

## WEST DUNBARTONSHIRE COUNCIL

### Report by Acting Director of Social Work Services

Social Justice Committee: 13 September 2006

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**Subject: Proposed Membership of West Dunbartonshire Council as a Partner in the Joint Equipment Store operated by Greater Glasgow Independent Living Equipment Service (GGILES)**

#### 1. Purpose

- 1.1 The purpose of this Report is to inform the Committee of the current status of proposed membership of West Dunbartonshire Council as one of the Partners in the Joint Equipment Store operated by Greater Glasgow Independent Living Equipment Service (GGILES).

#### 2. Background

- 2.1 The provision of Aids and Adaptation Services (principally for Older People) has been provided from a store located at 235 Dumbarton Road in Clydebank for a number of years.
- 2.2 This service has been satisfactory and has generally met the needs and requirements of clients and the Council.
- 2.3 The Audit Scotland Report of August 2004 titled "*Adapting to the future – Management of community equipment and adaptations*" – highlighted a number of issues including the positive difference and contribution community equipment and adaptation services can make to people's lives.

Specific reference was made to both Councils and NHS bodies stating that they should "Work towards joint information systems that provide good management information on the community equipment and adaptation services within their partnership area".

- 2.4 Background work on different options for West Dunbartonshire Council on Joint Equipment Store services has been on-going since late 2003 and a number of management reports have been presented to the Joint Strategy Group for Community Care Services in this regard.

After due consideration the preferred option for the Council was that further work be assessed and evaluated on the possibility of "West Dunbartonshire Council becoming one of the partners in the current arrangements with Greater Glasgow Primary Care Trust / Glasgow City Council and East Dunbartonshire Council regarding the Joint equipment store at Ballieston".

This was stated in the West Dunbartonshire Health Improvement and Social Justice Partnership Extended Local Partnership Agreement of April 2004 which was presented to the Health Improvement and Social Justice Partnership on 9 June 2004 and submitted to the Scottish Executive as part of the JPIAF Return for 2003 / 2004.

- 2.5 Other options considered include the following:
- 2.5.1 Retention and upgrade of the existing store at 235 Dumbarton Road in Clydebank.
  - 2.5.2 Development of a single Joint Equipment Store within the local authority.
  - 2.5.3 In partnership with Argyll & Bute Council develop proposals for a single Joint Equipment Store (probably based in Dumbarton) with small depots / handling areas say in Clydebank and Helensburgh.
  - 2.5.4 Development of a “pan” Local Authority Joint Equipment Store in partnership with the local authorities (previously) serviced by NHS Argyll & Clyde.

These were:

- Renfrewshire Council
  - East Renfrewshire Council
  - Argyll & Bute Council
  - West Dunbartonshire Council
  - Inverclyde Council
- 2.5.5 In partnership with Renfrewshire Council develop proposals for a Joint Equipment Store based in Paisley in Renfrewshire. Renfrewshire Council has drafted outline plans and a potential site has already been identified.

All these options are still under consideration and review.

- 2.6 Current partners within the GGILES arrangements are as undernoted together with an estimate of responsibility:
- Glasgow City Council 65%
  - NHS Greater Glasgow & Clyde 26%
  - East Dunbartonshire Council 9%

Until recently costs were split on a pooled budget arrangement whereby each partner contributed a financial value broadly in line with percentages noted above.

This methodology has now changed to a cost per order basis and further details will be provided in the report on this. (refer to 3.16)

The store is located at the following address:

Joint Equipment Store Unit  
Ballieston Distribution Centre  
Barrachnie Road  
Baillieston  
Glasgow

2.7 All financial matters such as invoicing, purchasing etc. is managed by Direct and Care Services on behalf of the partnership.

2.8 Following discussions with the management of GGILES a submission from the Council in March 2005 for consideration.

Discussions and communications have been on-going since then to progress this.

2.9 The total population of West Dunbartonshire Council is approximately 92,000 and, until 31 March, 2006 was served by both NHS Greater Glasgow and NHS Argyll & Clyde. Since 1 April 2006 this is now NHS Greater Glasgow & Clyde.

As NHS Greater Glasgow has membership of GGILES the Clydebank locality of the Council is already serviced by GGILES for NHS stores issues. This leaves the Lomond locality outwith the current GGILES work area.

