

REPORT TO: CABINET

DATE: 14 NOVEMBER 2014

TITLE: THE LEAH MANNING CENTRE

PORTFOLIO HOLDER: COUNCILLOR EMMA TOAL

LEAD OFFICER: GRAHAM BRANCHETT, CHIEF OPERATING OFFICER (01279) 446200

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TRACY QULEY, LEAH MANNING CENTRE MANAGER (01279) 446119

This is a Key Decision

It appears on the Forward Plan as decision number I003038

Call-in Procedures will not apply as this decision is urgent

This decision will affect no ward specifically.

RECOMMENDED that:

- A** The Council submits a tender bid to Essex County Council (ECC) for the provision of an adult day care service at the Leah Manning Centre (LMC) for a further three years (with a possibility to extend by a further year).
- B** Authority is delegated to the Chief Operating Officer in consultation with the Portfolio Holder for Youth and Community to approve the tender submission.
- C** The Cabinet agrees that the decisions above are (i) reasonable in all the circumstances and (ii) should be treated as urgent for the reasons specified in paragraph 7 of this report.

REASON FOR DECISION

- A** ECC will cease the current block contract arrangements for the provision of adult social care services at the LMC on 31 March 2015. A decision is therefore required on whether or not to enter into a commercial contract with ECC.

BACKGROUND

1. The Leah Manning Centre is a discretionary service run by the Council. It

was established in 1980 with the aim of providing social, leisure and recreational opportunities for older people in Harlow. In January 2009 the Council entered into a three year Service Level Agreement for clients referred by ECC to enable it to recover the costs of providing specialist care.

2. Harlow Council has no statutory duty to provide services for this client group, who are usually assessed by Essex Social Care and referred to services appropriate to their needs. ECC has the statutory function for social care and the delivery of services to enable those with disabilities to access high quality care, but day care services are non-statutory.
3. The LMC provide specialist day care services to approximately one hundred vulnerable older people a week (twenty clients per day, over five days). All day care users are referred from, and funded by, ECC Social Care. The Centre is also well attended by other older people who use the Centre for entertainment, support, information and advice. The Council also host a range of other services in partnership with external organisations who lease parts of the building from the Council.
4. ECC pay the Council a block booking annual fee to reserve a set number of places (the equivalent of 100 full day places each week) and the Council receives this annual fee irrespective of how many places are actually taken up. The annual fee is £313,840.80 which allows the Council to employ a dedicated team of ten staff and a Centre Manager.
5. The funding received from ECC, together with rental and service charges income from external organisations that use the building is currently sufficient to cover the cost of the Centre's services, making it cost-neutral to the Council.
6. Changes are due to be implemented by March 2015, on a national scale to the way that social care services provide for the care needs of vulnerable adults. Increasingly, clients are being enabled and encouraged to hold personalised budgets (cash payments) and to use these to purchase their own care (in the case of many vulnerable older people this role is often performed by a close relative acting as an advocate for the client). These changes were reported to the Portfolio Holder for Community and Inclusion in September 2013 and the Cabinet, via a [Portfolio Holder decision notice](#), on 26 September 2013. These changes are already impacting on the LMC.
7. Officers have held detailed discussions with ECC concerning future arrangements for the provision of adult social care throughout the last twelve months. However, tenders for the contract have only recently been published, and the submission date for the tender is 28 November 2014 which would not be possible to achieve if this decision were called in.

ISSUES/PROPOSALS

8. When the current agreement with ECC expires on 31 March 2015 it is likely that ECC will continue to fund a number of places for those that are not able to make informed choices due to mental health problems. Other individuals that are eligible for direct payments will also be able to choose to have their budget managed by ECC or Harlow Council. However, the exact numbers of individuals who will receive personalised budgets is not known. Service users with personalised budgets will be privately purchasing the service from the Centre directly.
9. The LMC has already implemented a number of changes in response to personalised budgets. Individuals can now self-refer and purchase flexible placements directly (see [Portfolio Holder decision notice, September 2013](#)). The number of people purchasing additional services directly is increasing and this is generating additional income. A new approach to publicity and marketing has been adopted to make the Centre more attractive to potential clients and ensure it can compete with alternative providers.
10. All staff at the LMC are competent, highly experienced and trained in accordance with the service requirements. Staff employed work to a high specification and have the necessary qualifications and skills to deliver a high quality service. If the Council is successful, the new contract will place additional requirements on Centre staff.

