

## **DIRECTORATE OF SOCIAL SERVICES**

### **REPORT TO EXECUTIVE 5<sup>TH</sup> JULY 2004**

#### **RESETTLEMENT OF RIDGE HILL HOSPITAL RESIDENTS**

##### **1.0 PURPOSE OF REPORT**

- 1.1 To advise the Executive on latest developments with the Ridge Hill Project involving the resettlement of people with learning disabilities into the community.
- 1.2 To seek agreement from Executive to make a contribution to the costs of the Ridge Hill Project.
- 1.3 This is a key decision that is not in the Forward Plan. We have obtained the permission of the Chair of Good Health Select Committee under Rule 15 of the Constitution to proceed with this item as the decision cannot be reasonably deferred.

##### **2.0 BACKGROUND**

- 2.1 Ridge Hill is a long-stay hospital for people with a learning disability. 36 people reside there, some of whom are quite elderly and others with very severe disabilities. In line with the White Paper 'Valuing People' the Government requires the closure of the hospital by December 2005. Dudley South Primary Care Trust (PCT) is leading the Project to resettle the residents with support from Social Services and together we have developed plans to identify alternative services and placements for the residents.
- 2.2 Significant progress has been made since January 2004. The Project is gathering momentum and there is excellent co-operation between staff and senior managers in the Council and the PCT. There was a meeting with the Valuing People Support Team in the Department of Health (DH) in March, who were satisfied with the progress made so far, but the DH and the Strategic Health Authority will continue to monitor very closely the partnership working and performance of Health and Social Services in Dudley on this project.
- 2.3 The Finance and Commissioning Group comprising key people in Social Services and the PCT is meeting on a fortnightly basis to oversee the Project.
- 2.4 The accommodation team, which has been increased in size, has completed the assessments and the care plans for the residents. Decisions have been made about the groups and settings in which the residents will be resettled.
- 2.5 Four other people have been included in the resettlement programme, who currently live in other long-stay hospitals that are also scheduled to close.

- 2.6 The first resident left the site in April to move to a new placement in a residential home.
- 2.7 Adaptations are being carried out by Harden Housing Association to a property known as Eave's Lodge, to provide accommodation for 4-5 residents.
- 2.8 A maximum of four new builds will be required including a small unit for older people. The PCT has agreed that some of the new builds could be on the Ridge Hill site, including the older people's unit. This will use the land available to the PCT which should facilitate speedier implementation.
- 2.9 We expect to be able to place up to ten people through placements into pre-existing provision. Four residents will move to Eaves Lodge. The remainder of the accommodation will be sourced through the tendering process that has now begun.
- 2.10 The Commissioning Officer has worked through the expressions of interest that were received from housing and care providers at the end of February. Visits have been made to several housing providers to discuss potential partnerships. The formal tender documentation is now ready for advertisement.
- 2.11 The Housing Directorate is working with Social Services to identify properties for two groups of residents.
- 2.12 We are also seeking the assistance of the Council's Estates' department to identify suitable sites or properties for conversion.
- 2.13 The PCT has clarified the total number of staff who will be transferred under TUPE. These figures exclude those staff that will be slotted into the specialist services, staff that are retiring and natural wastage. The whole time equivalent total is 26.25 which equates to circa 35 members of staff. This may be reduced by staff leaving the service before 2006.
- 2.14 There has been agreement in principle with the Trades Unions that alternative arrangements might be made for some of the staff from Ridge Hill by the Council i.e. suitable work would be offered in Social Services where vacancies occur, to those for whom there might not be a job as a result of the re-provision.

### 3.0 FINANCE

3.0.1 The closure of Ridge Hill hospital was first proposed in the mid 1990's. An Outline Business Case (OBC) was developed by the then Priority NHS Trust but it was not possible to proceed because the local NHS had insufficient

resources and no help was available from central Government. NHS re-organisation in 2001-02 further delayed the Project.

