting date:</b>	<b>Tuesday 5 January 2021</b>
<b>Title of report:</b>	<b>Independent Living Demonstration &amp; Assessment Centre</b>
<b>Report by:</b>	<b>Senior Project Manager</b>

## **Classification**

Open

## **Decision type**

Non-key

## **Wards affected**

(All Wards);

## **Purpose**

To approve the capital budget of £198,509 to create the Independent Living Demonstration and Assessment Centre.

This report contains information which describes the justification for continuing the development of the Independent Living Demonstration and Assessment Centre.

## **Recommendation(s)**

That:

- (a) **The full budget of £198,509 is approved to progress with the works needed to deliver the Independent Living Demonstration and Assessment Centre;**
- (b) **The Director for Adults and Communities be authorised to take all operational decisions necessary to implement the above recommendations and spend within the approved budget of £198,509. As outlined in Para.27 of this report. All procurements will be in line with the council's contract procedure rules.**

## Alternative options

1. Over the course of several years other options have been considered for the Centre. These include:
  - Leasing an alternative site within Hereford City Centre. This would have provided a good, accessible location, but at the time this was investigated this would have incurred a revenue cost for rent, and would have presented a risk that the lease could have been terminated at short notice;
  - A mobile solution, but this would only be suitable for showcasing smaller items and would not be able to showcase large equipment and adaptations, although it would mean that the service could be offered in different areas of the county;
  - Other Council owned properties. None were deemed suitable, with the exception of one. Significant work went into scoping the use of a residential Council owned property in need of significant refurbishment. The budget was not sufficient and a number of compromises would have had to be overcome to utilise the space and make it suitable and accessible;
  - Purchase another suitable building and install equipment and adaptations – it would cost more to purchase an additional building than the budget which has been allocated.
2. Do nothing - not recommended. By doing nothing we miss the opportunity to move service delivery forward by ensuring that people receive the correct advice for their current and future needs, as well as a timely assessment for equipment and adaptations. Also the opportunity to move the technology enabled care agenda forward, by demonstrating how equipment will be used in a real world setting. By doing nothing, the service would continue to incur costs of hiring space at the hospital for bathing clinic. However, if the project does not proceed, the costs of converting the space at Hillside, and the running costs once the Centre is opened will not be incurred.

## Key considerations

3. The project aim is to refurbish a designated area of the Hillside building, Hereford, and install specialist equipment, adaptations and technology which will be used by the Promoting Independent Living Service to deliver an Independent Living Demonstration and Assessment Centre near Hereford city centre. The Centre will offer facilities for demonstration of equipment, adaptations and technology, and provision of advice. Implementation of the Centre will support the Communities agenda, and the council's approach to the prevention agenda. There is opportunity to work with partners to deliver additional services within the Centre; options are being explored.
4. There are a range of retailers selling equipment and adaptations, but no independent, not-for-profit demonstration centres for the public to view and trial equipment, and to receive independent impartial advice. This can result in the incorrect equipment being prescribed and higher care needs due to the equipment not meeting the service user's needs. Herefordshire Council has encountered examples where residents have been sold inappropriate equipment or adaptations, which do not suit their future needs, and as a result service users have had to come to Adult Social Care for further help and

information. This centre will also allow self-funders to access appropriate and independent advice.

5. The Council currently has a contract with the equipment provider NRS Healthcare. Within this agreement, the commitment was made to develop an Independent Living Demonstration Centre in Herefordshire. This has not yet been delivered. The current contract requires NRS to support with the provision of equipment.
6. The Adult and Communities Directorate has access to funding of £198,509 from a historical private sector housing capital grant to open an Independent Living Demonstration and Assessment Centre. With increased focus on technology functions, the Centre would provide a timely opportunity to support the delivery of the technology enabled living strategy.
7. The site should allow for assessments to be undertaken, and equipment to be demonstrated in an environment that as closely as possible reflects a domestic house setting, giving a more realistic representation of how the equipment will work in the service user's home.
8. The Centre will provide a holistic user experience with a range of facilities being available in one location, with opportunities for partnership working. Making Every Contact Count (MECC) principles apply.
9. The property site should be within close proximity of Hereford City Centre, providing an accessible location with good transport links. Evidence from similar services nationally is that Assessment & Demonstration centres in town and city centres are well used, whereas those located out of town are not visited as frequently.
10. Numbers in the older age groups have been growing at a disproportionately high rate in Herefordshire and people aged 65 and over currently account for around a quarter of the county's total population. This age group is expected to continue growing at a high rate with numbers aged 85+ rising even more rapidly. The Herefordshire population of those aged over 85 is predicted to increase by 140% by 2039. This growth is also associated with: An increase in the numbers of people living with multiple, chronic, and long-term health conditions; A greater number of older people who are living with cognitive impairments; Families facing increasing pressure to balance care with other responsibilities, particularly work, with more people needing physical and financial support, at a time when there are fewer people able to fund public services and provide care. Additionally, failing to provide adequate support to self-funders results in increased costs to Adult Social Care. An older person admissions (age over 65) on average costs per person, £574.98 per week, Nursing costs £661.56 per person, per week. A Disabled Facility Grant (DFG) adaptation prevents a hospital admission for between 3-4 years.
11. The highest proportion of domiciliary care provision lies between 5 hours and 9 hour per week. This is an area where the provision of technology and equipment can have most effect in reducing care packages – if we are able to prevent 7 hours per week per client for 50 clients at £17.36 urban rate £20.05 rural rate we could produce a saving in the region of £6319.04 per domiciliary care client per annum. At a conservative estimate this would deliver a return of £340,000 per annum.
12. One third of people currently 'fall out' of the Disabled Facilities Grant (DFG) application process, with 30-40% failing the means test. Provision of advice at the centre will give opportunity for advice at early stage, and for alternative advice to be put forward for consideration by the service user if they cannot access the DFG.