To ensure consistency of approach in service delivery it would be helpful if the whole Council area was served with one system and the timing of the dissolution of NHS Argyll & Clyde is very helpful in this respect.

2.10 For clarity it should be noted that all references relating to the West Dunbartonshire Council application to GGILES means West Dunbartonshire Council and NHS Greater Glasgow & Clyde (with specific reference to the Lomond locality formerly part of NHS Argyll & Clyde).

### **3. Main Issues**

3.1 Main aspects of Service including Description; Service Profile; Service Objectives; Standards and Monitoring and Finance.

This is intended to provide a brief overview and comment on the significant aspects of the service.

3.1.1 The Joint Equipment Store will provide a service to all of the partners in respect for the supply, delivery, fitting, maintenance and recycling of all nursing and daily living equipment.

This will improve the efficiency and cost effectiveness of procurement, storage and distribution for the partners and ensure more efficient access to stock through IT networks.

The service currently operates 5 days per week Monday to Friday between the hours of 8.30am and 4.30pm.

3.1.2 Providers Values and Principles are key to the success of the service and include some of the following:

- social justice and social welfare
- the worth and dignity of each individual
- the right to quality services
- balancing the responsibilities of society and individuals.

3.1.3 The provider is committed to ensuring that the service specified is offered to service users in a manner that achieves the values and principles agreed.

3.1.4 Regular assessments are undertaken including:

- holistic assessment of need of the prospective service user
- detailed care plan which highlights all areas of need
- risk assessment that takes account of the type of equipment being prescribed and the risks related to moving and handling.

3.1.5 Protocols relating to the Access to Equipment have been developed that details the range of equipment accessible to the following groups:

- Direct and Care Services
- Social Work Services
- Occupational Therapy
- Nursing and other rehabilitative staff within community, primary and secondary care services

Details of the range of equipment are available and include toileting, bathing, beds, hoists etc.

3.1.6 Orders to the service are processed electronically through the Internet and the following priorities of timescale for the delivery or collection of equipment are:

- 4 hours – Urgent hospital discharge
- 24 hours – Hospital Discharge
- 48 hours – normal timescale
- 5 working days – Pre planned Discharge non-urgent provision
- Dated – any other scenario not covered

It is the responsibility of the prescriber to specify the priority of the timescale required for the delivery or collection of equipment.

- 3.1.7 All deliveries of equipment will be made by appropriately trained drivers and technicians within the timescales noted in 3.1.6 above.
- 3.1.8 Emergency Service Provision is available where any client is believed to be at risk.
- 3.1.9 Equipment will be provided from a client's home and consideration will be given to whether or not the equipment can be recycled.
- 3.1.10 Any equipment deemed as unsuitable for re-use will be disposed of by the store.
- 3.1.11 The service provided ensures that all equipment provided will be properly maintained and serviced during the period of its use.
- 3.1.12 Health and Safety shall at all times comply with the requirements of the following:
  - Health and Safety at Work Act 1974
  - Management of Health and Safety at Work Regulations 1992
  - Electricity at Work Regulations 1989
  - Control of Substances Hazardous to Health Regulations 1994
  - Any other Acts, Regulations or Orders pertaining to the Health and Safety of employees (and persons liable to be affected by their undertakings)
- 3.1.13 All staff employed in the operation of the service will receive training related to their remit.
- 3.1.14 An information guide will be issued to clients to include the following:
  - Services provided
  - Contact and location information
  - Ordering process
  - Emergency repair procedure
  - Maintenance
  - Complaints Procedure.
- 3.1.15 The selection and approval of items appropriate for supply is done by a service-wide equipment review group, appointed by the partners.
- 3.1.16 Work towards the provision of an emergency service outwith the agreed hours is currently being considered.
- 3.1.17 Direct and Care Services (Service provider – refer to 2.11 above) are solely responsible for ensuring that all individuals employed or engaged

by them in connection with the service are properly trained and skilled in connection with their duties and will carry them out with due diligence.

All staff will undergo induction and on-going training to ensure full compliance with all aspects of the service provided.

Confirmation has been provided that no existing employees of either West Dunbartonshire Council or NHS Greater Glasgow & Clyde currently employed in this service will be transferred to GGILES.

