

**Name of meeting:** CABINET  
**Date:** TUESDAY 6 MARCH 2018  
**Title of report:** EXTRA CARE HOUSING – RESTAURANT FACILITY

**Purpose of report:**

To seek approval to introduce a service charge to contribute towards the cost of providing the restaurant service at the schemes.

<b>Key Decision - Is it likely to result in spending or saving £250k or more, or to have a significant effect on two or more electoral wards?</b>	<b>No</b>
<b>Key Decision - Is it in the <a href="#">Council's Forward Plan (key decisions and private reports?)</a></b>	
<b>The Decision - Is it eligible for call in by Scrutiny?</b>	Yes
<b>Date signed off by <u>Strategic Director</u> &amp; name</b>	Richard Parry 9 February 2018
<b>Is it also signed off by the Service Director for Finance IT and Transactional Services?</b>	Debbie Hogg – 13 February 2018
<b>Is it also signed off by the Service Director for Legal Governance and Commissioning Support?</b>	Julie Muscroft – 13 February 2018
<b>Cabinet member <a href="#">portfolio</a></b>	Cllr Scott, Adults and Public Health

**Electoral wards affected:**

All; whilst the extra care housing schemes are located at Dewsbury West, Crosland Moor and Netherton and Heckmondwike the current, and future, tenants do not have to have been resident in the wards where they are located.

**Ward councillors consulted:**

None as the residents come from all over Kirklees

**Public or private:**

**Public**

## 1. **Summary**

- 1.1 Monitoring of the services offered at the Council's three extra care housing schemes has identified issues with the current model that are limiting its effectiveness.
- 1.2 Current usage of the restaurants at the schemes, together with increasing costs, is affecting their viability.
- 1.3 This report sets out proposals that will introduce a new service charge for ongoing provision of an onsite restaurant service; an element of which will be eligible for housing benefit. Tenants will receive a number of meals for the charge.

## 2. **Information required to take a decision**

### **Background**

- 2.1 The Council has three extra care housing schemes which were opened between June 2013 and June 2014:
  - Woodland Court, Dewsbury, providing 46 one and two bedroom flats.
  - Meadow Green, Heckmondwike, providing 43 one and two bedroom flats and 10 flats in Meadow Green Lodge for people who have dementia.
  - Sandy Mount, Crosland Moor, providing 41 one and two bedroom flats.
- 2.2 The schemes were built under a Housing Revenue Account (HRA) Private Finance Initiative (PFI) contract with the ongoing tenancy and facilities management services being provided by the PFI contractor.

### **Current Care and Support Model**

- 2.3 Initial modelling for the provision of care and support was based on the aim of creating a 'balanced community' across three levels of care needs:
  - 20% low/moderate needs (approximately 0-4 hours support per week)
  - 40% substantial needs (approximately 4-10 hours support per week)
  - 40% critical needs (approximately 10-40 hours support per week)

### **Restaurant Facilities**

- 2.4 As is common with extra care housing schemes all three have restaurant facilities which are currently delivered under a three year contract, from 2017, with the Kirklees Catering Service to offer a quality hot two-course meal every day plus other menu options at affordable prices to tenants and the local community. This arrangement will be reviewed in 2019.
- 2.5 Currently tenants and other customers are able to use the restaurants as and when they want on a "pay as you go" basis. Current usage is not sufficient leading to uncertainty of income which is affecting their viability. There is a budgeted provision to subsidise the service; however actual subsidy levels have exceeded budget, requiring further financial support from the HRA. This means less money is available to maintain the council's housing stock.
- 2.6 Officers work closely with the Kirklees Catering Service to improve sales, reduce costs and increase repeat customers. Examples of activities include holding themed events, working with local community groups, marketing extra care room hire with a catered offer. One scheme currently provides facilities and catering to two day services for older people living in the community.

2.7 Officers have begun working with Community Plus teams to promote the use of the restaurant and communal facilities to support local residents who have low level needs relating to social isolation and meals. Whilst this may enhance the viability of the restaurant facility it is necessary to secure ongoing funding to provide a guaranteed service as part of the Extra Care Housing offer.

