

## Options for Hafan Deg

### 1. Introduction

This document provides an analysis of the options for Hafan Deg in Rhyl. This means the two distinct options put forward by the council, and also any other options put forward during the consultation process (Option 3).

### 2. The current provision in the Rhyl area

In addition to Hafan Deg, Rhyl and the surrounding area is currently served by the following provision:

- 16 day care spaces in the independent sector within residential homes in Rhyl and Prestatyn (2 in Richmond House; 6 in Bryn Estyn; 6 in Dolanog; and 2 in Beach Court).
- There are a range of places offering day activities for older people, but for people needing personal day care, the only alternative options available are in residential care homes and EMH care homes in the area.

### 3. The options for Hafan Deg

Taking into account the current provision available in the Rhyl area (highlighted above), the council developed 3 options in relation to Hafan Deg which became the subject of the formal public consultation:

**Option 1 (the council's preferred option):** To enter into a partnership with an external organisation and transfer the building to them, commissioning a day care service within the building and, in addition, enabling 3<sup>rd</sup> sector agencies to provide early intervention activities for older people that reduce social isolation, support independence and promote resilience.

**Option 2:** To re-provision services at Hafan Deg with the potential that the centre would close and the service users and their families be supported to find suitable alternative provision.

**Option 3:** The council is open to any other alternative option you wish to put forward that would meet the demands for residential and day care places within the available resources.

- The only alternative option put forward during the consultation was for the council to continue to own and run Hafan Deg. This was only explored in detail within the UNISON response, so this is the option that is considered within this paper as being Option 3.

### 4. The rationale for Option 1:

- 4.1. There is a compelling financial case for Option 1 because there would be an annual saving of £51,858 on the cost of care. It is also very likely that there would be additional maintenance costs if we were to retain ownership of Hafan Deg because only the minimum, essential maintenance requirements have been met over the last few years. There is currently a maintenance backlog of approximately £50,000 for Hafan Deg which we would need to spend if we kept the building, and this adds weight to the financial case for Option 1.

- 4.2. No evidence has emerged during the consultation to demonstrate that there would be any negative consequences, either for the current cohort of service users, or for the wider population of older people in Rhyl and the surrounding area.
- 4.3. Option 1 would safeguard jobs for Hafan Deg staff and protect their current terms and conditions.

## 5. Consequences of Option 1:

- The building would continue to be used for the benefit of older people in Rhyl, including those with low level needs who currently attend, while supporting the principle of promoting independence and enabling the existing group of service users to continue to attend together, with the same staff group.
- Staff would be transferred (via TUPE transfer) to the partner organisation. Although this may be seen by some as a potentially negative impact, it would have some tangible benefits, such as safeguarding jobs and protecting the terms and conditions of staff. If the decision was made to transfer the unit, a transfer plan would be agreed, subject to consultation and approval. Statutory consultation with staff would take place.
- There would be a revenue saving of £51,858 on the cost of care (based on current levels of provision, i.e. 39 days per week)<sup>1</sup>. This is because we can buy day care from the independent sector for £50 per day (or £101,400 per year for 39 days of day care per week), whereas it currently costs us £153,258 per year (or the equivalent of £75.57 per day per person) to provide day care from Hafan Deg (see tables below). **Note:** we have updated the financial information to take account of the current levels of day care provision in Hafan Deg, and the revised costs of running Hafan Deg versus the cost of purchasing the equivalent amount of day care from the independent sector from April 2016. This revised calculation is required because of new employer regulations and additional employer costs from April 2016, which will increase the cost to the council of owning and running Hafan Deg.

