

STOCKTON-ON-TEES BOROUGH COUNCIL

CABINET RECOMMENDATIONS

PROFORMA

Cabinet Meeting5th November 2009

1. Title of Item/Report

Integrated Health and Care Facility

2. Record of the Decision

Consideration was given to a report regarding Stockton on Tees Teaching PCT's plans for the Alma Street site to develop an Integrated Care Centre.

Alma Street site had separate office accommodation (for approx 70 staff), a caretakers house and the Alma Centre - a day service facility for some adults with disabilities, older people and older people with mental health needs.

It was proposed that the existing day centre provision at Alma was transferred to the Halcyon Centre Thornaby (on Thorntree Road/ the former Harewood Infants School). Additional capital works would be required to the Halcyon Centre to accommodate the expanded services.

Consultation was undertaken on the proposed move of the day centre from Alma Street site to the Halcyon Centre and the feedback of this process was reported to Cabinet in August 2009.

The proposals regarding land sales were not confirmed at that stage as the Council and PCT (via its third party developers LIFT) were in negotiation regarding the valuation.

The Council had been in negotiation with the PCT regarding the sale terms in respect of the Alma Street site and provisional agreement had now been reached to sell the Council's freehold interest for the sum of £500,000 plus a disturbance payment of £250,000.

The PCT business case for an integrated health and care facility located on the Alma Street site must meet value for money and affordability requirements. The PCT approval processes differ from the Council and definitive sign off of their business case was not until February 2010. The building changes to the Halcyon Centre and associated costs would be required in advance of PCT approval process in order to meet PCT

timetable for its building programme. The land sale could be agreed by the PCT in advance of this process.

There were, however, costs associated with the relocation of services and staff from the current site. The proposed move of the day centre services to the Halcyon centre would require renovation work estimated at £600,000.

Alma House currently accommodated approximately 90 staff and those staff would need to be relocated. This offered an opportunity to develop other Council administrative buildings using the principals of the Council's Workwise Strategy. Although this would require up front costs of approximately £150,000, it would rationalise the Council's buildings portfolio, result in a revenue saving to the Council of over £60,000 per annum.

The PCT and Council had been in negotiation regarding the land sale and the receipt (totalling £750,000) would be sufficient to cover the costs of relocation to the Halcyon Centre and make a contribution to the Office moves. It was requested that Cabinet delegate authority for agreement to the land sale and the progression of the capital changes to the Halcyon Centre to the Corporate Director of Resources and Director of Law and Democracy.

It was noted that if the buildings were retained by the Council, the current estimate of maintenance requirements would require investment in the region of £800,000 over the next 5-10 years. The closure of the buildings would also have a positive impact on the Council's carbon reduction commitment requirement.

There were also potential revenue savings associated with the service transfer of Alma Centre to the Halcyon Centre of approximately £70,000, however these were likely to be offset by additional costs such as transport in the region of £20,000 resulting in a revenue saving of £50,000.

It was important that this scheme progressed, as the proposed changes to the Alma site had a "domino" effect on a range of service issues linked to the Efficiency, Improvement and Transformation programme (EIT), accommodation plans for Integrated Service Areas and the Work Wise programme.

Additional efficiencies may emerge following the EIT review of Adult services. As part of the consideration around the shape of day services, the expanded facility at the Halcyon Centre could offer greater flexibility to facilitate additional changes to the configuration of day services. In

addition the impact from the EIT reviews of FACS and Transport may in turn impact on potential efficiencies.

Following discussion with the PCT the extent of integrated health and care accommodation in the new Alma facility may be more limited than initially anticipated. This was because as the scheme was now a more clinical model (akin to a “mini hospital”) with less community and primary care services expected to operate within it. The principle of integrated working of health and care staff remains critical to service planning. But other facilities may be available that were more “low tech” which could enable integrated health and care staff to operate within them at a lower cost than in the proposed Alma facility.

There would be further discussions with the PCT on the range of services that might be appropriate to include within the new Alma Street facility. Any option will be reviewed against the potential of other facilities within the Council as part of the ongoing Work Wise review and value for money. These plans could be developed separately from the land sale discussions highlighted above.

Following Cabinet agreement to the land sale, plans would be put in place to start the necessary building works at the Halcyon Centre. The building works was likely to take 6-8 months and the transfer of the day service would not occur until September 2010.

Further detailed work would be undertaken to inform clients and staff on the changes and timetable for the works. A project group was in place, which was taking forward the operational aspects of the proposed changes.

The PCT had agreed to acquire the site for £500,000 plus a disturbance payment of £250,000. This total receipt of £750,000 met the costs of service re-provision and capital changes to the Halcyon Centre as well as a contribution of the office accommodation changes relating to the re-provision of the Alma House facility. This would also result in ongoing revenue savings of approximately £110,000 per annum and avoid future costs associated with impending maintenance requirements.

RESOLVED that the sale of the Alma Street site to Stockton on Tees PCT for £ 500,000 plus a disturbance payment of £250,000 with the finalisation of terms and conditions delegated to the Director or Resources and the Director of Law and Democracy.

RECOMMENDED to Council that it approve the Capital expenditure

works to the Halcyon Centre of £600,000 to enable the re-provision of the Alma Centre services to the Halcyon Centre, and a capital allocation of £150,000 to undertake works to administrative buildings to relocate staff from Alma House.

3. Reasons for the Decision

To enable the PCT to meet its timetable in line with its proposals for health service changes

To ensure that the re-provision of the existing services on this site are planned and developed

To ensure that day services continue to meet the needs of older people across Stockton Borough and that they are fit for purpose now and in the future.

4. Alternative Options Considered and Rejected

None

5. Declared (Cabinet Member) Conflicts of Interest

None

6. Details of any Dispensations

Not applicable

7. Date and Time by which Call In must be executed

Not later than Midnight on Friday 13th November 2009

Proper Officer
10 November 2009