

**HEALTH AND ADULT SOCIAL CARE
OVERVIEW AND SCRUTINY COMMITTEE
16 OCTOBER 2018
RVS OLDER PERSONS CENTRE**

Report from: Ian Sutherland, Director of Adults and Children's Services

Author: Heidi Ward Programme Lead, Partnership Commissioning

Summary

Following consideration of a Member item at the Health and Adult Social Care Overview and Scrutiny Committee, on 15 March 2018, it was recommended that the Cabinet provide a further £17,500 to the Royal Voluntary Service (RVS) Centre. The Cabinet considered this recommendation on 10 April 2018 where it noted the progress made with RVS in covering a matching grant to cover costs over the 12 month period 2018-2019 and the Cabinet agreed that Council officers work with RVS in the preparation of a sustainable model of delivery for RVS and provide a six month progress report to Cabinet in October.

This report is a progress update on how RVS is proposed to become sustainable, either by introducing a new model of delivery to bring Medway in line with their national practice or by securing a more affordable property to deliver services from ahead of consideration by Cabinet on 23 October 2018.

Comments from this Committee will be included in the report to Cabinet.

1. Budget and Policy Framework

1.1 Any decisions made by the Cabinet about the Royal Voluntary Service will be in accordance with the Council's policy and budget framework.

2. Background

2.1 The Royal Voluntary Service has delivered a service in Medway for eight years, providing a café and drop in facility for vulnerable older people, with the aim to reduce social isolation and loneliness. The Centre also provides and hosts additional services such as information advice and guidance, podiatry services and community transport.

2.2 A review of the Voluntary Community Sector (VCS) in Medway found that a number of organisations were grant funded and operating without contracts

and therefore outside of Council procurement rules as laid out by the EU. All of these non-contracted, grant-funded organisations were given notice that their grants would cease on 31 March 2018.

- 2.3 At the same time, the Council commenced the process of recommissioning VCS services in Medway with the aim of ensuring that any organisation offering services to the residents of Medway, deliver and demonstrate the real value of the VCS and the most efficient use of health and social care resources. This procurement process is currently underway with contract award planned for Q4 2018/19.
- 2.4 The RVS was given notice in December 2017 that grant funding of £35,000 of which £18,000 was spent on rent for a building in Chatham, would cease on the 31 March 2018. Subsequent to notice being given, RVS posted a press release on their website stating the withdrawal of funding. Current service users began an active campaign to save the RVS Centre.
- 2.5 On 22 February 2018 the Council approved the general fund gross income and net revenue estimates with a number of changes which generated £1,783,000 of headroom. It was agreed to invest £17,500 of this headroom in the RVS Grant (item 788 refers). Following a Member's item at the Health and Adult Social Care Overview and Scrutiny Committee, on 15 March 2018 (item 857 refers), the Committee recommended to the Cabinet to fund the Centre for another full year by providing the £17,500 required to make up the lost grant.
- 2.6 This recommendation was considered by Cabinet on 10 April 2018. Cabinet noted the progress made with RVS in securing match funding to cover costs over the 12 month period 2018-2019 and agreed that Medway Council officers and other interested parties work with RVS in the preparation of a sustainable programme for RVS Medway (decision number 50/2018 refers).
- 2.7 As part of this decision it was requested that a progress report be submitted to Cabinet in October 2018. This Committee is asked to consider this report ahead of consideration by the Cabinet.

3. Progress Towards RVS Volunteer-led Service Model

- 3.1 RVS communicated to officers that they will be unable to fund the current Medway Centre in Chatham from 1 April 2019.
- 3.2 In April 2018 officers from Partnership Commissioning initiated the first set of regular progress meetings with the National Director of Social Action at RVS. The aim is to support RVS in identifying and making the change to an alternative low cost, sustainable delivery model, ensuring service users and volunteers continue to be supported.
- 3.3 RVS and Medway Council established the plan of work to take forward. This included the following:
 - Introduce a new volunteer-led model of delivery to bring Medway in line with their national practice and ensure the sustainability of the centre moving forward.

- Recruit a RVS Community Co-ordinator to work as part of the RVS volunteer led team and Medway Council Commissioners during the transition to the national delivery model.
- Outline how RVS proposed to reduce overheads and increase revenue including securing additional funding.
- Consider the relocation of the RVS service to a more affordable and better maintained property and look to secure capital funding.

