

CABINET

10 APRIL 2018

REFERRAL FROM HEALTH AND ADULT SOCIAL CARE OVERVIEW AND SCRUTINY COMMITTEE – MEMBER ITEM: FUTURE OF THE RVS OLDER PEOPLE’S CENTRE

Portfolio Holder: Councillor David Brake, Adults’ Services

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Summary

This report sets out a referral from the Health and Adult Social Care Overview and Scrutiny (O&S) Committee with regard to Councillor Murray’s Member item that was considered at the Committee meeting held on 15 March 2018.

The Committee agreed to request that Cabinet agree £17,500 of additional funding to the RVS Older People’s Centre for 2018/19 in addition to the £17,500 agreed in the Council Budget.

1. Budget and Policy Framework

- 1.1. Overview and Scrutiny Committees may make recommendations to the Cabinet arising from the outcome of the scrutiny process (Constitution – Articles of the Constitution - Chapter 2, Article 6, Paragraph 6.4).
- 1.2. At its meeting held on 15 March 2018, the Health and Adult Social Care Overview and Scrutiny Committee agreed to make a recommendation to Cabinet, as set out in section 2 of this report.

2. Background

Health and Adult Social Care Overview and Scrutiny Committee – 15 March 2018

2.1 Member's Item: Future of the RVS Older People's Centre

2.2 The Committee considered a Member's item from Councillor Murray on the Future of the RVS Older People's Centre. Councillor Murray requested the inclusion of the item on the agenda for the reasons set out in paragraphs 2.3 to 2.5 below.

2.3 "Although half of the funding for the RVS Older People's Centre was restored in the Council's budget, I want to explore how the centre can plan for a sustainable future. To do this I will work with users and volunteers to ensure Members have a detailed understanding of the breadth of services provided by RVS and the extent to which the centre helps the Council to achieve its priorities.

2.4 There is also a need to find a more cost effective location and I want to give users and volunteers a formal opportunity to share their ideas. An undertaking was given in the budget to work with RVS on identifying a sustainable way forward and it is important that O&S support this process.

2.5 It is important that Members and officers have an opportunity to hear from service users and volunteers before a plan to ensure future sustainability is developed. The public campaign to save the centre was very well supported and opportunities for local people to speak directly to Members about their experiences have been few and far between. I have been impressed with the determination and creativity of the RVS staff and users and believe that Scrutiny is the correct forum for this exchange to initially take place as well as ensuring that those who use the centre have a formal opportunity to plan for the future and reassurance that their ideas will be taken into account".

2.6 Minutes of Committee discussion

Discussion

Councillor Murray introduced the Member's item on the future of the RVS Older People's Centre. The Committee was asked to note that the Save the Centre Committee was an independent group that was not connected to RVS. It was recognised that the Council no longer wished to provide grant based funding, preferring instead to contract services and establish targets that could be monitored.

2.7 Councillor Murray said that the grant for the Centre had been withdrawn suddenly with there having been no time to put alternative and more sustainable arrangements in place, although the small funding reprieve in the Council budget was welcome. The RVS Centre had a commitment to help the Council to reduce social isolation and help people to maintain good health and

independence in later life. The Centre was also good value for money and had the ability to make the three conversations model for social care work well.