- 3.1.18 Full and appropriate public liability insurance for staff, premises and service will be provided – this as a minimum to £5,000,000 per incident cover.
- 3.1.19 Equipment supplied shall be delivered in a serviceable, clean and hygienic condition ensuring that all of the Quality Management standards are maintained.
- 3.1.20 Close liaison with all partners will be maintained to ensure that Service Development suggestions and initiatives are considered and implemented if appropriate.
- 3.1.21 Service users include the following:
- Older People with Physical Impairment; Mental Health and Frail
  - Children and adults with Physical or Sensory Impairment; Mental Health and Misuse of alcohol and / or drugs
  - Children and Adults with Learning Disabilities
  - Families who are vulnerable.

This is reviewed on an on-going basis.

- 3.1.22 Service Objectives are as follows:
- A single simplified pathway for service delivery from provider to client
  - Effective application of the current joint protocol to ensure a speedier and more responsive provision of equipment
  - Improved use of current resources through centralization of the functions of the equipment service
  - Adherence to Health and Safety requirements in relation to refurbishment and recycling of equipment
  - Use of adequate IT systems to record the activity and volume within the joint store operating effective monitoring of the management and activity of the store within the stakeholders involved
  - To meet the essential elements of the Best Value requirement.

3.1.23 Service Standards are as follows:

- Simplified systems and procedures
- Meeting legal requirements / responsibilities in relation to Health and Safety
- Simplified and quicker access to hospital discharges
- Improved management information
- Agreed timescales for service delivery
- Provision of accurate information in relation to equipment budget recycling and equipment disposal.

3.1.24 Records will be maintained for all clients to whom equipment has been issued detailing specific equipment issued; date of issue; date of return and maintenance records.

This information is reviewed and updated on an on-going basis.

3.1.25 Four Weekly Monitoring Reports will be made available to authorized personnel within each of the partners detailing both qualitative and quantitative operational and financial management information.

3.1.26 Finance issues are highlighted in Section 5 below.

3.2 Impact on Service Users and Clients

The change from the current service to GGILES will be seamless for all service users and clients particularly as points-of-contact within both West Dunbartonshire Council and NHS Greater Glasgow & Clyde will remain the same.

Communication is an essential aspect of the change in service and this is highlighted in 3.21 below.

3.3 Expected Commencement Date

A Project Implementation Plan has been prepared on the basis of an effective commencement date for the new service by GGILES on 1 April 2007.

Members will be advised if there is any change to this date in future reports but this is not expected.

3.4 Following on from 2.6 above, the revised estimate of responsibility with the inclusion of West Dunbartonshire Council as a partner would be as follows:

- |                               |     |
|-------------------------------|-----|
| • Glasgow City Council        | 60% |
| • NHS Greater Glasgow & Clyde | 24% |
| • East Dunbartonshire Council | 8%  |
| • West Dunbartonshire Council | 8%  |

These require to be confirmed and are provided for guidance purposes only – they are not expected to be materially different.

### 3.5 Joint Protocols for the Provision of Equipment

This is intended to provide a brief overview and comment on the significant aspects of the Joint Protocols for the Provision of Equipment.

#### 3.5.1 The purpose of the Joint Protocol is as follows:

- Streamline the access to service provision
- Improve the speed, efficiency and effectiveness of service delivery
- Maximise the use of resources.

#### 3.5.2 A range of services are involved in the provision of equipment traditionally provided by Community Occupational Therapy Services and Community Nursing Services.

#### 3.5.3 An assessment identifying the need for equipment can have five potential outcomes:

- delivery, fitting and operational instructions provided by the Joint Store;
- delivery, fitting and demonstration by the Community Nurse or Occupational Therapy Staff;
- referral to Social Work Services / Nursing for equipment outwith the prescribed list;
- application for funding approval leading to the provision of specialist equipment;
- delay in provision of equipment (unmet need).

Timescales for the delivery of equipment are detailed in 3.1.6 above.

#### 3.5.4 A Prescribed List of Equipment will be part of this protocol.

#### 3.5.5 The level of access to the Prescribed List of Equipment will be a significant part of this protocol.

#### 3.5.6 Other key documentation includes specifications for the fitting of equipment, relevant client forms, other correspondence etc.

### 3.6 Minute of Agreement

A Minute of Agreement will be required to be agreed and a copy of the current Agreement with the existing partners will be requested from Direct and Care Services.



Thereafter it will be passed to Legal Services within West Dunbartonshire Council and NHS Greater Glasgow & Clyde for review and comment.

