

	Full Business Case	Project Stage Define
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Project Name	Interim Housing	Date	30.05.19
Project Reference No.		Governance Programme Board(s)/ IJB	IJB
Project Manager/ Author	Kenneth O'Brien Service Manager	Date of Programme Boards/ IJB	11.06.2019

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1. Summary of Project

This project seeks to make permanent the interim housing project, following the success of an initial test of change:

- Since May 2018, with the agreement of the Transforming Communities and Service Delivery Programme Board (and then subsequently the Executive Programme Board and Integration Joint Board) – two level access properties in Aberdeen have been utilised by the Partnership as an alternative to ongoing hospital in-patient stays.
- This was a one-year fixed term agreement to boost the Partnership's capacity to address re-housing and Occupational Therapy adaptation related delayed discharges.
- Two properties were identified as being suitable for use (and disabled adaptation) – with one located in the north of the City and the other in the south. Both properties were fully reviewed and assessed by both NHS and Bon Accord Care Occupational Therapists and subsequently adapted to allow them to be suitable for a wide variety of patients/clients with differing accessibility needs. An admissions criteria and 'pathway' for the properties was drawn up jointly between housing, Bon Accord, Partnership and NHS colleagues.
- Once 'live', a dedicated social work staff member, alongside a housing representative were allocated to support referral, admission and the flow out of the properties in question.
- It was agreed when funding was initially provided for the two properties, that an evaluation would be undertaken of its impact prior to the end of the fixed term funding.

2. Business Need

The evaluation of the test of change indicated a strong business need for continuing the interim housing project. The quantitative data can be summarised as follows for the period May 2018 through 11th December 2018:

- 321 delayed discharge bed days have been saved over the life of the project so far via 5 individuals being admitted to the properties.
- The two properties have been occupied 82% of the time they have been live.

When attempting to calculate the efficiencies achieved through the reduction in delayed discharge bed days, NHSG Management Accounting introduced a new "lowest bed day cost" in November 2017 as part of their work portfolio for "Shifting the Balance of Care". This generated a bed day figure of £279 per day per bed. Applying this 'bed day' cost figure to the volume of bed days saved, there have been indicative savings of £89,559 due to the reduction of 321 delayed bed days over the first eight months of the interim properties being in operation.

It can be expected that these indicative savings will rise during the remainder of the year's trial. Resultantly, the project has already, at eight months, saved more than its full year cost (£46,723).



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3. Objectives

1. Maintain or increase reduction in re-housing and occupational therapy adaptation related delayed discharges
2. Continue release of “bed day” savings identified during the test of change

4. Options Appraisal

Option 1 – Do Nothing / Do Minimum

Description	The stop option: Do not fund the two existing interim properties beyond the one-year period already agreed (terminating in May 2019)
Expected Costs	No costs.
Risks Specific to this Option	<ul style="list-style-type: none"> • Reputational risk (perceived stop of service) • Performance risk (delayed discharge) • Risk to patients (care in inappropriate setting)
Advantages & Disadvantages	<p>Advantage</p> <ol style="list-style-type: none"> 1. No direct additional financial costs <p>Disadvantage</p> <ol style="list-style-type: none"> 1. Benefits demonstrated through the test of change to the Partnership’s delayed discharge position would be lost
Other Points	

Option 2: Endorse the continued funding of the 2 interim properties for a further 12 months

Description	The Partnership could choose to fund the 2 interim properties for a further 12-month period.
Expected Costs	<p>The costs involved would be considerably lower for the upcoming 12 months as the two properties have already been adapted, so only ‘revenue/recurring’ costs would be incurred.</p> <p>£25,440.07</p>
Risks Specific to this Option	NA

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Advantages & Disadvantages	<p>Advantage</p> <ul style="list-style-type: none"> The option would maintain the existing complement of properties – supporting the current improvement in bed days lost to delayed discharges. The option would continue to achieve bed day savings for a further 12 months. <p>Disadvantage</p> <ul style="list-style-type: none"> No further capacity should the demand for the properties increase.
Other Points	

