

## Closure of Oakdene Residential Care Home and the Transfer of the Short Breaks Provision from Oakdene to Barkla Close – Finance Advice

The revenue costs associated with this decision to close Oakdene and relocate the short breaks service from Oakdene to Barkla Close are detailed in **Table 1** below. The figures show the annual cost of providing a short breaks service and it should be noted that the reduction of £0.625m per year will meet the cost of long term residents who have and will be relocated to suitable alternative accommodation.

<b>TABLE 1 - ANNUAL REVENUE COSTS OF CARE PROVISION</b>			
	<b>Oakdene £m</b>	<b>Barkla Close £m</b>	<b>Variance £</b>
Staffing Cost	0.860	0.318	(0.542)
Running Costs	0.105	0.022	(0.083)
<b>Total Cost</b>	<b>0.965</b>	<b>0.340</b>	<b>(0.625)</b>

The costs of transition during the 2018/19 financial year reflecting reduced staffing levels at Oakdene and alternative accommodation costs for those relocated will be contained within the Adult Social Care budget allocation included in the Council's Medium Term Financial Plan (MTFP).

The staffing establishment for the existing and proposed service is provided in **Table 2** below. This shows a **net reduction of 20.11** full time equivalent (fte) roles.

<b>TABLE 2 - STAFFING ESTABLISHMENT COMPARISON</b>			
	<b>Oakdene FTE's</b>	<b>Barkla Close FTE's</b>	<b>Change Increase / (Reduction) FTE's</b>
<b>Staffing Requirements</b>	<b>30.39</b>	<b>10.28</b>	<b>(20.11)</b>

As detailed within this decision, the staged reduction in staff aligning to the timescales for the service transition carries the potential for redundancy and pension strain implications. Management are currently addressing this financial risk through vacancy management processes across adult provision sites and should continue to do so during the transition process.

In addition to the above costs, disturbance allowances may become payable through this proposal from any permanent change of work for employees. Any costs arising through the implications mentioned above will be met by the service within the current funding envelope for Adult Provision within the MTFP.

Value for money will be delivered through the provision of services that meets the needs of vulnerable citizens within Nottingham. The cost of the proposed Short Breaks Service is included in **Table 3** below showing indicative costs of support in the community compared to alternative methods of social care provision demonstrating the cost effectiveness of the service.

<b>TABLE 3 - SHORT BREAKS COST COMPARISON (COMMUNITY VS ALTERNATIVE CARE PROVISION)</b>			
	<b>Unit of Measurement</b>	<b>Cost</b>	
<b>Proposed Short Breaks Service</b>	Annual Cost	£0.340m	
	<b>Weekly Cost per Place @ Maximum Capacity</b>	<b>£2,175</b>	
	Weekly Cost per Place @ 95% Capacity	£2,290	
<b>Indicative Cost of Community Package</b>			
Respite – Short Breaks Service	Annual Cost (6 weeks)	£13,053	
Day Care (Complex Level) & Transport	Annual Cost (44 weeks)	£31,020	
<b>Total Community Package</b>		<b>£44,073</b>	
<b>Alternative Care Provision</b>			<b>Cost Differential</b>
Indicative Cost of Residential Placement	£1,500 p wk - 52 weeks	£78,000	<b>£33,927</b>
Indicative Cost of Supported Living Placement	£1,250 p wk - 52 weeks	£65,000	<b>£20,927</b>

Table 3 shows the cost differential per citizen to be between £21k to £34k against alternative social care provision models. Based on current service levels it is estimated that approximately 32 citizens will access the short breaks service preventing admission into long term residential / supported living placements.

Further factors supporting the proposed Short Breaks Service model are summarised below:

- Oakdene will require significant investment within the next 2 years.
- Current service provision is expensive to maintain.
- Short breaks are a vital intervention to keep families together.
- Attempts at procuring short breaks provision have previously failed.

Capital funding of £157,072 is required to refurbish the bungalow to ensure suitability as a learning disability short breaks unit and this will be funded as follows:

- £150k from the reallocation of capital receipts approved in the programme against the Laura Chambers scheme.
- £7k from a transfer from revenue to capital from the maintenance and equipment budget for Adult Provision sites.

Any further capital receipt from the disposal of the Oakdene site will be incorporated into the council's capital programme.