Challenges

3.4 Throughout the six month period and since May 2018, RVS highlighted to Medway officers the difficulties in engaging with their volunteers in moving to a new volunteer-led model of delivery. During the course of regular meetings RVS made it clear they viewed this as a barrier that could not be resolved; this had the effect of halting progress towards the new model of delivery and a switch towards heightening joint efforts to find and move to a more affordable property to achieve sustainability.

4. Progress Towards Identifying More Affordable Property

- 4.1 Activity progressed to find a more affordable property with open space for activities, a café area, good accessibility and good transport links.
- 4.2 RVS are dependent on 20% of their funding from the Café and made it clear that their requirement from identified properties was that the property would allow for continued operation of the Café; proposals by officers to run their operation or rent rooms within buildings or premises such as those occupied by partner organisations were not deemed viable.
- 4.3 Council officers and RVS made active progress towards seeking a more affordable subsidised Council property as a means to sustainability:
- Corporate funding of £20,000 was secured
 - Actively engaged with 14 property agents in Medway
 - Reviewed 47 buildings but 45 properties were discounted either due to their cost, size or inaccessibility
 - Two properties were considered in depth as being suitable but were leased to other organisations before they were able to finish negotiations
- 4.4 RVS explored the option of renting a larger space at a higher rent to develop a RVS day Centre provision for older people (Healthy and Happy Lives). This was financially modelled as a combined community centre and Healthy and Happy Lives models but determined financially unviable due to high rental costs.
- 4.5 RVS retail colleagues explored the potential of a retail 'Tea and Company' offering. However this is not seen as a viable option due to the already prolific abundance of competitively priced coffee/café shops already within the locality area.

Challenges

- 4.6 Affordability is a limiting factor. The current situation is that there are limited property options under consideration that fulfil the stated requirements and the likelihood of finding an appropriate building or property is reducing.
- 4.7 Given the current situation and the range of options that have already been exhausted, Medway Council and RVS have agreed to consider and develop alternative options.
- 4.8 Council officers agree that this will not preclude RVS continuing to look for a low cost rental building with additional support from the Council and partner organisations.

5. Advice and analysis

- 5.1 Commissioners and RVS are concerned that the long term future of the RVS in Medway may be jeopardised by the failure to deliver the volunteer-led model of service or secure a suitable building at an affordable cost to RVS. Presently, RVS have limited alternative affordable building option to consider and the likelihood of securing a property in the given time frame is becoming increasingly low.

6. Risk management

| Risk | Description | Action to avoid or mitigate risk |
|---|---|---|
| A failure to secure an appropriate and affordable property and develop volunteer-led model of service | RVS Volunteers and service users do not engage with alternative models of delivery and campaign for further Council funding | Medway Officers will continue to support RVS secure an affordable and appropriate property and consider alternative models of delivery |
| Service users and volunteers fail to engage with alternative models of delivery | Service users engage in a new campaign to actively seek further funding from the Local Authority | Develop an effective communication plan to ensure any decisions are communicated effectively with service users dealing with any concerns or issues raised. |

7. Consultation

- 7.1 Council Officers will support RVS in consulting with volunteers and Service users to consider new delivery models of service and determine what service users and volunteers consider important from the RVS service in Medway.

8. Financial Implications

- 8.1 If after thorough exploration and development of all models of working and locations from which to operate, RVS and Medway Council determine that none are financially sustainable, the future of RVS in Medway could be put into question.
- 8.2 The latest version of the Council's Medium Term Financial Strategy assumes that there is no funding for RVS available for 2019/20 onwards.

9. Legal Implications

- 9.1 There are no legal implications arising directly from this report.

10. Recommendation

- 10.1 The Committee is asked to support the continued identification and consideration of buildings within the Council's Estate that could provide a low cost property for RVS and provide any comments for Cabinet.

Lead officer contact

Heidi Ward, Programme Lead, Partnership Commissioning,
Telephone: 01634 337085 E-mail: heidi.ward@medway.gov.uk

Appendices

None.

Background papers

Member's Item: Future of the RVS Older People's Centre – Health and Adult Social Care Overview and Scrutiny Committee 15 March 2018:
<https://democracy.medway.gov.uk/mgconvert2pdf.aspx?id=40966>

Future of the RVS Older People's Centre – Cabinet 10 April 2018:
<https://democracy.medway.gov.uk/mglIssueHistoryHome.aspx?IId=22611>