

CHESHIRE EAST COUNCIL

REPORT TO: CABINET

Date of Meeting:	20 th December 2010
Report of:	Mike Crawshaw, Projects & Performance Manager
Subject/Title:	Cheshire East Day Care Options Appraisal
Portfolio Holder:	Cllr. Roland Domleo

1.0 Report Summary

- 1.1 The report examines the options available for the seven day care centres in Cheshire East, six currently run by Age Concern, Cheshire and one currently run by the British Red Cross.

2.0 Decision Requested

- 2.1 Members are asked to consider the issues outlined in the report and approve the recommendation to adopt Option 5 at pages 5 to 16 of the Options Appraisal at Appendix A, and commission Wishing Well and Audlem Parish Council to undertake the provision of day care as indicated in Option 5.

3.0 Reasons for Recommendations

- 3.1 The recommendations arise from a series of officer meetings with service users and their advocates. Having discussed a range of options it has generally been agreed that service users should be offered a 'seamless' continuity of service provision from 31st March, 2011.

4.0 Wards Affected

- 4.1 All wards.

5.0 Local Ward Members

- 5.1 All.

6.0 Policy Implications including - Climate change - Health

- 6.1 The recommendations have implications for CEC's Corporate Objectives and their link to policies, specifically:

Corporate Objective One – To give the people of Cheshire East more choice and control about services and resources. **"Where local people want to take**

on the running of services and facilities, those services and facilities will have been passed into their hands.”

Corporate Objective Three – To improve life opportunities and health for everybody in Cheshire East. **“A significant reduction has been made in the most extreme of the health equalities, and, in particular, for older people more of their remaining years are healthy years. “**

Corporate Objective Five – Being an excellent Council and working with others- to deliver for Cheshire East.

“Improve access to services for all Cheshire East areas, in particular rural communities.”

“Focus on our core services and priorities and optimise working in partnership where this improves services or makes better use of public resources.”

“We will have increased the number and scope of council services delivered with or by our partners/local communities each year.”

7.0 Financial Implications (Authorised by the Borough Treasurer)

- 7.1 The projected figures show a potential cost saving in excess of £34,000 over the current (2010/11) cost of the Day Care contracts.

8.0 Legal Implications (Authorised by the Borough Solicitor)

- 8.1 Cheshire East Council has a legal duty to consult with service users, having done so the officers involved are making the appropriate recommendations.

The Council’s statutory obligation:

Under Health Services and Public Health Act 1968, S45 a local authority may make arrangements for promoting the welfare of old people. Guidance in respect of this section states specifically the need to provide recreational facilities and again day centres are mentioned.

- 8.2 In commissioning the services the Council must adhere to public procurement law. The annual cost of the seven centres is below EU thresholds however if the Council enters into contracts for longer than one year it would be bound by the Public Contracts Act 2006 to undertake a competitive procurement exercise. Although social services of this nature are not subject to all the provisions of the act there is still a requirement to treat all suppliers equally. The options paper notes that there is increasing competition in this market and therefore there is an increased risk that the Council could be challenged by a supplier that was not given the opportunity to bid for the work.

- 8.3 As budgets and policy is subject to change it will be important that any contracts entered into contain adequate provision for variances/termination in the event of changes in funding

9.0 Risk Management

- 9.1 The risk of financial mismanagement: Both of the recommended organisations have submitted costed-up business plans, one is an existing, well established social enterprise charity based in Crewe, Wishing Well. The other is a newly formed social enterprise supported by Audlem Parish Council which will be receiving social enterprise business support from the Cheshire and Warrington Social Enterprise Partnership.

10.0 Background and Options

- 10.1 Managers have consulted fully with the current service users regarding options for the future. An options appraisal document is attached as Appendix A.
- 10.2 A new provider (Wishing Well) has expressed an interest in operating run 6 of the Day Centres - 5 of the existing ones operated by Age Concern Cheshire and Manor Court in Nantwich, currently under British Red Cross contract. Additionally Audlem Parish Council has indicated their wish to operate a single centre. The business plan from Audlem Parish Council is contained within the Options Appraisal document attached (Appendix A) and the web link for Wishing Well is given below. These two providers taken together have been considered as the most viable option in the Option Appraisal.
- <http://www.wishingwell.nhs.uk/Default.aspx>
- 10.3 Age Concern Cheshire, as the current provider, have also submitted a business plan (pages 18 – 27 of Appendix A) in which the organisation proposes that the Day Centres should operate as stand alone social enterprises without financial support from Cheshire East Council

11.0 Financial and operational evaluation

- 11.1 The cost to Cheshire East Council of option 1 which includes the operation of six existing centres by Wishing Well and 1 centre operated by Audlem Parish Council would be £99,525. This represents a saving of £ 34,946. The current cost of the contract with Age Concern for these services is £134,471.
- 11.2 Managers consider that the proposal from Age Concern has merit however it does not include the price of luncheon, and other extras available to users and it requires a contribution of £12.50 per session from users.

- 11.3 The proposal from Wishing Well is based on the present individual contribution of £7.50. Audlem Parish Council's proposal assumes a contribution of £10, which has been agreed with service users when officers consulted them about the future provision.
- 11.4 It is the view of managers that the value of the Age Concern brand which is advocated in their proposal may be affected negatively as a result of recent media coverage and strength of community feeling about changes to their provision.
- 11.5 Managers consider that the proposal from Audlem Parish Council has particular value in that it represents wider community action and has the potential to act as a springboard for the establishment of a Community Trust. Such a development would then act as the umbrella for further community activities in the area and would link to other initiatives such as a bid for European funding to support the establishment of a Credit Union in the area.
- 11.6 Managers are assured of the status of the Wishing Well organisation. It is well established and enjoys high levels of community credibility in the Crewe area and strong links to the PCT and other support organisations.
- 11.7 It is the recommendation of officers to adopt the proposal submitted by Wishing Well and Audlem Parish Council. This offers significant savings on current costs and has the potential to secure wider community benefit. These proposals also most closely align with the express wishes of current users that services continue with the minimum of disruption.

11.0 Access to Information

The background papers relating to this report can be inspected by contacting the report writer:

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