RISKS

11. The number of referrals from ECC and those wishing to purchase services directly is not known at this time and may not equate to the purchase of 100 full day places a week (funding total £313,840.80). However, during the three year contract, break clauses apply on a mutually agreed basis. There are sufficient break clauses to cease the day care provision should the service not prove financially viable. Staff ratios (number of staff per clients) can also be adapted to suit the needs of the service to minimise financial risks to the Council.
12. New contracts would need to be established with individuals directly and there are a number of operational issues to be resolved related to non-attendance and payments, for example when clients go into Hospital. However, it is anticipated that the LMC will operate a waiting list and be able to offer a flexible choice to those wishing to attend ad-hoc days.
13. If the Council is unsuccessful in bidding for the contract, the income received from other partner agencies will not be sufficient to cover its current running costs. The Centre will need additional funding to operate. If the Centre is forced to close, additional mothballing costs would apply. The Council could

in such circumstances consider renting part of the LMC building to an alternative care provider.

14. Should the Council not tender for the contract it would no longer be in a position to provide specialist services for those vulnerable clients referred by ECC Social Care services, GP's and other referrals. Harlow has a rising number of older people who, due to their disabilities or vulnerability, are in danger of being socially isolated. There are two known providers of day care services comparable to the Leah Manning Centre in Harlow.
15. The Leah Manning Centre promotes a holistic approach which concentrates on promoting health, wellbeing and social inclusion, uniquely offering transport with trained staff to ensure those most vulnerable in society can access the care provided safely and securely. The service also offers respite to many carers who without it may no longer be able to continue to care for their relatives. A reduction in specialist day care would undoubtedly result in more clients going into residential care.
16. Failure to provide a day care facility would lead to a reduction in partnership working and may jeopardise the achievements hoped to be achieved through the Health and Wellbeing Strategy. It would also limit the work to support older people to maintain independence by being treated with dignity and feeling valued, a key component of the Council's priority of Harlow being a great place to grow older with people living happy, healthy and independent lives.

SUMMARY

17. The Council will not have a clear picture on the impact of the new framework in terms of market forces until the procurement closes and all bids have been evaluated. ECC will closely monitor impact on capacity and work with successful providers to minimise the impact on service users.
18. If the Council is unsuccessful in tendering for the new contract, it will be required to reevaluate the operation of the LMC including the services to be provided, staffing arrangements and exploring partnership opportunities.

CONCLUSION

19. The proposals outlined in this report will enable the Leah Manning Service to meet the changing needs of the increasing number of frail older people in Harlow. Work is going on to mitigate against the impact of any changes in ECC Social Care funding from April 2014.

BACKGROUND PAPERS

[Portfolio Holder decision notice](#) and accompanying report, 9 September 2013.

IMPLICATIONS

Regeneration (includes Sustainability)

Contained within the report.

Author: **Graeme Bloomer, Head of Regeneration**

Finance (includes ICT)

Author: **Simon Freeman, Head of Finance**

The report sets out the current income generated through the block purchase of places under a Service Level Agreement with Essex County Council. The submission of a tender to enter into another three year contractual arrangement will, if successful, ensure a level of ongoing funding to the Centre. There will however, be greater risk in respect of clients who receive personalised budgets and their decision to continue to use the Centre and its services or not. The outcome of the tender exercise will need to be considered alongside the Council's budget-setting process in order to determine the ongoing viability of the Leah Manning Centre as a cost-neutral service for the Council.

Housing

Providing clarity for the future care and support services at Leah Manning Centre assists with the delivery of the priorities, ambition, and vision of Harlow's Health and Wellbeing Strategy.

Author: **Andrew Murray, Head of Housing**

Community Wellbeing (includes Equalities and Social Inclusion)

The implications are contained within the report.

Author: **Graham Branchett, Chief Operating Officer**

Governance (includes HR)

By tendering for the contract the Council is complying with its equality and diversity duty to promote social inclusion of those groups that have protected characteristics. The Council will also be complying with its own Corporate Plan and wellbeing agenda regarding older people. If the Council were not to be successful in its tender, the Public Sector Equality Duty would need to be revisited.

If the Council is unsuccessful in tendering or does not tender for the new contract it is considered that:

1. There will be Transfer of Undertakings (Protection of Employment Regulations 2006 (TUPE) implications for the employees who are wholly or mainly assigned to the delivery of the new contract. These will need to

- be considered as part of the procurement and/or decommissioning strategy, as applicable.
2. At this stage 11 employees have been identified as being wholly or mainly assigned to the current contract.
 3. Whilst there are no prescribed timescales in relation to TUPE consultation, arrangements within the Regulations, the council's protocols of best practice would support formal consultations commencing with affected employees and trade unions at the earliest opportunity. If the contract entity is completely disbanded and suitable alternative continuous employment cannot be located then once all other avenues are exhausted redundancy could apply. At risk notices may be a necessity as part of this process.

This would mean that a further report would have to be prepared and brought before Cabinet

Author: **Amanda Julian, Head of Legal Services on behalf of Brian Keane, Interim Head of Governance**