### 3.7 Working with West Dunbartonshire Community Health Partnership

A key element for the successful integration into GGILES is partnership working with NHS Greater Glasgow & Clyde in respect of the Lomond locality (refer to comments in 2.9 above).

Representation from the NHS is on the GGILES Project Implementation Team (see 3.10 below) and regular dialogue and communication is maintained with all NHS Senior Officers through the formal reporting channels such as the Joint Strategy Group where regular updates on status are provided.

This process will be maintained throughout the duration of the project until full integration is achieved.

### 3.8 Meeting with GGILES and “In Principle” agreement

A meeting was held with Senior Officers and the GGILES Steering Group on 15 May 2006 to discuss further information previously submitted by West Dunbartonshire Council.

Following this meeting an “in principle” decision by GGILES was provided to West Dunbartonshire Council and the former NHS Argyll & Clyde advising that the application to become one of the partners in GGILES had been approved.

A response has been provided to GGILES confirming an “in principle” agreement to the offer to West Dunbartonshire Council to become a partner therein.

The expected commencement date for the new service is 1 April 2007 and details are provided in 3.3 previously.

### 3.9 Options Appraisal

Details of the financial Options Appraisal are provided in section 5 Financial Implications – below.

### 3.10 GGILES Project Implementation Team

A Project Team has been established from both partner agencies with membership as follows:

West Dunbartonshire Council

Shona Millar  
Ann Booth  
Karen Cullen

Iain Gillies  
William Pook

NHS Greater Glasgow & Clyde

Louise Watson  
Anne Stewart  
Val McIver  
Mary Angela McKenna

GGILES

Alison Docherty

Other personnel may require to be co-opted onto the Group during the time of the project.

The Role and Remit of the Group is as follows:

- Service Planning and Delivery Integration into GGILES
- Development of Operational and Financial Frameworks and Systems to support the Integration process
- Development and Management of Project Plan to ensure the integration date of 1 April 2007 is achieved
- The Project Team will meet on a monthly basis to review progress and status during the second half of 2006 and early 2007.
- Other Strategic and Operational meetings with DACS and GGILES will be held on a monthly basis to review progress and status during the second half of 2006 and early 2007.

### 3.11 Project Implementation Plan

A detailed Project Implementation Plan has been prepared highlighting the key issues and timeframes required to ensure a commencement date of 1 April 2007 (refer 3.3 above)

A copy is attached for information and comment.

### 3.12 Health and Safety Issues

Health and Safety is a key issue and it is essential that to ensure the safety of staff and clients and to ensure compliance with the Lifting Operations and Lifting Equipment Regulations (LOLER), it is important that Social Work Services implement a robust inspection and maintenance system for lifting equipment used by clients within the community.

A report has been completed by the Health & Safety Officer of Social Work Services on the current position at the premises at 235 Dumbarton Road in Clydebank.

The current position is that lifting equipment used by clients is currently inspected / tested by OT Technicians prior to it being distributed to clients. There is no systematic system in place for monitoring the location and maintenance of equipment and this raises concerns in the following areas:

- Increased risk to health and safety of employees / clients
- Increased likelihood of personal injury claims (with little or no defence)
- No certification of equipment to the standards required by LOLER
- Increased risk of action by enforcing authorities
- Inspection / examination arrangements inadequate
- No liaison with clients to ensure equipment is being maintained
- Failure of equipment and replacement costs.

To address these concerns and continue to provide the service the following action would require to be taken:

- OT Technicians trained to a standard that allows them to be deemed “competent persons” for the examination of lifting equipment
- A register of all equipment in the community to be established and a systematic examination scheme implemented
- The equipment cleaning / decontamination system would need to be upgraded
- All equipment to be examined on a six monthly basis or an examination scheme developed by OT Technicians
- Clients to be informed that equipment used by Social Work personnel is examined as per the requirements of LOLER.

These options would require to be accurately costed but are likely to be significant.

By becoming one of the partners in GGILES all aspects of Health and Safety would be the responsibility of GGILES and not West Dunbartonshire Council and this is a significant issue to consider.

### 3.13 Risk Management Issues

Risk Management procedures and evaluations have been completed for the existing store although further work requires to be undertaken to highlight all potential issues. This will require training and management time as well as additional costs.

By becoming one of the partners in GGILES all aspects of Risk Management would be the responsibility of GGILES and not West Dunbartonshire Council and this is a significant issue to consider.