### Unit cost to the council of providing care in Hafan Deg:

Day Care Centre	Employee Costs	Premises Costs	Transport	Supplies and other services	GROSS TOTAL	Days of care per week	Gross Unit Cost per day of care
	£	£	£	£	£		£
Hafan Deg	116,813.00	18,017.00	10,150.00	8,278.00	153,258.00	39	75.57

### Calculation of potential savings on the cost of care:

Unit daily cost of purchasing day care from independent sector	£50.00
Unit daily cost of providing day care from Hafan Deg	£75.57
Total annual cost of purchasing 39 days of day care per week from independent sector	£101,400
Total annual cost of providing 39 days of day care per week from Hafan Deg (i.e. total cost of running Hafan Deg)	£153,258
<b>Annual saving on cost of day care for 39 people per week (compared to cost of running Hafan Deg)</b>	<b>£51,858</b>

<sup>1</sup> The consultation document stated that the annual revenue saving would be £100,000, based on provision levels as of 1<sup>st</sup> September 2015 and costs which were correct at the time the papers were finalised for the consultation

- In addition to the savings on the cost of care, it is also very likely that there would be additional savings in relation to maintenance costs that the council would incur if it were to retain ownership of Hafan Deg. This is because only the minimum, essential maintenance requirements have been met over the last few years, and there is currently a maintenance backlog of approximately £50,000 for Hafan Deg.
- The council would no longer own and run a stand-alone day care centre. It is clear that this is seen as a negative impact by many people who have responded to the consultation. However, no evidence has emerged to suggest that there would be a negative impact on service users or the community as a result of this option being implemented.

## **6. Consequences of Option 2:**

- The council would still be able to meet the current demand for day care but this would be provided mainly by independent providers within residential care home settings.
- It would reduce the overall cost of providing day care and contribute to the necessary savings in the service to address the current council savings targets. There would be a revenue saving of £51,858 on the current running costs, and the council would avoid the additional spend on maintenance costs which would be likely to occur if it retained ownership of Hafan Deg.
- The cost of current vacancies within day care centres means that current resources are not being used as effectively as possible. This would resolve this problem.
- This change would mean disruption for the current users of the centre. The council would carry out further individual assessments of every service user and find alternative provision in a sensitive and timely manner with the involvement of service users and families where possible. The council would ensure that it complies with all its legal duties to its service users. The views of attendees would be sought and they would be helped to find suitable alternative provision that meets their needs. If the decision was made to close Hafan Deg it would not close until all the service users' needs had been fully reviewed and suitable alternative provision found.
- Hafan Deg staff would be at risk of redundancy. If the decision was made to close the unit, a closure plan would be agreed, subject to consultation and approval. Statutory consultation with staff would take place.

## **7. Consequences of Option 3:**

- The council would continue to own and run a stand-alone day care centre in partnership with other agencies.
- Staff would continue to be employed by the council, which they would prefer.
- The council would not realise the available revenue saving of £51,858 on the current running costs, and would still be liable for the additional maintenance costs that are likely to occur if it retained ownership of Hafan Deg.

- As proposed by UNISON, the revenue shortfall could be mitigated (at least for 2016/17) by an additional increase in council tax. This would have a negative impact on citizens within the community who would be effectively subsidising relatively expensive council-run day services for a minority of service users from Hafan Deg.

## 8. Summary of the consultation responses relating to Hafan Deg

40 consultation questionnaires returned	<ul style="list-style-type: none"> <li>• 10 questionnaires submitted via Customer Connections Team</li> <li>• 30 online questionnaires</li> </ul>
Other submissions from individuals	<ul style="list-style-type: none"> <li>• 5 letters</li> <li>• 1 email</li> </ul>
Public meetings	<ul style="list-style-type: none"> <li>• 2 public meetings in Rhyl</li> <li>• 32 attendees in total</li> </ul>
Meetings / focus groups	<ul style="list-style-type: none"> <li>• 1 meeting with Rhyl Member Area Group</li> <li>• 5 meetings with interested groups</li> <li>• 4 Community Support Services staff engagement events</li> </ul>
Petitions	<ul style="list-style-type: none"> <li>• 2 petitions submitted: <ul style="list-style-type: none"> <li>➤ One with 881 signatures in total</li> <li>➤ 13 identical letters from tenants of War Memorial Court asking to have lunch at Hafan Deg (treated as one petition with 13 signatures)</li> </ul> </li> </ul>
Union responses	<ul style="list-style-type: none"> <li>• One formal report from Unison</li> </ul>