- 2.8 It was recognised that the provision of funding was challenging. Centre volunteers helped to fundraise by running a café, which made about £30,000 a year, with Centre users also helping to raise funds for other charitable causes. The move to a new delivery model could not take place in a matter of months. RVS currently paid £18,000 in rent per year for the Centre. Relocating the Centre would be difficult as there were few suitable alternatives, particularly as the Centre was already ideally located in central Chatham. The Centre had two paid staff who organised and supported volunteers and facilitated the general management of the Centre.
- 2.9 A number of Centre users, volunteers and other representatives of the Centre and RVS addressed the Committee, the key points of which were as follows:
- 2.10 Nikki Williams, volunteer – Had been recovering from mental health difficulties when she discovered the Centre, subsequently becoming a volunteer. Her volunteering role included 1 to 1 tuition for mobile phone and tablet users and helping in the café. Centre users considered themselves to be a family and did not want to be split up. They were also concerned by the possible relocation of the centre. Ms Williams had been forced to stop working following an injury last year. She considered that attending the centre had helped her enormously since and that it had possibly saved her life.
- 2.11 Lillian Lyons, centre user and volunteer– She had previously volunteered at Age Concern before becoming a volunteer at the RVS Centre when it had opened eight years ago. The Centre was excellent in helping people to overcome loneliness and to find friends and activities and she would be devastated if it were to close. As Ms Lyons was unable to lift heavy items, staff at the centre did her weekly shopping and delivered it to her.
- 2.12 Jenny Woodman, Centre user, volunteer and befriender – discovered the centre following the death of her daughter and was now a volunteer helping with knitting/crochet, bingo and the book club. She had also become a befriender, although this scheme had been withdrawn by RVS. Volunteers were concerned at the move towards a volunteer led model as they did not want the extra responsibility. The Centre had helped Ms Woodham come to terms with the death of her daughter and its closure would break her heart. There needed to be more similar facilities for older people.
- 2.13 Barbara Taylor, Chair Save our Centre Committee – Funding was a real challenge, this made it imperative that public funds were spent responsibly. The Centre was a special place that helped depressed, lonely and isolated users who would not be able to cope without it.
- 2.14 Eight years ago, the Council had provided initial funding of £100,000 for the Centre and a subsequent annual grant of £35,000. There had been no performance monitoring; therefore the significant benefits of the Centre to the local community could not be fully appreciated. The Centre was recognised as

a centre of excellence for the elderly. It was a safe haven to promote health and wellbeing and was centrally located. There were no other similar facilities in Medway. No impact assessment had been undertaken to ascertain what services would be lost and who would be affected if the Centre were to close. The relocation of the Centre would not be welcome, with alternative venues suggested, such as in a pub, being unsuitable. The new service model being proposed would be volunteer-led with no accountability for the delivery of services.

- 2.15 Closure of the Centre was likely to result in an overall increased cost to the health and social care system as the Centre helped to prevent its users needing other services. Local authorities were under a duty to help improve the independence and wellbeing of people in the local community. Therefore, it could be argued that the Council had a statutory duty to fund the Centre.
- 2.16 Ms Taylor was extremely disappointed that the Council was no longer prepared to support the centre financially and said that thousands of signatures had been collected in support of keeping it open. A demonstration had been held to this effect outside the February 2018 Budget Council meeting. Local MP, Tracey Crouch, had stated in a letter sent to the Council on 23 January 2018 that she had concerns that the long term cost of the centre closure would be significantly more expensive than the £45,000 saved. The £17,500 of funding allocated by the Council was considered to be insulting, particularly as £75,000 had been allocated to Christmas car parking and the sum allocated would only enable the Centre to operate until the end of August 2018.
- 2.17 Rebecca Kennelly- RVS Charity – Gave personal thanks to the Save the Centre Committee for their campaign to keep the centre open. RVS was a national third sector organisation that aimed to support older people. There had been a significant decline in resources available with RVS having to implement a challenging new model to ensure future sustainability. RVS had provided £171,000 of funding to the Chatham Centre over the last seven years. RVS would work hard to enable it to continue but there was currently not enough funding available without a Council contribution. With no Council funding, the Centre would require £50,000 per year to operate and it would take significant local effort and time to successfully transition to a new delivery model.
- 2.18 The Older People's Centre currently supported 70 to 100 older people each week. 80% of Centre users were aged over 75. The average volunteer age was 62, 93% of Centre users said that it made them better able to cope with day to difficulties, 95% had more social contact as a result, while 96% said the Centre helped them to do the things they wanted to do and live the life they wanted to lead. 96% also said that the Centre helped them to feel healthier.
- 2.19 Ms Kennelly appealed for the Council to provide funding for the Centre and stated that if the current premises were no longer viable then a rent free alternative would be needed. It was hoped that there could be strong partnership working with the Council going forward.