### 3.14 Decontamination Issues

As noted in 3.12 above the Health and Safety recommendation for 235 Dumbarton Road in Clydebank is that the current equipment cleaning / decontamination system requires to be upgraded. Significant financial

resource will be required including both Capital and Revenue (and both on a recurrent and non-recurrent basis).

The estimated cost of a new Decontamination Unit is approximately £45,000.

The sum is noted in the Options Appraisal Summary noted in 5.1 below.

The risk of contamination is significant and the consequences of an outbreak could be considerable for the Council.

By becoming one of the partners in GGILES all aspects of Contamination would be the responsibility of GGILES and not West Dunbartonshire Council and this is a significant issue to consider.

### 3.15 Recycling and Decontamination from GGILES

Significant cost savings are expected in both the following:

#### 3.15.1 The bulk buying power that GGILES has in comparison with West Dunbartonshire Council.

Cost savings of 15% on equipment purchases are expected annually as a minimum.

The financial Options detailed in 5.1 illustrate savings of 15%, 20% and 25% annually.

#### 3.15.2 The access to a minimum of £2 million of recycled equipment, which in terms of West Dunbartonshire Council, will equate to approximately £160,000.

The Financial Options detailed in 5.1 illustrate savings of 10%, 15% and 20% respectively of the total recycled equipment available to West Dunbartonshire Council i.e. £160,000.

It should be noted that items of equipment are purchased once and then recycled – the only cost to the partners after purchase is the management charge applied, thereby ensuring that significant financial savings are made.

Details of these costs are provided in section 5 Financial Implications - below.

#### 3.15.3 Access to the recycled equipment ensures that significant cost savings will be made. Equipment is purchased once, decontaminated and recycled for further use and service. Partners are only debited the management charge for the equipment and not the full cost of a replacement. This is a key element in the GGILES service.

3.16 Geography of WDC in relation to GGILES including delivery and service standards e.g. distance; 24 hours delivery; transport etc.

The location of the Joint Equipment Store at Ballieston in Glasgow does not present any logistical or transport problems with services to West Dunbartonshire. As deliveries are currently made to Clydebank and surrounding area.

3.17 Capacity of GGILES to include WDC as partner

Admission of West Dunbartonshire Council as a partner within the existing GGILES arrangement will have no impact on the capacity currently available.

3.18 Scottish Executive guidelines about Joint Equipment Stores

The establishment of Joint Store arrangements is a key recommendation of the Scottish Executive through the Joint Future agenda.

“A joint approach will increase access across the often artificial boundaries between equipment and adaptations funded and supplied by the NHS, local authorities (social work or housing) or other agencies. It should also improve the efficiency and cost effectiveness of procurement, storage and distribution, and enable better access to stock through IT networks and other systems. Alongside these structural changes, we need to encourage recycling of equipment no longer required”.

This is an extract taken from the Report of Joint Futures Group in November 2000.

Within GGILES a feasibility report was commissioned in 1999 by the partners to establish the current service provision and explore options available for the establishment of a Joint Equipment Store.

Following further review Direct & Care Services were selected as the preferred provider for the service which commenced in late 2002.

3.19 Implications for WDC if does not become a partner

An important aspect of the review is the potential impact on West Dunbartonshire Council if the Partnership offer is declined.

As previously noted the Nursing part of NHS Greater Glasgow & Clyde at the Clydebank locality is already included within the existing GGILES arrangements. With the dissolution of NHS Argyll & Clyde on the 31<sup>st</sup> March 2006 the existing Lomond locality became part of NHS Greater Glasgow & Clyde on the 1<sup>st</sup> April 2006. Although not confirmed it is extremely likely that the Nursing part of NHS Greater Glasgow & Clyde at

the lomond locality will be integrated into GGILES irrespective of the potential inclusion of West Dunbartonshire Council.

If this did transpire a revision of the protocols and processes for the entire service within West Dunbartonshire Council would be necessary.

### 3.20 Communication

Communication is an extremely important aspect to the success of this project and it is essential that all parties including Senior Officers, Clients, Service Users etc. are updated on progress and status on an on-going basis.