13. The Centre provides opportunities for wider assessment for equipment and adaptations to reduce number of people on waiting lists, taking the client's view more into account, creating more of a self-assessment process and to speed up DFG provision.
14. The Centre will allow for an increased number of people to be seen on site, rather than at home. This will decrease staff travel time and assessment costs. At the present time, Herefordshire Council are able to offer a fortnightly clinic assessment, seeing 4 people per clinic. This equates to around 104 people per year. Once the new Centre is opened, there will be at least one weekly assessment clinic, with a minimum of 5 clients attending. This will result in a minimum of 250 assessments completed per year. The Centre provides potential contact with much greater proportion of people than the service is currently able to access. People will still be able to access assessments at home and over the telephone or video call, where this a benefit to the client.
15. The Occupational Therapy Service currently rents space for demonstration purposes from Hereford Hospital at a cost of £50 per day (totalling around £1200 annually). This will mean a saving of £1200 per annum to the service.
16. Customers do not currently have the opportunity to view and try equipment before it is delivered to their homes. This results in a number of clients refusing equipment due to its appearance, size, or because they feel they cannot use the item prescribed. An average of 228 items are refused each year, incurring wasted delivery costs of £4000 per annum.
17. Advertising and availability of Telecare equipment at the Centre, allowing customers to try the equipment prior to installation, would encourage a greater uptake.
18. Currently around 80% of telecare assessments are completed by telephone rather than home visit, but often people do not consider this type of equipment until following a fall and hospital admission. Increased awareness and opportunities to consider telecare equipment at an earlier stage would save money to both the council and NHS by decreasing costs of falls and hospital admissions, by either preventing falls or long lies, or arranging preventative action such as grab rail installation at an earlier stage. Approximately 957 new clients were referred to the Telecare Team from January 2019 to December 2019 for linked equipment. A further 514 standalone equipment items were distributed. Studies show that 1/3rd of people aged 65 and over fall each year, with approximately 5% of those involving fractures or hospital admission. The most reliable study into the costs of falls on social care showed that a fall results on average in a 37% increase in social care costs. The availability of an Independent Living Demonstration and Assessment Centre would provide additional information about numbers of people taking up this type of preventative equipment, and increase the numbers who do. A minimal increase of 25% of people taking up telecare equipment (i.e. an additional 426 people) could help prevent long lies for that third of those people who are likely to fall – i.e. 142 people.

## Community impact

19. The Centre supports Herefordshire Council's County Plan 2020-24 Community ambition, as well as the adult social care ambition to consider other options as an alternative to care services, including the use of new technology: 'Technology is another key

component for promoting and supporting wellbeing, particularly for those with high levels of need. Technology can be very liberating and empowering where it can improve independence without relying on formal and often intrusive levels of care. This includes such things as prompts to take medication, voice-activated response services when crisis occurs (such as a fall), health and wellbeing apps etc. Over the coming years, we will continue to develop our technology strategies and make further investments in this important, exciting and fast moving area of service transformation’.

20. The Centre will facilitate access to information and advice for those enquiring about the Disabled Facilities Grant (DFG). Staff will be able to carry out a preliminary assessment on site for those considering whether they are eligible for the DFG. One third of people currently ‘fall out’ of the DFG application process, with 30-40% failing the means test. Provision of advice at the centre will give opportunity for advice at early stage, and for alternative advice to be put forward for consideration by the service user if they cannot access the DFG.
21. The Centre provides opportunities for wider assessment for equipment and adaptations to reduce number of people on waiting lists, taking the client’s view more into account, creating more of a self-assessment process and to speed up DFG provision. The Centre will contribute towards helping residents remain safe at home.