- 2.20 Ms Kennelly was asked by an audience member whether she had spoken with the landlord of the Centre about a possible reduction in rent. It was confirmed that a letter had been sent but that no reply had yet been received.
- 2.21 A Member said that a number of Councillors had voted against the Council Budget. He saw the RVS as being an excellent example of volunteering and also saw the community benefits of the Centre. The Member was also concerned about the capacity of the voluntary sector to take on the services that it was being expected to provide.
- 2.22 Councillor Murray put forward a proposal that Cabinet provide funding for the whole of the current fiscal year. This compared to the funding provided in the Council budget that would enable the Centre to operate until August 2018. It was also proposed that progress be reviewed in a year with the possibility of support being extended.
- 2.23 Some Committee Members declared their support for Councillor Murray's proposal, while one Member urged caution due to the ongoing nature of the discussions in relation to the future sustainability of the Centre.
- 2.24 The Committee considered Councillor Murray's proposal. Upon being put to the vote, the proposal was approved.

2.25 **Decision**

The Committee agreed that Cabinet be asked to fund the RVS Older People Centre for the full year [2018/19], making up for the lost grant, thus giving time for RVS, the Centre, the users, the volunteers and Council officers to work together on a new model while still providing the services everyone attending the Committee meeting needs so badly. This time next year, progress be reviewed and further support considered if things are going well.

3. Advice and analysis on options

- 3.1 The options open to Cabinet are as follows:

Option 1 – To agree the recommendations from the Health and Adult Social Care O&S Committee for Cabinet to provide RVS Medway with a full year of funding for 2018/19

Option 2 – To continue to fund RVS for a period of six months only

- 3.2 Option 1 – to continue to fund RVS will not be in line with other voluntary and community organisations which have similarly had grant funding stopped.
- 3.3 Additionally there is an issue with State Aid Regulations. In the last six years, Medway Council has granted funding of approximately £230,000 to RVS. However RVS is a registered charity and may have received funding from other public sector bodies in the same period, which would also count as state

aid. The Council should ensure it that any additional funding of RVS does not exceed the de minimis threshold of 200,000 Euros in the last 3 fiscal years. The Council could be challenged by other voluntary sector organisations that have not been given the same funding opportunity.

- 3.4 If funding continues in the form of a grant, officers cannot monitor or manage performance. This makes it impossible to measure the impact of the grant. Funding has not been based on need or outcomes delivered, and have left the council little room to react to changing situations and circumstances. Furthermore, of the £35,000 granted this year, £18,000 went on premises. This does not represent value for money for the Council and is not in line with the RVS model of volunteering that has been adopted elsewhere in the country.
- 3.5 Option 2 – it is proposed that the Council provides the six months funding agreed at Full Council. The Head of Adults’ Partnership Commissioning has been in discussion with the RVS’s National Director of Social Action. RVS will also fund for a further six months to enable the Centre to remain open and for work to be done to develop a sustainable model for Medway for the longer term. A joint paper from Adults’ Partnership Commissioning and the RVS would be scheduled for later in 2018 which provides a full impact assessment, a report on outcomes delivered and proposals for the long term delivery model in Medway. Officers will work with the RVS Development Worker as well as the Director of Social Action to develop these proposals.