### 8.1 Responses from consultation forms

Option	Number of people expressing a preference for this option
Option 1	10
Option 2	0
Option 3	0

Unfortunately, only a small percentage of those who responded indicated which option they would prefer. Of the 46 responses relating to Hafan Deg, 10 respondents specifically expressed a preference for Option 1. Nobody expressed a preference for Option 2 or Option 3. However, the comments submitted with responses forms indicate that several respondents expressed a preference for the council working in partnership with a charity or third sector organisation (which also seems to support Option 1). Several of the comments show support for keeping Hafan Deg in the ownership of the council. Although this would have to be considered as support for an alternative option (i.e. an “Option 3”), none of the comments elaborated on how that could be done whilst making the service sustainable for the future.

### 8.2 Summary of other submissions from individuals

During the pre-consultation phase (i.e. before the formal consultation period began), we received 13 identical letters from tenants of War Memorial Court, a sheltered accommodation scheme which surrounds the day centre. The letters were asking for an

opportunity to have lunch in Hafan Deg once or twice a week. In response the project manager arranged to meet all tenants to discuss their proposal.

During the consultation we received 3 letters and one e-mail saying the following:

*'I am writing on behalf of the residents of War Memorial court to express our concern about the future of Hafan Deg. At the moment we residents are allowed to use Hafan Deg three time every week for community activities, and on other special occasions such as birthday parties, Halloween, Christmas and Easter parties. We have also joined with the service users to celebrate national occasions such as Royal Weddings, and V E Day and MacMillan Coffee Mornings. We are all worried that we will not be able to continue our activities if an external organisation takes over the running of Hafan Deg.*

*It is not only the loss of our use of the centre, but the worry about what use will be made of the centre. War memorial Court is an ex-warded controlled residential complex providing accommodation for the elderly and disables. There is considerable concern about who would have access to the Court and whether there would be much use to be made of it at night with the possibility of noise until late into the evenings.*

*We are always being told that it is better for the elderly to remain in their own home, but if this means they sit alone all day except for 2-3 fleeting visits from uninterested 'carers' this in not improving their quality of live. We feel that our activities, held in Hafan Deg, give many of the resident's company and friendship on their doorstep, and enhance their daily life.*

*Of course the same could be said of the service users who go to hafan Deg at the moment. I'm sure every one of them would agree that they enjoy the time they spend in Hafan Deg'*

*I am sure that the service users (who are not just numbers but people in their own right, who could be you mother, father, husband or wife) will agree that their visits to Hafan Deg are probably the highlight of their week, and give their carers a much needed break.*

*It is not just the loss of our use of the centre that worries us, but what will replace it. War memorial Court is an ex warden controlled complex, providing accommodation for the elderly and disabled. There is considerable concern about whether it would be open in the evenings, who would be wandering round. There are plenty of dark corners on the court. Would there be noise and parking problems. These may be silly concerns to you, but to an 80 or 90 year old resident these points are important.*

*You may think you are saving some money but if Hafan Deg closes the whole heart of the community will be lost.'*

In addition, there was one letter expressing disappointment at the need for cuts.

### 8.3 Summary of views from the public meetings

The majority of those who attended the public meetings were tenants of War Memorial Court, the sheltered flats neighbouring Hafan Deg and their family members. In addition, some staff attended, as did some service users.

It was clear that the vast majority of attendees would prefer that there was no change to Hafan Deg. However, the thing that united everyone in the room was the desire to ensure that Hafan Deg doesn't close. Therefore, it is fair to say that there was universal opposition to Option 2 for Hafan Deg. Some people seemed to be more accepting than others of the need for change. Those people appeared to be open to the prospect of the Option 1, as long as protections were put in place in relation to what a new owner could do with the site.

