

Options Appraisal

Option	Risks	Benefits
Block contract	<ul style="list-style-type: none"> • Block contracting is not in line with KCC's future vision for day care • Increased risk of potential further changes to day care provision, with consideration to the development of an Older Persons Well Being offer • It may prove difficult to achieve a competitive tender with providers potentially put off by the cost of taking on the KCC staff (TUPE transfer and Pension Scheme). • A tender exercise could yield the same outcome as Option 2, with added costs • If only one provider is successful, there is a risk of monopoly of market, lack of choice and risk of provider failure • Generally block contracts are not good value for money, as the authority will pay for the service regardless of take up. • The assumption in the MTFP is that the re-provision of dementia day care would cost £170.1k per annum; therefore any re-provision which exceeds this value would put further pressure on the KCC budget and will have to be offset by further savings elsewhere. 	<ul style="list-style-type: none"> • Avoids redundancy of remaining staff at the Dorothy Lucy Centre • Some continuity/ familiarity for service users, maintaining friendship groups etc.

<p>Existing external provision</p>	<ul style="list-style-type: none"> • Staff dissatisfaction/ challenge due to change in status, and feeling that they have lost opportunities to apply for jobs when the respite staff were put at risk • Loss of experienced and qualified staff • Spreading the service may lead to loss of economy of scale. 	<ul style="list-style-type: none"> • Greater choice may develop flexibility with providers responding to varied levels of need, dependent on the stage of dementia • Range of provision may be offered closer to where people live • Opportunities for closer working relationships within the market and for workforce skills development • More in line with KCC's future vision for day care. • Disposal of site in a timely manner leading to a capital receipt for the Council in times of financial pressure. • Cost avoidance of capital if the Council is not required to help find suitable premises. • No TUPE or Pension considerations will make it a more attractive offer for smaller providers, with potential cost savings. • Generally existing day care provision is paid on a sessional basis which is far lower risk with a sessional cost unaffected by volume.
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