

To: City Executive Board

Date: 30th June 2010

Item No: 14

**Report of: Head of Community Housing & Community Development
Service**

Title of Report: Future of the Elderly Services Control Centre

Summary and Recommendations

Purpose of report: The report appraises members of the current situation, and the risks pertaining thereto, and seeks permission to contract with a third party for management services in the period up to 30th September. The report also seeks permission for disposal of some residual contracts for a nominal fee.

Key decision No

Executive lead member: Councillor Joe McManners, Housing Lead Member.

Report approved by:

**Finance: Gillian Chandler
Legal: Lindsay Cane**

Policy Framework: N/A

Recommendation(s): The Board is recommended to approve that:

- i) all residual contracts and activities carried out by the Elderly Services Team be transferred to Community Voice Ltd, at the same time as the Supporting People funded work is transferred to the new contract providers, for which Community Voice Ltd will pay Oxford City Council a nominal fee.**

- ii) Community Voice Ltd be appointed as Managing Agents, to maintain services provided by the Elderly Services team in the period up to the transfer of responsibilities to the new contract**

holders (which includes Community Voice itself), and additionally to progress the transfer of information and staff to the new contract holders in line with contract requirements and TUPE regulations. For these services Community Voice Ltd shall charge Oxford City Council a nominal fee.

- iii) That Community Voice Ltd be granted an option to continue to rent the space occupied by the Elderly Services Team, for a period not exceeding 3 months from the date at which Oxford City Council ceases to have an interest in the operation of the residual contracts and activities.**

Background

1. The Elderly Services Team has, since the mid-nineteen eighties, provided community alarm monitoring and mobile warden services to a range of clients across the county, including Oxford City Council's own sheltered and semi-sheltered accommodation. The Alarm Control Centre also provides lone worker and out-of-hours reporting services for a number of corporate clients, including Oxford City Council
2. The funding for this activity has come from multiple sources (including substantial subsidy from city council budgets), but latterly has largely been provided by the Supporting People Programme, administered by Oxfordshire County Council. Members are aware that the provision of Supporting People funded services for older people has been the subject of a tender process, and that the City Council was not successful in retaining any aspect of this work.
3. The current contracts between the City Council and Supporting People expire on the 30th of September 2010, and it is intended that by that time at the latest the successful providers will have taken over operation of services. This will entail TUPE of staff from Elderly Services to the new providers, in proportion to the work undertaken.
4. The proposed TUPE transfers are complex [due to multiple replacement service providers and changed delivery arrangements], and not without difficulty and risk for the Council. Additionally, the residual contracts (i.e., those not funded by Supporting People) must be dealt with – there is insufficient income from these contracts to fund the running of a 24 hour control centre/emergency response service. Additionally, a proportion of the current staff establishment would be discounted from any TUPE exercise based only on the Supporting People work, leaving the council with a potential redundancy situation.
5. The issues facing officers in this matter can therefore be summarised thus:
 - i) the difficulty and complexity of the TUPE issues around the Supporting People contracts;
 - ii) the non-viability of the rump of work currently undertaken by the control centre, following the loss of SP funding and, consequently;

- iii) the potential redundancy of staff not subject to TUPE in relation to SP contracts.

Options

- A) Take no action over and above progressing TUPE for SP contract work – this would lead to a situation where a considerable rump of staff would be left, along with a body of residual contracts with individuals and corporate customers. Likely outcome would be large scale redundancies, and interruption in service to customers.
- B) As option A, but undertake non SP work in house – given costs of running a 24 hour service and value of work available, would entail significant subsidy requirement from General Fund.
- C) Managed solution – facilitating staff transfer and taking on of non SP services. Recommended option, proposal detailed below.