Option 3: Continued Funding + Expansion	
Description	<p>Endorse the continued funding of the 2 interim properties for a further 12 months AND provide expansion beyond the TWO interim properties.</p>
Expected Costs	<p>£50880.14 annually. Additional costs for the expansion would include recurring/revenue costs (as above) alongside adaptation/capital costs for the further properties.</p>
Risks Specific to this Option	
Advantages & Disadvantages	<p>Advantages</p> <ul style="list-style-type: none"> Supports the current improvement in delayed discharge bed days already established. The option would continue to achieve bed day savings. Would allow for further growth in delayed discharge bed day improvements over time as more patients were identified for the interim housing service <p>Disadvantages</p> <ul style="list-style-type: none"> Costs incurred would be more significant for the next 12 months if this option were to be chosen. This would be due to not only funding the recurring/revenue costs for more than two properties, but also due to one off adaptation/capital costs being incurred for further properties as well
Other Points	

Option 4: Endorse the continued funding of the 2 interim properties on an ongoing basis
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Description	The Partnership could choose to fund the 2 interim properties on an ongoing basis.
Expected Costs	The costs involved would be considerably lower for the upcoming 12 months as the two properties have already been adapted, so only 'revenue/recurring' costs would be incurred. £25,440.07 per annum
Risks Specific to this Option	NA
Advantages & Disadvantages	Advantage <ul style="list-style-type: none">• The option would maintain the existing complement of properties – supporting the current improvement in bed days lost to delayed discharges.• The option would continue to achieve bed day savings on an ongoing basis. Disadvantage <ul style="list-style-type: none">• No further capacity should the demand for the properties increase.
Other Points	



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4.1 Scoring of Options Against Objectives

Objectives	Options Scoring Against Objectives			
	1	2	3	4
Maintain or increase reduction in re-housing and occupational therapy adaptation related delayed discharges	0	2	3	3
Continue release of savings identified during the test of change	0	2	3	3
Total	0	4	6	6
Ranking	3 rd	2 nd	1 st	1 st

Scoring

Fully Delivers = 3

Mostly Delivers = 2

Delivers to a Limited Extent = 1

Does not Deliver = 0

Will have a negative impact on objective = -1



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4.2 Recommendation

Recommended Option: Option 4

- It was the recommendation of both the report author and the relevant housing and occupational therapy staff working with delayed discharges that, (given the clear quantitative data showing benefit arising from the interim housing project), that the 2 interim properties should be continued for a further 12-month period.
- Whilst the (equal) highest scoring option (3) above involves the expansion of the number of interim properties, it is the consensus view of social work, housing and occupational therapy colleagues that this should not be pursued at this stage. More data gathering is required in relation to unmet need for this level of interim housing provision before a clear recommendation/decision can be made. It is anticipated that this will occur over the next 3-6 months – at which point, any potential proposed expansion can be taken through governance as appropriate.
- The Executive Programme endorsed the recommended option (Option 2) at its meeting in February 2019, but on an ongoing basis (rather than just 12 months). Therefore, an additional option 4 has been identified and scored as equal with option 3. Option 4 is therefore the identified preferred option.

5. Scope

Extension of the test of change for interim housing units on a permanent basis.

5.1 Out of Scope

Expansion of the interim housing units. This should be reconsidered once adequate data is available and if a potential proposed expansion is desirable then, the project lead will bring this back through the appropriate governance routes.

5.2 Project Dependencies

Aberdeen City Council rent and council tax budget decisions.