## 4. **Personnel Issues**

### 4.1 Current Staffing

The total numbers of West Dunbartonshire Council personnel directly affected in the service are as undernoted together with a note of confirming Permanent / Temporary staff status:

<u>Job Title</u>	<u>WTE</u>	<u>Perm</u>	<u>Temp</u>	<u>Potential Displacement</u>
Sensory Impairment Manager	1.00	Yes		No
Resource Worker	1.00	Yes		Yes
OT Technician	3.00	Yes	Yes	Yes (2.00)
Storeman (unfilled vacancy)	1.00	Yes		No

There is no direct impact on current NHS Greater Glasgow & Clyde staff.

Specific comments on potential displacement of staff are provided in 4.3. below.

### 4.2 GGILES requirement

As noted in 3.1.17 above GGILES have stated that no personnel currently employed by either West Dunbartonshire Council or NHS Greater Glasgow & Clyde directly in the current Equipment Services will be transferred to their employment.

Staff will however have the opportunity to apply for any positions advertised.

### 4.3 Potential Displaced Personnel

As noted in 4.1 above there are potentially 2.00 employees displaced. (OT Technicians)

Formal Consultation with these personnel will commence immediately specifically in relation to options which may be available for further exploration and consideration.

It is possible that GGILES will need to recruit staff to expand it's service to cover West Dunbartonshire and if this is the case current West Dunbartonshire employees will be able to apply for such posts.

If this is not the case then options for redeployment need to be considered or potential for voluntary severance investigated, with additional one-off costs.

#### 4.4 Consultation with Trade Unions

Formal consultation with any Trade Unions affected has yet to take place. This will not take place until approval is given for GGILES membership and confirmation of the expected commencement date of the service being 1 April 2007.

It is expected that both Social Work Services and Corporate Human Resources Departments will be actively involved in any discussions which take place.

Timeframes are extremely important in this aspect of the new service and will be closely monitored to ensure policies and procedures are compiled with.

#### 4.5 Consultation with staff

Consultation is key to the success of the overall service and throughout the process of evaluation and assessment; staff have been informally appraised of status.

This will continue on a regular basis during the changeover period until the new service from GGILES commences in April 2007.

### **5. Financial Implications**

#### 5.1 Options Appraisal Summary

Detailed financial options appraisals are attached as Appendix 1 for information and include the following options:

- 5.1.1 Option 1 – remain at 235 Dumbarton Road in Clydebank and do nothing – Status Quo
- 5.1.2 Option 2 – remain at 235 Dumbarton Road in Clydebank and upgrade building and decontamination facilities

5.1.3 Option 3 – become a partner in GGILES with 3 costings based on different assumptions on success in reducing unit costs for equipment purchases and on recycling of equipment being:

- 15% saving on equipment and 10% from recycling
- 20% saving on equipment and 15% from recycling
- 25% saving on equipment and 20% from recycling
- 33% saving on equipment and 20% from recycling.

The Revenue and Capital costs for each of the three options are summarised below for ease of reference:

Option No	Revenue Costs			Capital Costs		
	<u>WDC</u>	<u>NHS</u>	<u>Total</u>	<u>WDC</u>	<u>NHS</u>	<u>Total</u>
	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>
1. Year 1	375.4	39.7	415.1	0	0	0
1. Year 2 onwards	375.4	39.7	415.1	-	-	-
2. Year 1	382.4	39.7	422.1	145	0	145
2. Year 2 onwards	382.4	39.7	422.1	-	-	-
3.1 Year 1	446.0	71.8	517.8	74.9	0	74.9
3.1 Year 2 onwards	421.0	55.7	476.7	-	-	-
3.2 Year 1	428.4	68.7	497.1	74.9	0	74.9
3.2 Year 2 onwards	403.4	52.6	456.0	-	-	-
3.3 Year 1	410.8	65.6	476.4	74.9	0	74.9
3.3 Year 2 onwards	385.8	49.5	435.3	-	-	-
3.4 Year 1	393.5	65.6	459.1	74.9	0.00	74.9
3.4 Year 2 onwards	368.5	49.5	418.0	-	-	-

5.1.4 Due to the nature of the existing provision at 235 Dumbarton Road it is unlikely that option 1 is realistic in the short to medium term, as health and safety issues need to be addressed.

The real comparison in terms of cost therefore is between Options 2 and 3.

In terms of revenue costs all versions of option 3 are more expensive than option 2 from year 2 onwards, except for the case where 33% savings are achieved through GGILES.

In the option 3 costing for 25% savings there is only a marginal cost from year 2 onwards.

In all option 3 costings the first year is more expensive than option 2.