TUPE

- 6. There are currently 21 staff employed in the Elderly Services team. Whilst it is the intention of officers that all staff will be transferred to other providers, there are some concerns relating to the TUPE Plus standard that has been applied in other recent transfer exercises. In effect, the TUPE Plus standard amounts to the requirement that staff transferred to other organisations remain members of the Local Government Pension Scheme. Whilst one of the transfer organisations is already a member of LGPS, this is not the case in respect of Community Voice, and it is not their intention to seek such membership. The standard TUPE regulations do require that transferring staff be given pension arrangements that are broadly comparable, and officers believe that this is the best available arrangement.

Proposal

- 7. In order to address all of the above issues, officers sought permission from the Corporate Management Team to advertise for interested parties to come forward with offers for the disposal of the residual contracts, but also seeking proposals for more general assistance in the winding up of the Elderly Services operation. Initial interest in this offer was good, and correspondence/discussions were entered into with a number of organisations, but ultimately only one organisation (Community Voice) expressed an interest in working with the city council to resolve the situation.
- 8. Community Voice are one of the successful bidders for Supporting People contracts, having won the contract for emergency response county-wide, and for planned support in South Oxfordshire and West Oxfordshire.

9. Officers have discussed a way forward with representatives of Community Voice, and, subject to agreement by the City Executive Board it is proposed that Community Voice Ltd be appointed as Managing Agents, to ensure the smooth running of the Elderly Services function in the period leading up to the transfer of information and staff to the new contract holders, and to undertake the necessary work to enable those transfers to take place. Officers believe that this arrangement offers the best opportunity for a smooth transfer of responsibilities and staff to the new contractors, and offers some mitigation of the risks involved. Community Voice Ltd will charge a nominal fee for this work.
10. Additionally, it is proposed that all residual contracts and activities carried out by the Elderly Services Team at the time that the Supporting people responsibilities are transferred, be sold to Community Voice Ltd for a nominal sum. This will ensure that all staff are covered by a TUPE requirement, and will limit the council's exposure to risk in terms of redeployment/redundancy liability. Such an arrangement will also have the advantage of ensuring an uninterrupted service to the existing client base.
11. It is the stated intention of Community Voice Ltd to continue to operate a locally based Alarm Control Centre, which will be located in the central Oxfordshire area. It may well be that for a transitional period it would be beneficial for that centre to continue to operate from the current location, in order to allow time for the redirection of telephone lines and the establishment of a new base. It is therefore also proposed to give Community Voice Ltd an option to continue to occupy the current council owned accommodation, at the current rent level, for a limited period following the transfer, should that be necessary.

Risk

12. A risk register is attached at appendix 1. The course of action proposed in this report is designed to limit risk to the council.

Climate Change

13. There are no implications for climate change in accepting the recommendations of this report.

Equalities Impact

14. The recommendations offer the best chance of a seamless transition of services for elderly and disabled residents of the city, and the most effective way of ensuring local employment for the greatest possible number of existing staff.

Financial Implications

- 15.** The appointment of Community Voice as managing agent does not have any financial implications as the contract is being granted for a nominal sum.

Legal Implications

- 16.** Legal Services have been closely involved in the formulation of this course of action. The proposed arrangements will require the drawing up of a combined sale and management agreement, and work to this effect has begun in anticipation of Board approval being granted.

Recommendations

The Board is recommended to approve that:

- iv) all residual contracts and activities carried out by the Elderly Services Team be transferred to Community Voice Ltd, at the same time as the Supporting People funded work is transferred to the new contract providers, for which Community Voice Ltd will pay Oxford City Council a nominal fee.**

- v) Community Voice Ltd be appointed as Managing Agents, to maintain services provided by the Elderly Services team in the period up to the transfer of responsibilities to the new contract holders (which includes Community Voice itself), and additionally to progress the transfer of information and staff to the new contract holders in line with contract requirements and TUPE regulations. For these services Community Voice Ltd shall charge Oxford City Council a nominal fee.**

- vi) That Community Voice Ltd be granted an option to continue to rent the space occupied by the Elderly Services Team, for a period not exceeding 3 months from the date at which Oxford City Council ceases to have an interest in the operation of the residual contracts and activities.**

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List of background papers: None
Version number: