

## Review of Chantry Road bungalows, November 2015

### Introduction

Bungalows at Chantry Road in Moredon are one-bed bungalows that have been built to accommodate people with high-level care needs.

These bungalows have been in use only since April 2015; therefore these are still early days in development of the site for social and health care needs and benefits are likely to increase in future years as residents settle in their new environment.

### Overview of costs and income

#### Capital costs and repayment period

Budget	£419,000
Actual Cost	£454,000
Overspend	£35,000 (8%)

Under the current model, capital investments are recovered through rental income. Using this model, the anticipated payback period for the actual capital costs is 37 years. However, as a result of the provision of these bungalows, Adult Social Care, Housing general fund and Clinical Commissioning Group will achieve combined savings or avoid costs of £118,040 - £222,040 per year. If these are taken into account, then the investment would pay back in 2-4 years.

#### Rent and Council Tax Income

Rent and Council Tax Income				
	Bungalow 1 (a)	Bungalow 1 (b)	Bungalow 2	Bungalow 3
Maximum rent income (annual)	£5,304.48	£5,304.48	£5,304.48	£5,304.48
Council tax income - Band C (annual)	£1,233.22	£1,233.22	£1,233.22	£1,233.22

The annual rent income is the maximum income received by the Housing Revenue Account if the property is let out the whole year, and any void periods, which may occur between one tenant moving out and another tenant moving in, reduce this income. However, as these bungalows have only been let out once so far, there have been no void periods to date.

Housing benefit may be used to cover the rent in these properties in full. Whether rent is paid from housing benefit or from tenant's personal finances depends on the situation of a particular tenant; however, it does not affect the level of income received by the council's Housing Revenue Account.

Care Costs

Care costs					
		Bungalow 1 (a)	Bungalow 1 (b)	Bungalow 2	Bungalow 3
Previous care costs (weekly)		£1,067	£1,950	£2,445	£2,576
Current care costs (weekly)		£1,067	likely to be similar or slightly increased to start with	£1,913	£2,576
Costs at alternative accommodation - avoided (weekly)		£2,000 - £3,000	£4,000 - £5,000	£2,000 - £3,000	£133
<b>Total savings / avoided costs</b>	<b>weekly</b>	<b>£933 - £1,933</b>	<b>£2,050 - £3,050</b>	<b>£87 - £1,087</b>	<b>£133</b>
	<b>annual</b>	<b>£48,516 - £100,516</b>	<b>£106,600 - £158,600</b>	<b>£4,524 - £56,524</b>	<b>£6,900</b>
Saving achieved for		Adult Social Care	Adult Social Care	Clinical Commissioning Group	Housing general fund

**Total savings or avoided costs across the three bungalows are currently therefore £1,153 - £3,153 per week (£59,956 - £163,956 per year). From December 2015, these will increase to £2,270 - £4,270 per week (£118,040 - £222,040 per year) due to a change of tenants in one of the bungalows.**

We anticipate that once the new tenant has moved into one of the bungalows, there will be one provider on site managing all 3 services in order to produce some economies of scale for support and some sharing of support, particularly in any emergency situations, which will reduce costs for all packages of care and achieve further savings in the future. However, these benefits can take a while to materialise as any changes in support providers need to be carefully managed and planned, and tenants might need some time to settle into their new environment.

**Case studies**

Due to the short period in which these bungalows have been in use for social care, benefits can best be demonstrated through individual case studies.

Bungalow 1 – first tenant

This property is currently used as emergency housing for a family who have had a house fire and moved into the property in May 2015. As at the time Social Care was still reviewing nominations, it was agreed to temporarily accommodate this otherwise homeless family. The family have a direct payment of £1,067 per week and between all extended relatives support a family member who has very complex needs. The primary aim of this move was to provide appropriate emergency accommodation rather than to achieve a potential reduction in care package.

If the bungalow was not available at the time, the service user would have likely had to move to residential care while their property is repaired, at a cost to Adult Social Care of £2,000 - £3,000 per week (instead of £1,067). In addition, this would have separated the family, which could cause further distress to all involved.

**The move to Chantry Road has therefore avoided costs to Adult Social Care of £933 - £1,933 per week for the past 6 months, a total of £24,258 - £50,258.**

Bungalow 1 – second tenant

The property is due to be released back to social care use from 7 December. The new tenant is currently in an inappropriate nursing home placement out of area. His move into a single accommodation with 24 hour support is part of a court order. This move will enable him to be much closer to his family who live in Morden.

Current cost of care is £1,950 per week and it is likely that after the move the care package will be similar or slightly increased to start with. The alternative would be a private hospital (The Priory in Bristol being the nearest) at a cost of £4,000 - £5,000 per week.

**The move to Chantry Road will therefore avoid costs to Adult Social Care of £2,050 - £3,050 per week (£106,600 - £158,600 per year), with potential further savings in future.**

Bungalow 2

The tenant moved into this property in April 2015 on discharge from a hospital, after suffering a traumatic brain injury in April 2013. His care is currently funded by the Clinical Commissioning Group (CCG) through Continuing Health Care (CHC), although it could transfer to Adult Social Care in the future.

The primary aim of this move was to avoid delayed hospital discharge. The council has a duty to ensure people ready for hospital discharge can be accommodated and failure to do so can result in a fine to the council.

The alternative would have been to accommodate them in residential care, possibly outside Swindon, further away from his family, at a likely cost of £2,000 - £3,000 per week.

This tenant is also using Homeline+ service, at a cost of £16.22 per week, currently covered by the CCG.

**Initial cost of care at move in was £2,445 per week; however, in June 2015 this reduced to £1,913 per week, creating a saving of £532 per week (£27,664 per year) to the CCG budget for CHC.**

Bungalow 3

The tenant moved into this property in April 2015 and receives day and night care support. Current cost of care is £2,576 per week and the package of care is unchanged from previous accommodation (care costs increased slightly due to anxiety of the move, but have since reduced to the former level).

The primary aim of this move was to move the service user into more appropriate and fit for purpose accommodation. The previous accommodation was inappropriate, as it was a large leased property and housing benefit income only paid for approximately 40% of the rental costs. The council has consistently topped up the shortfall of £6,900 per year until a move could be agreed; this cost will now be avoided. In addition, utility costs for the previous property were too high for the individual to manage and they were therefore at risk of financial abuse by SBC and had to be moved into more appropriate accommodation.

If Chantry Road bungalow was not available, the tenant would have had to wait at their former accommodation even longer until a vacancy became available at the Shaplands supported housing; although cost of care would have been similar to the current cost.

**The move to Chantry Road has therefore achieved a saving of £133 per week (£6,900 per year) for the Housing general fund.**