2.8 Officers have considered three main options for the future of the restaurant services:

(a) **Do nothing** – i.e. retain the current service and charging model. Whilst efforts would continue to maximise sales; it is unlikely that the additional income generated would significantly reduce the actual amount of subsidy required. The additional income could not be guaranteed for the service provider.

(b) **Close the restaurants** – whilst this would negate the need for further financial subsidy, there is a risk that additional demand for support from tenants to have a meal prepared is experienced. New tenants, in particular those with higher needs, may not be attracted to extra care housing without a restaurant facility. There is considerable negative impact in losing this service as a tenant and community facility as restaurants are seen as integral to extra care housing and use of the communal areas in the schemes. Potential future opportunities to support communities through Community Plus would be lost.

(c) **Change the charging structure** – see 2.10 below.

2.9 Officers have asked tenants for their views on a number of different aspects of the restaurant facilities. The responses are summarised in Appendix 1.

2.10 Following consultation with tenants and research into various restaurant operating models in extra care schemes, a proposal is being made to implement a fixed service charge to support the cost of providing the service. The charge will be implemented by issuing a notice of variation to current tenants in accordance with section 103 of the Housing Act 1985.

A charge of £13.15 (at 2017/18 prices) per week per flat is being proposed which would provide three, two-course meals per flat per week without further charge. In setting the charge to cover three meals per week a good balance is achieved between affordability and retaining independence.

It is anticipated that a proportion of the charge (approximately £7.80 at 2017/18 prices) could be eligible for housing benefit for those tenants who claim housing benefit. The cost of providing the provision of meals is broken down into two elements; the cost of the food (which is ineligible for housing benefits) and the non-meal cost of providing the service which can be met through the service charge and be eligible for Housing Benefit.

#### **What will be New and Different?**

2.11 Tenants will be able to access three meals per flat per week from the restaurant covered by the service charge and still retain choice over their use of the facilities at other times.

2.12 The introduction of the service charge will ensure that future allocations will target those tenants who have care needs and are those most able to benefit from the full extra care housing offer. This will both ensure the ongoing viability of the schemes and support the reduction of care home placements that are generally more costly to the Council.

### **3. Implications for the Council**

### **3.1 Early Intervention and Prevention (EIP)**

There is no data within the Council evidencing the benefits of extra care housing in relation to EIP. However, wider research published by the Housing Learning and Improvement Network states:

*'Using research based on interviews with residents, the study found that overall they reported improved outcomes in relation to their health, happiness, confidence, social life, relationships with their families and general well-being.'* [here](#).

Also the publication "The Value of Sheltered Housing" commissioned by the National Housing Federation states:

*'Those in extra care housing are less likely to enter institutional accommodation compared to those living in the community in receipt of domiciliary care. Unplanned hospital admissions reduce from 8-14 days to 1-2 days. Over a 12 month period total NHS costs (including GP visits, practice and district nurse visits and hospital appointments and admissions) reduce by 38% for extra care residents. Routine GP appointments for extra care residents fell by 46% after a year. Falls rates in extra care housing measured at 31% compared to 49% in general housing.'* [here](#).

The Council commissioned a report by Peter Fletcher Associates Consultancy which confirmed the benefits of extra care housing as above.

Additionally, living in extra care decreases the need for people to attend day services; loneliness and isolation are reduced, tenants are engaged in meaningful activity and carer stress is also reduced.

### **3.2 Economic Resilience (ER)**

The extra care housing schemes provide local employment opportunities, including catering staff, care/support workers, cleaners. Monitoring of staffing profiles at the schemes indicates that a good proportion of the scheme based staff live locally to a scheme.

### **3.3 Improving Outcomes for Children**

No impact.

### **3.4 Reducing demand of services**

Using the restaurant service provides an alternative to the care provider preparing a meal in the tenant's flat as part of their planned care.

### **3.5 Other (eg Legal/Financial or Human Resources)**

The income from the new restaurant service charge will be in the region of £95k per year and this will be paid to the HRA which covers the current level of actual subsidy of running the restaurants; which is approximately £140k per year. However as some tenant income is already received by the restaurants; the actual net benefit to the HRA will be lower.