However in terms of capital costs option 2 is significantly more expensive than option 3.



GGILES have indicated that for a range of commodities a 33% saving on current West Dunbartonshire purchase prices are achievable, but there would be a risk that 33% may be too high and unachievable.

It is much more likely that the 25% savings on purchase price is achievable in which case the cost differences between options 2 and 3 are relatively small from year 2 onwards.

The issue which may therefore be decisive is the level and quality of service provision which GGILES can bring together with up-to-date stores systems. It is likely that the level and quality of service provision from GGILES is higher than that which can be provided from the current store.

5.1.4 It should be noted that there are other possible options which have been considered and are detailed in 2.5 previously. No detailed financial appraisals have been done at this stage as these unlikely to fully meet the requirements of West Dunbartonshire Council and are not currently viable options.

5.1.5 Assumptions regarding the one-off integration cost

If West Dunbartonshire Council become a partner within GGILES there is the sum of £88,000 payable as a “one off” Integration cost. This would be payable on 1 April 2007 and represents a percentage of the initial set up costs associated with the current model of service delivery.

It is recognized that this would be a shared cost between West Dunbartonshire Council and NHS Greater Glasgow & Clyde the values of which are still to be finalized and agreed.

A likely basis for this allocation could be on the estimated number of service requests generated and this would equate to the following values:

<u>Partner</u>	<u>Service Requests</u>	<u>Joining Fee</u>
NHS Greater Glasgow & Clyde	800	£13,600
West Dunbartonshire Council	<u>4,377</u>	<u>£74,400</u>
<b>Total</b>	<b><u>5,177</u></b>	<b><u>£88,000</u></b>

These sums are detailed in the Options Appraisal Summary noted in 5.1 above.

### 5.1.6 Estimated Capital Expenditure Costs

Included in the financial analysis are estimates of capital expenditure costs, provided by Housing & Technical Services, in relation to the upgrade of 235 Dumbarton Road, Clydebank. This is option 2 in the Financial Summary.

A full evaluation will require to be undertaken but costs are estimated to be in the reign of £80,000 to £100,000 and would include the following:

- Electrical supply / upgrade
- Water supply
- Ventilation
- Lighting
- Vehicle access
- Extension to main building
- Visible life of existing property.

In addition, the purchase of a Decontamination Unit at an estimated cost of £45,000 will be required.

Depreciation has been calculated on the following basis:

- Land & Buildings – 2.5% assumes 40 year life
- Plant & Machinery – 10.0% assumes 10 year life

### 5.2 Tenure of Contract

Specific details of tenure of Contract have still to be agreed but will be based on a Service Level Agreement probably for a period of 3 years initially and thereafter on the basis of an annual review.

Termination of the Agreement will require a notice of 1 year.

Draft copies of both the Minute of Agreement and Service Level Agreement are to be forwarded in due course for comment and review.

### 5.3 Involvement of WDC Legal Team to review Contract; Service Level Agreement and other relevant documentation

It will be necessary to request Legal and Administration to review all documentation in respect of the GGILES service to ensure that West Dunbartonshire Council is not exposed to any financial or other risk.

### 5.4 Financial Risk Management

Protocols within NHS Greater Glasgow & Clyde have still to be determined in order to safeguard and minimise any Financial Risk to West Dunbartonshire Council e.g. nurses accessing and providing occupational therapy equipment.

## 6. Conclusion

- 6.1 Joining GGILES will bring an enhanced and improved service to clients and service users and the potential for financial savings based on the significantly larger purchasing power of the GGILES grouping.

## 7. Recommendations

- 7.1 It is recommended that the Committee approve the application by West Dunbartonshire Council to become one of the partners within the Greater Glasgow Independent Living Equipment Service with effect from 1 April 2007.
- 7.2 It is recommended that this report is referred to the Health Improvement and Social Justice Partnership Committee for information by the Partnership. Thereafter, if 7.1 is approved, progress reports should be made through Health Improvement and Social Justice Partnership Committees.

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for William W Clark  
Acting Director of Social Work Services

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**Person to Contact:** Bill Clark, Acting Director of Social Work Services,  
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**Background Papers:**

- Health Improvement Social Justice Partnership June 2004
- Health Improvement Social Justice Partnership September 2004
- Audit Scotland report (dated August 2004) titled "Adapting to the Future" (Management of community equipment and adaptations)

**Wards Affected:** All council Wards.