

AGENDA ITEM

REPORT TO CABINET

5 NOVEMBER 2009

**REPORT OF
CORPORATE
MANAGEMENT TEAM**

CABINET/COUNCIL DECISION

**Adult Services and Health – Lead Cabinet Member– Councillor Ann McCoy
Regeneration and Transport - Lead Cabinet Member– Councillor Cook**

INTEGRATED HEALTH AND CARE FACILITY, STOCKTON

1. Summary

Following Stockton on Tees Teaching PCT's plans for the Alma Street site to develop an integrated health and care facility, this report provides an update on the land sale negotiations which impact on plans to re-provide the Alma Centre services to the Halcyon Centre.

2. Recommendations

Members approve :

- 1) 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 of Resources and the Director of Law and Democracy.
- 2) Cabinet recommend to Council 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 Recommendations/Decision(s)

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. **Members' Interests**

Members (including co-opted Members with voting rights) should consider whether they have a personal interest in the item as defined in the Council's code of conduct (paragraph 8) and, if so, declare the existence and nature of that interest in accordance with paragraph 9 of the code.

Where a Member regards him/herself as having a personal interest in the item, he/she must then consider whether that interest is one which a member of the public, with knowledge of the relevant facts, would reasonably regard as so significant that it is likely to prejudice the Member's judgement of the public interest (paragraphs 10 and 11 of the code of conduct).

A Member with a prejudicial interest in any matter must withdraw from the room where the meeting considering the business is being held -

- in a case where the Member is attending a meeting (including a meeting of a select committee) but only for the purpose of making representations, answering questions or giving evidence, provided the public are also allowed to attend the meeting for the same purpose whether under statutory right or otherwise, immediately after making representations, answering questions or giving evidence as the case may be;
- in any other case, whenever it becomes apparent that the business is being considered at the meeting;

and must not exercise executive functions in relation to the matter and not seek improperly to influence the decision about the matter (paragraph 12 of the Code).

Further to the above, it should be noted that any Member attending a meeting of Cabinet, Select Committee etc; whether or not they are a Member of the Cabinet or Select Committee concerned, must declare any personal interest which they have in the business being considered at the meeting (unless the interest arises solely from the Member's membership of, or position of control or management on any other body to which the Member was appointed or nominated by the Council, or on any other body exercising functions of a public nature, when the interest only needs to be declared if and when the Member speaks on the matter), and if their interest is prejudicial, they must also leave the meeting room, subject to and in accordance with the provisions referred to above.

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SUMMARY

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RECOMMENDATIONS

Members approve :

1. 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 of Resources and the Director of Law and Democracy.
2. Cabinet recommend to Council 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.

BACKGROUND

1. Stockton on Tees Teaching PCT has indicated that the Alma Street site is their preferred option for the Stockton Integrated Care Centre. This is subject to affordability and value for money. The PCT Board has approved the preferred option site and will progress to its approval process with the Full Business Case planned for sign off in February 2010.
2. Alma Street site has 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.
3. It is proposed that the existing day centre provision at Alma is transferred to the Halcyon Centre Thornaby (on Thorntree Road/ the former Harewood

Infants School). Additional capital works will be required to the Halcyon Centre to accommodate the expanded services.

4. 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.
5. 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.

Land Sale and Financial Implications of Relocation

6. The Council has been in negotiation with the PCT regarding the sale terms in respect of the Alma Street site and provisional agreement has now been reached to sell the Council's freehold interest for the sum of 500,000 plus a disturbance payment of £250,000 .
7. 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 is not until February 2010. The building changes to the Halcyon Centre and associated costs will be required in advance of PCT approval process in order to meet PCT timetable for its building programme. The land sale can be agreed by the PCT in advance of this process.
8. There are, 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 will require renovation work currently estimated at £600,000.
9. Alma House currently accommodates approximately 90 staff and these staff will need to be relocated. This offers an opportunity to develop other Council administrative buildings using the principals of the Council's Workwise Strategy. Although this will require up front costs of approximately £150,000, it will rationalise the Council's buildings portfolio, result in a revenue saving to the Council of over £60,000 per annum.
10. The PCT and Council have been in negotiation regarding the land sale and the receipt (totalling £750,000) will be sufficient to cover the costs of relocation to the Halcyon Centre/ and make a contribution to the Office moves. It is requested that Cabinet delegate authority for agreement to the land sale and the progression of the capital changes to the Halcyon Centre to the Director of Law and Democracy
11. It is also worthy of note 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.
12. There are also potential revenue savings associated with the service transfer of Alma Centre to the Halcyon Centre of approximately £70,000, however these are likely to be offset by additional costs such as transport in the region of £20,000 resulting in a revenue saving of £50,000.

Service Impact

13. It is important that this scheme progresses as the proposed changes to the Alma site have 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.
14. 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.
15. 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 is because as the scheme is 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 are more “low tech” which can enable integrated health and care staff to operate within them at a lower cost than in the proposed Alma facility.
16. There will 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 can be developed separately from the land sale discussions highlighted above.

Next Steps

17. Following Cabinet agreement to the land sale, plans will be put in place to start the necessary building works at the Halcyon Centre. The building works is likely to take 6-8 months and the transfer of the day service will not occur until September 2010.
18. Further detailed work will be undertaken to inform clients and staff on the changes and timetable for the works. A project group is in place, which is taking forward the operational aspects of the proposed changes.

FINANCIAL IMPLICATIONS

19. The PCT have agreed to acquire the site for 500,000 plus a disturbance payment of £250,000. This total receipt of £750,000 meets 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 will also result in ongoing revenue savings of approximately £110,000 per annum and avoid future costs associated with impending maintenance requirements.

LEGAL IMPLICATIONS

20. Not applicable

RISK ASSESSMENT

21. A full risk assessment will be carried out as part of the project planning arrangements for the proposed service changes.

COMMUNITY STRATEGY IMPLICATIONS

22. The Sustainable Community Strategy (Shaping Our Future) for Stockton-on-Tees 2008-2021 sets out the vision and key improvement priorities for the local area. The provision of an integrated health and social care facility contributes to this strategy by creating vibrant and successful town centres and improving access to and a range of health and wellbeing services.
22. Stockton on Tees Council Plan 2008-2011 sets out directives aimed at helping create a sustainable community in which residents and local organisations play an active role in developing and maintaining their own environment and society. 'Being healthy, improved access to integrated services, improved health and emotional wellbeing, improved quality of life, increased choice and control, and leadership' are key objectives in the Borough.

EQUALITIES IMPACT ASSESSMENT

23. The integrated health and care facility will be subject to the PCT's arrangements for equality impact assessment.

CONSULTATION INCLUDING WARD/COUNCILLORS

24. As part of the consultation process consultation meetings were arranged with service users and carers and day care staff. The consultation included wider staff teams and interested stakeholders including Over 50s Assembly, Local Councillors, Trade Unions and Parish Councils.

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Background Papers

Cabinet papers August 2009 and May 2009

Ward(s) and Ward Councillors:

A briefing of Local Councillors has been undertaken.

Property

The proposals are linked to the Asset Management Plans and have been considered via this route.