## **Environmental Impact**

22. Herefordshire Council provides and purchases a wide range of services for the people of Herefordshire. Together with partner organisations in the private, public and voluntary sectors we share a strong commitment to improving our environmental sustainability, achieving carbon neutrality and to protect and enhance Herefordshire’s outstanding natural environment.
23. The development of this project has sought to minimise any adverse environmental impact and will actively seek opportunities to improve and enhance environmental performance.

## **Equality duty**

24. Under section 149 of the Equality Act 2010, the ‘general duty’ on public authorities is set out as follows:

A public authority must, in the exercise of its functions, have due regard to the need to -

- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
  - (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
  - (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
25. The public sector equality duty (specific duty) requires us to consider how we can positively contribute to the advancement of equality and good relations, and demonstrate that we are paying ‘due regard’ in our decision making in the design of policies and in the delivery of services. Our providers will be made aware of their contractual requirements in regards to equality legislation.

26. The Independent Living Demonstration and Assessment Centre will provide support to older people and disabled people and their Carers and as such it has a positive impact in advancing equality of opportunity. The Centre aims to put the service user at the centre; empowering them and their families to assume more responsibility and control over their independence.

## Resource implications

27. £198,509 capital budget has been carried forward into 2020/21 for this project detailed as Private Sector Housing Improvements This is funded from capital receipts reserve and is included within the capital programme. This is to cover all project costs as detailed in the table below, to a maximum of £199,000.
28. Should it be necessary, additional funds may be available from the Disabled Facilities Grant (DFG) with regards to the extent of equipment installed, and available for demonstration at the Centre, subject to approval by the Joint Commissioning Board. Spend in this way is in line with current national guidance.
29. The Centre will be staffed from the existing staff establishment. There is a possibility that additional staff may be needed to assist with the running of the Centre, and these costs will be discussed and agreed by the Director of Adults and Communities. As the centre develops any additional requirements will be reviewed at the appropriate time.
30. Revenue costs to be managed within existing budgets, therefore no additional pressure on the revenue budgets for the A&C directorate as a result of this proposal. Detailed running costs for Hillside are not yet available as it is not currently operating at full capacity as a residential care home.
31. A final decision has not yet been reached on suitable opening times; if staff are to be requested to work outside of their current contracted working hours, a management of change process would need to be completed.

Capital cost of project	2019/20	2020/21	2021/22	Future Years	Total
	£000	£000	£000	£000	£000
Project Manager costs		5	5		10
Technology & equipment			18		18
Build costs			100		100
Property Services fees including planning fees			5		5
Designer		20			20
Additional furnishings			15		15
Signage and external lighting			3		3

Office equipment			3		3
Contingency			25		25
<b>TOTAL</b>		25	174		199

<b>Funding streams (indicate whether base budget / external / grant / capital borrowing)</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>	<b>Future Years</b>	<b>Total</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Capital receipts reserve		199			199
<b>TOTAL</b>		199			199

## Legal implications

32. Hillside has a long and convoluted history and there are financial risks associated with a Legal Charge which remains on the Property and is yet to be released by NHSE. To recap, Hillside was in 2003, leased to the Herefordshire Primary Care Trust (PCT) (and subsequently transferred to Wye Valley NHS Trust (WVT). The Lease term is 25 years from 1 November 2003 (i.e. to 31 October 2028). WVT remain the legal proprietors of the leasehold title registered at the Land Registry. At the same time as the grant of the Lease, grant funding of £1.8m was made available by the PCT to refurbish Hillside and a Legal Charge to protect the funding for the duration of the lease term, was entered into. The council and PCT entered into an Agreement under S31 Health Act 1999, on 30 October 2003, in order to pool budgets, lead commissioning and provide integrated intermediate care services at Hillside. A Memorandum of Grant was entered into, setting out the nature of the arrangement. The council refurbished the property with the PCT's grant funding, and the Lease to the PCT was granted at a peppercorn rent to facilitate delivery of the service. However in 2019, WVT made an operational decision to cease delivering the service from Hillside and consequently vacated the premises. Despite this, the Lease to WVT still subsists and the Council has not accepted a surrender. This is largely due to the fact that NHSE have not agreed to release the Legal Charge, and despite numerous and varied attempts to resolve this matter, the Charge remains attached to Hillside. The Legal Charge did not specify that its duration subsists co-terminously with the Lease despite that being the intention, so the financial risk remains. The council's view is that the Charge should have been released when the Tenant sought to terminate the Lease, however there remains a risk that NHSE will seek the return of the grant (plus potentially with interest), NHSE determine that the Charge is subsisting, and that a repayment trigger has occurred.