4. Director’s Comments

- 4.1 RVS, along with other grant-funded organisations, were given three month’s notice in December 2017.
- 4.2 Council officers will be working with the officers at RVS nationally in the coming months to develop a longer term plan that is sustainable. A meeting has already taken place between Council officers, the Director of Social Action and the Southeast Regional Manager for RVS to discuss options for supporting a sustainable model of delivery in Medway.
- 4.3 RVS have communicated that they wish to adopt a more sustainable model that they are delivering nationally. This will involve a volunteer involving model that is either in a building in a more sustainable model or volunteer led model independent of the need for a building facility. Officers have reassured RVS that the Council will support efforts to help bring about the changes to the service in Medway.
- 4.4 The Council is in the process of commissioning a number of new services with the VCS, which will follow procurement rules. This will also allow the Council to ensure that any organisation offering services to the residents of Medway is delivering real value, the best possible outcomes and finally the most efficient use of health and social care resources. By formalising the new services into contracts, which will follow EU procurement rules, the Voluntary Community Sector and Medway Council will be moving away from a year to year funding

structure, to a more secure and resilient agreement, which enables all providers to plan for the longer term and be more responsive to the changing needs of our population. VCS organisations will operate with greater security, but with greater scrutiny from Medway Council who will be able to monitor the effectiveness of services and therefore be able to demonstrate the real value of the VCS, and efficient use of health and social care resources.

4.5 The advice of officers is that Option 2 is agreed as a way forward.

5 Risk Management

5.1 There is a risk of the centre closing if its financial stability cannot be ensured, resulting in users of the service no longer having this provision and the possibility of demand for other services increasing as a result. As noted in 4.1, Council officers are already due to be working with the officers at RVS during the coming months in order to develop a long term plan that is sustainable.

5.2 There is an additional risk in that the volunteers do not appear to be in agreement with the volunteer-led service with no building, which is the route that RVS nationally are suggesting. During their statements the volunteers indicated that they were, in effect, asking for the existing building to remain with the funding continuing to support the cost of the current lease. At HASC the Director of RVS asked for support in finding a suitable building which would be cost-free.

6. Consultation

6.1 No consultation has been undertaken or is required in relation to the recommendations contained in this report.

7. Financial and Legal Implications

7.1 The request made by the Health and Adult Social Care Overview and Scrutiny Committee is for Cabinet to agree an additional £17,500 of funding for the the RVS Older People's Centre. This would be in addition to the £17,500 that Full Council agreed on 22 February 2018 in setting the revenue budget for 2018/2019.

7.2 If Cabinet agreed to the additional funding of £17,500 that has been recommended by the Health and Adult Social Care Overview and Scrutiny Committee, an appropriate budget virement would need to be identified and approved by the Director of Children and Adults Services.

7.3 Section 9F of the Local Government Act 2000 requires the Council to ensure that its Overview and Scrutiny Committees have power to make recommendations to the Leader and Cabinet in respect of the discharge of Council functions (executive and non-executive) and also on matters which affect the authority's area or the inhabitants of the area.

8. Recommendations

- 8.1 Cabinet is asked to consider the following recommendation from the Health and Adult Social Care Overview and Scrutiny Committee and agree a way forward:
- 8.2 The Health and Adult Social Care Overview and Scrutiny Committee recommends that Cabinet be asked to fund the RVS Older People Centre for the full year [2018/19], making up for the lost grant, thus giving time for RVS, the Centre, the users, the volunteers and Council officers to work together on a new model while still providing the services everyone attending the Committee meeting needs so badly. This time next year, progress be reviewed and further support considered if things are going well.

9. Suggested reasons for decision

- 9.1 The Health and Adult Social Care O&S Committee has made these recommendations to Cabinet in accordance with its entitlement, under the Council's Constitution, to make recommendations to Cabinet arising from the outcome of the scrutiny process (Constitution – Articles of the Constitution - Chapter 2, Article 6, Paragraph 6.4). Cabinet is, therefore, required to consider its response.

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Appendices:

None

Background Papers:

Member's Item: Future of the RVS Older People's Centre considered by Health and Adult Social Care O and S on 15 March 2018:
<https://democracy.medway.gov.uk/mgconvert2pdf.aspx?id=40966>