Tenants of War Memorial Court were most concerned about the prospect of Option 2, and were worried that the unit might be used for a completely different purpose. Many tenants explained that they feel safe and secure with the current arrangements and wanted reassurance that if Hafan Deg was run by an independent agency, they would not be disturbed by noise or too much activity, particularly late at night. They currently use Hafan Deg for activities such as bingo nights and coffee mornings and were keen to continue to have these activities available to them. Whilst most people agreed that they would like the centre to continue to be used to support predominantly older people, a suggestion that they would welcome younger adults with disabilities was welcomed. Those present seemed reassured to hear that under Option 1, it would be built into the contract/service agreement that any activities would be geared at meeting the needs of the older person.

As in other meetings, we were asked whether an organisation could simply sell the unit on once it were transferred to a third party. Attendees seemed to be assured to hear that council would be proposing a lease-hold arrangement with clauses which would prohibit the site being sold on again.

Whilst caution was expressed as to the wisdom of working with the private sector, many of those who attended were keen for a charity to become involved in the running of Hafan Deg. They were keen for organisations who already provide services to older people such as Age Connect, Crossroads and carers agencies to be considered, and pleased to hear that this is the model the council is keen to explore under Option One.

Unison suggested that the council could involve another provider in the running of Hafan Deg in future but could work in partnership rather than handing over completely (see Unison report at Appendix K for further details). UNISON is keen that Hafan Deg, and its resources, are retained in the public sector.

The detrimental effect of the uncertainty over the future of Hafan Deg for staff, service users and neighbouring tenants was discussed, as was a range of ways of making better use of the excellent resources there.

### 8.4 Summary of views from other meetings & focus groups

Following the letters from War Memorial Court in July, requesting luncheon club at Hafan Deg, the project manager met with the tenants and explained the process and time scale of the consultation, the options and ways to get involved. At their request she also found some information about social enterprises for them as they were considering exploring the possibility of forming a social enterprise to run the day centre in the future.

The day after the public consultation meetings, the project manager attended the tenant's coffee morning forum (at their request) to explain the process again to those who were not able to attend. Points discussed were very similar to those covered in the public meetings.

The project manager also met with staff and service users from North Wales Deaf Association and Deafblind Cymru who attend Rhyl Deaf Club, Denbighshire Deaf Coffee Club and Look Hear Deafblind group at Hafan Deg regularly. Members clearly expressed how important the groups are to them and how they appreciate the location and the accessibility. One explained how it offered her respite from her caring duties and many explained how it helps them to feel less isolated and is an important chance to socialise and compare notes with others who may also sign or benefit from an interpreter. One member in particular explained how the uncertainty over the future of Hafan Deg was causing her to feel very anxious as she had suffered from depression in the past and felt she would suffer again if she did not have the group to look forward to. The organisers of the groups currently benefit from using the room without charge, but they know that no-one can guarantee that another provider would offer this.

Judging from the general Community Support Services staff engagement events (see Appendix Q for further details) and meetings held with Hafan Deg staff throughout the pre-consultation and consultation phases, there appears to be a good deal of support for Option 1. Although most Hafan Deg staff would undoubtedly prefer to continue to work for the council, they appear to be somewhat reassured by TUPE legislation. A number of staff referred to the importance of using all the resources at Hafan Deg more effectively, ensuring that it benefits more people in the future. There are some concerns about the parking facilities, but enthusiasm for making it a community integration facility. Some staff expressed concern about the low level of referrals in recent times.

## 8.5 Summary of petitions relating to Hafan Deg

There was one petition submitted in relation to Hafan Deg in before the consultation phase began. 881 signatures were collected and it was accompanied by letters from the family of those who attend, stressing its importance. This petition was presented to full council in April 2015. The petition reads:

*"Save our/your Day centre from closure – Hafan Deg is the only day centre in the North of Denbighshire, It is currently run by DCC but even this is too much for them. Prestatyn day centre has already been closed so please sign the petition and help us save this vital and essential community service for Rhyl and Prestatyn. Our residents in Prestatyn were not given notice of the closure and we have lost this vital service for our town. Our residents now attend Hafan Deg in Rhyl which is at risk of closure without your help!"*