33. The Legal Charge provides that the refurbishment costs of £1,845,000 (plus interest) will be repayable if the Council **ceases to allow the use of the Property by the PCT** (or successor) for the Permitted Use, or **disposes of the whole or any part of its interest in the Property**, or is **in substantial and persistent breach** of the terms of the Memorandum of Grant (unless the first two events are undertaken with the written consent of WVT/NHSE).
34. There is a restriction placed on the leasehold title requiring Secretary of State's consent for any disposition, together with a Right of Pre-emption in favour of the Secretary of State under paragraph 9(4) of the Health and Social Care Act 2012 (Herefordshire Primary Care Trust Property Transfer Scheme 2013).
35. The Council's view is that the Independent Living Demonstration and Assessment Centre aligns closely with the original use of Hillside for Intermediate Care, providing support and assistance for reablement and rehabilitation purposes. However, whilst the Charge remains, the financial risk attached to it also remains and as all attempts to mitigate or remove that risk via negotiations with NHSE have failed, in the event that NHSE seek to invoke rights as a Chargee, litigation is a possibility and must be borne in mind.

## Risk management

Risk / opportunity	Mitigation
The opportunities the Centre can provide need to be fully understood prior to implementation, and monitored once the Centre is opened. Existing arrangements evidence this type of assessment and advice centre would provide benefits. The service already knows that they need to expand provision in this area which can be achieved with effective promotion of the use of the centre. There is a risk that the Centre does not achieve the benefits identified.	The project has a dependency on another project to review the Independent Living Service's operational procedures. Close links will be maintained throughout the project and any considerations which may impact on the delivery of the Centre will be discussed at the appropriate project board and escalated as required. This risk is monitored within the project risk log.
Staffing risks – the service on offer is subject to adequate staffing to provide opportunity for promoting the Independent Living Demonstration and Assessment Centre. If the Centre is under resourced, this may result in not optimising the use of the centre.	Staffing the service is detailed within the annual service delivery plan for the operational service.  Additional resource may be required in order to run the Centre effectively, and opening times have not yet been confirmed. Both of these considerations would impact upon revenue costs, and may also require a management of change process.
The project resource (with the exception of the Project Manager) is from the existing staff and there is a risk that project tasks and deadlines will not be met due to a conflict with BAU requirements.	The Project Manager proposes that the project team is amended now that the initial works have been scoped. Reducing the input needed from the Prevention Service once the project moves into delivery will decrease the risk that lack of BAU resource presents.

Planning permission may be refused.	The plans for the project would need to be amended to meet requirements.
Space designated to the Centre will be needed for additional bed capacity for Hillside Care Home to meet winter pressures (winter 2020/21). This is a temporary measure in response to Covid.	There is a low risk, but would mean that the project delivery schedule and opening would potentially be delayed.
Whilst the council is not intending to dispose of the whole of its interest in Hillside, by utilising a section of the property for the purposes of an Independent Living Demonstration and Assessment Centre, the council could be accused of ceasing to allow the use of the Property by the Primary Care Trust (or successor) for the Permitted Use, or, being in substantial and persistent breach of the terms of the Memorandum of Grant. This financial risk attached to the Legal Charge remains and as all attempts to mitigate or remove that risk via negotiations with NHSE have failed, in the event that NHSE seek to invoke rights as a Chargee, litigation is a distinct possibility and must be borne in mind.	It is acknowledged that there are legal risks with proceeding with the development of Hillside which will require further investigation and consideration as the project progresses. It is suggested that we obtain further legal advice on the legacy financial issues attached to Hillside and thereafter if appropriate that NHSE will be sent a letter confirming that we have now refurbished Hillside at a cost of approximately £700,000 and intend to enhance the premises further – with a further capital investment of up to £500,000. The capital investment enabling us to operate the site as a residential care home as we have done since May 2020. In the same letter we will confirm that we see this as a conclusion to our previous discussions with NHSE regarding these matters.

## Consultees

36. Management Team have been consulted on the project and have supported the development of an Independent Living Demonstration and Assessment Centre.
37. Cabinet Member for health and adult wellbeing has been consulted and supports the development of an Independent Living Demonstration and Assessment Centre.

## Appendices

None

## Background papers

None

## Please include a glossary of terms, abbreviations and acronyms used in this report.

MECC – Making Every Contact Count  
 DFG – Disabled Facilities Grant  
 PCT – Primary Care Trust