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6. Benefits

6.1 Citizen Benefits

Benefit	Measures	Source	Baseline	Expected Benefit	Expected Date	Measure Frequency
Receive the right care, in the right place, at the right time: patients are receiving care in an appropriate place whilst waiting for housing.	Reduction in delayed discharge bed days	Health Intelligence	40 bed days per month - average	Maintain existing reduction	Ongoing	Monthly

6.2 Resources Benefits (financial) – indicate whether these benefits are cashable or non-cashable

Benefit	Measures	Source	Capital or Revenue?	Baseline (£'000)	Saving (£'000)	Expected Date	Measure Frequency
Reduction in costs associated with delayed discharges	Bed cost savings (non-cashable)	Health Intelligence	Revenue (non cashable)	£11194.86 per month - average	Maintain existing bed day cost savings	Ongoing	Monthly



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7. Costs

Funding to be agreed on a recurring basis. Illustration below over 4 years.

(£'000)	Year 1	Year 2	Year 3	Year 4	Total
Rent for 2 properties <i>(Factors in current rent policy of rent increase for 2019/20 of RPI + 1%, i.e. 4.3% uplift)</i>	£9,688.39	£9,688.39	£9,688.39	£9,688.39	recurring
Management Costs for Two Flats	£6,240.00	£6,240.00	£6,240.00	£6,240.00	
Council Tax <i>(Factors in potential increase of up to 3% for 2019/20)</i>	£3,511.68	£3,511.68	£3,511.68	£3,511.68	
Utilities ¹	£6,000.00	£6,000.00	£6,000.00	£6,000.00	

¹ For prudence, all costs have been set to ensure there is adequate monies set aside for differing patient/client groups etc. For example, utilities prices have been set assuming some increase in gas/electric prices + higher usage due to the flats accommodating individuals with mobility conditions which would necessitate higher than average heating etc.

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Total Cost (comprising total rent, utilities, council tax and housing management costs) ²	£25,440.07	£25,440.07 ³	£25,440.07	£25,440.07	recurring
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² Please note these costs remain provisional pending final policy decisions being made by Aberdeen City Council relating to council tax and rent increases.

³ Future years financial commitments will be uplifted as per Aberdeen City Council rent and council tax budget decisions



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8. Procurement Approach

This project does not involve the procurement of products or services.

9. State Aid Implications

There are no state aid implications from this project.

10. Equalities Impact Assessment

The issue of Delayed Discharge disproportionately impacts upon older adults and adults with chronic illness and/or long-term disabilities. If ongoing funding is approved for the interim properties, it is not anticipated that there will be anything other than a positive impact for both groups via the ongoing improvement in the timeliness of discharges. However, if the 'stop' option is selected, it is likely that both protected groups (older adults, adults with disabilities) would face, disproportionately, the impact of rising delays in hospital discharge.

11. Key Risks

Description	Mitigation
There is a risk that the rents or council tax increases to a rate that make continuing the interim housing units unaffordable.	Project manager working closely with colleagues from ACC Housing.
There is a risk that ACHSCP are no longer able to rent the properties from ACC, due to sale or rent increases.	Project manager working closely with colleagues from ACC Housing.

12. Time

12.1 Time Constraints & Aspirations

Project to be made 'business as usual' and funded on a recurring basis.

12.2 Key Milestones

Description	Target Date
NA – BAU	To be incorporated as business as usual.

13. Environmental Management

Agreement of funding the interim housing proposal will have minimal additional impact on the environment as the housing units have been operation for over a year.

14. Stakeholders

ACHSCP



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Aberdeen City Council
NHS Grampian
Integration Joint Board

15. Assumptions

NA

16. Dependencies

The project costs are dependent on budget decisions made by Aberdeen City Council, relating to rent and council tax rates. The project is also dependent on the continued availability of the properties

17. Constraints

NA

18. ICT Hardware, Software or Network infrastructure

Description of change to Hardware, Software or Network Infrastructure	EA Approval Required?	Date Approval Received
None	None	None

19. Support Services Consulted

Service	Name	Sections Checked / Contributed	Their Comments	Date
Senior Management	Executive Programme Board	Previous Document (Evaluation)	Requested put to IJB to fund on a recurring basis.	27.02.2019
ACC Housing	-	Initial proposals	Supported	Feb 2019

20. Document Revision History

Version	Reason	By	Date
V1	Creation of Document	S. Gibbon	30.05.19