- 3.2 Dudley South PCT developed a new plan to re-provide the hospital in summer 2003. The main issue with the financial profile of the new plan is the disparity between the cost / resourcing of the Project as calculated at the time of the OBC in 2000 and the current estimate of the cost and resources available. The cost of the resettlement has increased because placement costs have risen sharply during the past four years and the benefit entitlements of the residents are significantly lower than those shown in the OBC. **Other costs relating to the development of learning disability services have also increased during the last four years.**
- 3.3 A breakdown of the figures is attached at Appendix 7. In brief the total cost of the resettlement of the residents would be £2.9M.
- 3.4 Discussions have taken place in recent months between the Council and the PCT on ways to 'bridge the gap'. It is becoming urgent to resolve this problem, as the formal tendering process cannot go ahead unless there is agreement and certainty about the funding.
- 3.5 **Detailed work has been undertaken with Dudley South PCT as the provider of the existing services to try to reduce the costs of the Project. This has included a reduction in overheads of £70,000. The PCT has invested £514K from the Local Delivery Plan in 2005-06 and 2006-07 plus £217K additional resources to underpin the Project.**
- 3.6 **The PCT also proposes to use two of the beds originally allocated for short term breaks as a half way house to bring back two people for rehabilitation who are currently placed out of borough. This will support the overall staffing structure for specialist services and will be self-financing.**
- 3.7 The PCT will continue to provide two short-term break beds for people with extreme challenging behaviour, but the remainder of the short breaks service at Ridge Hill will be transferred to the Council. The Trust propose to transfer £45K, to cover the cost of providing this service for the five current users.
- 3.8 The PCT has secured agreement in principle from DH to a capital to revenue transfer of £3M over 2004-05 and 2005-06 that will free up non-recurrent revenue to enable more placements to be made during 2004-05. Whilst crucial to help the programme move forward, the implication of the capital to revenue transfer is that there is now less capital available e.g. for adaptations to properties, although some of the revenue could be converted back for use as capital.
- 3.9 The estimated average cost per placement is £85,000 with planning for 35 placements. The actual average cost could be higher or lower than £85K.
- 3.10 The benefit entitlement of the residents is less than anticipated and overall project income has been reduced further by the fact that 30% of them are

subject to the after care provisions in S117 of the Mental Health Act and therefore not liable to charge.

- 3.11 The contribution requested from the Council is £344K. This is based on the difference between the benefit entitlement as calculated in 2000 and the current estimate of benefits' income. A contribution of circa £300k has been requested from Beacon and Castle PCT.
- 3.12 The NHS usually find the cost of resettlement from hospital programmes but it would seem reasonable in view of Social Services continuing care responsibilities for a contribution to be made in this instance.
- 3.13 There is direct ministerial interest in the successful completion of the remaining hospital re-provision programmes. There is thus considerable pressure on the Council as well as the PCT to deliver the Project on time and should the Council decide not to contribute at all to the funding, this would reflect badly on Dudley's Health and Social Care community in the event that the resettlement is delayed.

#### **4.0 PROPOSALS**

- 4.1 It is recommended that a contribution of up to £300,000 should be made by the Council from the financial year 2006-07 subject to the following conditions:
- 4.1.1 The contribution will be badged against (a) the direct costs of the community placements for the residents and (b) particular services or posts currently funded by the PCT, which would free up NHS money for the resettlement.
- 4.1.2 The contribution will be reduced should there be any disinvestment by the PCT in other Learning Disability Services – this is the principle that the Council should not have to contribute twice.
- 4.1.3 The contribution is fixed. Should the final cost of the scheme exceed the agreed projections the Council would not expect to make a further contribution. Similarly, the Council's contribution would be reduced if the cost of the Project turns out to be less than expected.

#### **5.0 LAW**

- 5.1 Section 117 of the Mental Health Act 1983 refers to the duty to provide after care services for people who have been detained in hospital.

#### **6.0 EQUAL OPPORTUNITIES**

- 6.1 The content of this report is consistent with the Equal Opportunities policy of the Council.

#### **7.0 RECOMMENDATIONS**

- 7.1 Executive is asked to consider and comment on this progress report.
- 7.2 Executive is asked to agree the Proposals in section 4 of the report.
- 7.3 Executive is asked to agree to receive a further updating report in September 2004.

**Linda Warren**  
**Director of Social Services**

**Contact in SSD: Richard Carter, Assistant Director - Learning Disability and Mental Health**

**APPENDIX I**

**Ridge Hill Resettlement**

<b>Outline Business Case 2001</b>	
<b>Cost of Resettlement</b>	£2.541 m
Benefit entitlement of residents	£0.394m
<b>Cost less benefit entitlements</b>	<b>£2.147m</b>
<b>2004 Figures</b>	
<b>Cost of Resettlement</b>	£2.975m
Benefit entitlement of residents	£0.050m
<b>Cost less benefit entitlements</b>	<b>£2.925m</b>
<b>Shortfall (2004 cost less 2001 cost)</b>	<b>£0.778</b>