In addition, 13 identical letters were received from residents of War Memorial Court in July 2015. We have been advised that these should be treated as one petition, with 13 signatures, as they are identical. The letter reads as follows:

*"I write to enquire if it may be possible and the Council services may be willing and able to provide cooked meals for myself on the days when the staff are cooking for day care visitors."*

*I fully realise that all services are under potential threat and withdrawal because of financial constraints and would accept that if the above was allowed it would only be on a trial basis and could be withdrawn at any time.*

*If this request was met with a favourable response I would be more than happy to pay a week in advance so that the catering staff could make provision to order sufficient supplies and prepare the same.*

*One would like to comment that on VE day this year the residents and day care visitors had a very nice meal together provided by your catering staff who coped admirably.*

*Thank you for your help with this matter”.*

## **8.6 Summary of UNISON response relating to Hafan Deg**

The full response submitted by UNISON is attached at Appendix K, and this is an important document because it does set out a genuine alternative to the council’s preferred options. It is a difficult document to summarise, and doing so may do the document an injustice, so we would strongly recommend that the document is examined thoroughly by Members. However, in general terms, UNISON set out a case for keeping all of the existing services under council control. UNISON argue that:

*“The retention of in house options within a broad range of providers allows us the flexibility we need to offer sustainable solutions”.*

In order to make the services affordable, and therefore sustainable, UNISON argue that:

*“The wisdom of investing in sustainable public sector provision is clear in any financial scenario but we feel compelled in the current circumstances to request Elected Members to revisit the size and extent of the reduction they have applied to the Community Support Services budget. In doing so they should consider the possibility of utilising the opportunity afforded by the better than expected settlement”.*

UNISON continue by arguing that the better than expected settlement enabled the council to reduce its original proposal for increasing council tax for 2016/17 from 2.75% to 1.5%, and that the difference between the two proposals (an estimated £551,430 in income) represents the “degree of leeway which could be used to reduce the impact of the cut in the Community Support Services Budget”.

Page 11 of the document states that:

*“We [UNISON] see day care services playing a key role in providing the release valve for carers enabling them time to themselves. We [UNISON] see this as an invaluable way to reducing the risk of carer breakdown and breakdown in the relationship between carer and the person they care for.*

*We [UNISON] believe quality day care contributes substantial cost avoidance, when the consequences of carer breakdown are considered. We [UNISON] also can see little hope of the local authority being able to fulfil its duty to carers*



*under the new Act without the availability of the relatively inexpensive short-term break from caring that day services can provide.*

*If the proposals in 'Future of Denbighshire County Council's in-house care services' are adopted this important provision will be lost as the proposals focus on activities for those without care needs and thus provide no respite for those involved in supporting the many people who do have care needs".*

Page 12 of the document states that:

*"Offering a diverse range of activities is reliant on a 'market place' of independent sector and community providers offering activities that are accessible to those members of the community in need of support. Without a local authority infrastructure of trained staff and accessible venues this market is restricted to only those organisations who are able to secure the required accommodation. This beyond the reach of many local community providers who would be excluded from offering activities if the infrastructure is lost. By charging organisations for facilities and support the council can develop a new revenue stream that taps into the donations and grant funding streams that are often seen as a key advantage of third sector provision. Furthermore, the presence at the facility of well-trained and professional council staff means that the necessary health and safety practices can be maintained even where activities are delivered by unqualified and/or volunteer partners".*

UNISON do make some important points within their response document, and the option of raising council tax to subsidise the current arrangements is a genuinely alternative which Cabinet could consider supporting. However, the UNISON response is based on a clear assumption that the council does not see the importance of day services for people who have social care needs, and that the council wants an independent sector provider to focus only on preventative activities for people without care needs. The council has never said this. In fact, the council would like to commission an expanded and enhance day care service from Hafan Deg in future, in addition to (not instead of) expanding the range of preventative activities being delivered from there.