The service charge will be added to the current rent and service charge for an extra care property. Advice from Legal Services has been received confirming that as the restaurant service is already being provided and the charge is to cover the cost of providing this service, it is not necessary to formally consult with the current tenants before applying the charge. Current tenants will, however, be issued with a notice of variation to their tenancy with a notice period of not less than 3 months of the implementation date.

Public Sector Equality Duty – Public sector authorities are bound by the Public Sector Equality Duty set out in section 149 of the Equality Act 2010. This requires the Council to have regard to the effect of the proposed development of any differential impacts on groups with protected characteristics. The protected characteristics being race, disability, and gender and also covers sexual orientation, age, religion or belief, marriage and civil partnership, pregnancy and maternity and gender reassignment. A stage 1 Equality Impact Assessment (Screening Tool) has been completed to assess the likely impact on equality groups. This indicated that a stage 2 (Further Assessment and Action Plan) was required. An action plan has been prepared with the key aim of supporting tenants to prepare for the change, including work with Customer and Exchequer services and Kirklees Catering Services.

Here is the [link](#) to the Index of Equality Impact Assessments for 2018/19. Select the Adults & Health tab and the Stage 1 and Stage 2 assessments are located under the Housing heading.

#### **4. Consultees and their opinions**

- 4.1 Officers consulted tenants about their views on introducing a regular weekly charge for using the restaurant service and the majority of tenants did not object to this proposal in principle – see Appendix 1.

#### **5. Next steps**

- 5.1 The service charge for the restaurants will come into effect within the 2018-19 financial year.

#### **6. Officer recommendations and reasons**

- 6.1 That approval is given to the option to implement a service charge for the restaurant facility as set out at 2.10 of the report to improve the viability of the contract and reduce the current level of subsidy required from the HRA.

#### **7. Cabinet portfolio holder's recommendations**

- 7.1
- That the service charge as set out at 2.10 is implemented and the impact monitored.
  - That Community Plus and other approaches are used to maximise use of the restaurants by the wider community.
  - That alternative delivery options are developed and evaluated in light of the above.

#### **8. Contact officers**

Sue Dunn, Client Manager, Housing PFI, 01484 221000

Emma Hanley, Senior Contracting and Procurement Manager, Commissioning, Public Health and Adult Social Care, 01484 221000

#### **9. Background Papers and History of Decisions**

- 9.1 None.

10. **Service Directors responsible**

Amanda Evans, Service Director, Adult Social Care Operations

Paul Kemp, Service Director, Economy, Regeneration and Culture

Appendix 1 - Extra Care Restaurant User Survey Results - August 2016

	Total	% total responses of 140 units
Number of Returns	53	38%
<b>Do you use the restaurant?</b>		
Yes	48	34%
No	5	4%
<b>How many times a week?</b>		
Up to three times	34	24%
More than three times	16	11%
<b>Do you have a preferred day to eat in the restaurant?</b>		
Preferred day stated	58	41%
No Preference	5	4%
Everyday	15	11%
<b>What influences the day/days you use the restaurant?</b>		
Menu choice	22	16%
Fits with activities	15	11%
Other - please state	7	5%
Social	3	2%
No Influence ticked	6	4%
<b>If the kitchen were to close one day per week, which would you prefer?</b>		
Day stated	18	13%
Would prefer no closures	30	21%
No Answer	4	3%
<b>Do you think there is sufficient choice on the menu?</b>		
Yes	34	24%
No	16	11%
<b>Do you think prices are?</b>		
Cheap	1	1%
Reasonable	40	29%
Expensive	11	8%
<b>Do you use the restaurant on Bank Holidays?</b>		
Yes	37	26%
No	17	12%
No Answer	2	1%
<b>Introducing a restricted menu of soup, sandwiches and cold desserts for Bank Holidays - would you continue to use the restaurant?</b>		
Yes	22	16%
No	10	7%
No Answer	11	8%
<b>If you have meal preparation as part of your care package; do you agree that you are either supported to use the restaurant or have a meal supplied to your flat from the restaurant, rather than staff making a meal in your flat?</b>		

Yes	11	8%
No	5	4%
No care package	16	11%
No answer	20	14%
<b>An alternative to consider is providing a 2 course meal for every resident each day. Would you be prepared to have a hot; 2 course lunch included in your service charge?</b>		
Yes	4	3%
No	18	13%
Dependant on how much	17	12%