

Cabinet

19 July 2011

Report of the Cabinet Member for Health, Housing and Adult Social Services

A Review of City of York Council's Elderly Persons Homes (EPHs)

Summary

1. This report describes a review that has been conducted of residential care homes for older persons provided by the council. It is widely recognised that the council's care homes are well run and that both those who live in the homes and their relatives and friends recognise the quality of care provided. The review highlights the need for change to the current provision and proposes options for how it could be replaced by modern facilities offering high quality care and accommodation that are able to meet the needs and aspirations of a growing population of older people in the city for the foreseeable future.
2. The Cabinet is asked to agree a three month period of consultation on the review and its options for the future and to agree to receive a further report in November 2011. The consultation will be with all interested parties, including users of the service, relatives, staff, trade unions, elected members and members of the public.

Background

3. The review seeks to progress the Joint Vision for the Health and Well Being of Older People in York (Annex A) which was produced in conjunction with health commissioning partners and approved in July 2010. The overarching vision for older people in York, to be achieved over the next 5 years is one where a higher proportion of older people remain within the community, having fewer hospital and care home admissions and are able to enjoy: greater

independence; a wider choice of accommodation options; and greater social engagement.

4. The older population of York is set to grow in line with national trends. There are currently 33,000 people over the age of 65 and this is expected to grow to 37,000 by 2015 and 40,100 by 2020.
5. In December 2010 the previous administration's Executive Member approved a three-year Commissioning Plan for Older People based on the refresh of the Long Term Commissioning Strategy (Annex B) and the Joint Vision. The Commissioning Plan sets out the intentions:
 - to invest in services that reduce the need for and funding for residential and hospital based care and increase independence
 - to increase the capacity for Elderly Mentally Infirm (EMI) residential and nursing care and high dependency residential care within the city, and reduce the number of 'standard' care beds provided by the council
 - to ensure best value for money, and best use of resources to support a growing number of older people
 - to reinvest some of the savings achieved through these programmes in community based care and support
 - to increase the housing based choices for older people such as sheltered housing, and develop our care and support models to enable more people to be supported at home
 - to offer more support to carers to enable them to continue their caring role
6. Clearly the council operates in a challenging time for public sector funding. The council's 2011/12 budget was developed within the constraints of an extremely challenging financial climate, set out in the government's Spending Review and provisional finance settlement information. This saw total reductions in government funding of 28% over the next four years heavily frontloaded with CYC's grant being cut by 13.3% in 2011/12.
7. More optimistically 2011 has seen an investment by central government in preventative services to support health and health gain, to be spent by social care, but with agreement from health. Within City of York this investment is £1.997m. This new funding

will allow a better opportunity to provide more preventative services such as Telecare/warden call, which will in turn alleviate the budget strain on longer term provision, and help to deliver the Joint Vision described above.

8. An Investment Plan has been developed in conjunction with health and general practitioner colleagues.
9. The CYC Long Term Commissioning Strategy predicts that the demand for the provision of residential beds for people with dementia and nursing care will increase and that the demand for residential beds for older people with physical needs will decrease.
10. This review is also seeking to respond to the views of older people and their representative groups who have been calling for the modernisation of provision in York and increased choice and availability of accommodation with support. In 2008, 63% of those responding to the survey, *Future Challenges Facing Older People*, wanted to see the council enabling more people to stay in their own homes as they become frailer. 48% of the survey respondents agreed strongly that residential care in the future would need to focus on providing specialist care such as for those with dementia, or with high dependency physical care needs; 33% tended to agree; only 6% disagreed. In summary the public are seeking a redirection of resources towards more prevention and home based support.
11. The council owns and operates nine elderly persons homes (EPHs) that were built between the 1960s and 1970s. They are coming to the end of their useful life as fit for purpose care homes. The majority of beds provided are for frail elderly people but the greatest demand now and expected in the future is for specialist dementia beds. The council only has 57 dementia beds and there is a shortage of dedicated dementia beds in the wider private sector in York. The CYC homes were not designed for this specific purpose and the overall care home design falls some way short of care homes being built today to modern standards. There are only 33 out of 276 beds which have en-suite facilities and room sizes and day facilities are well below an acceptable modern specification.
12. There is a total of 323 staff employed across the nine EPHs which equates to a total of 195 full time equivalents.

13. Based on demographic predictions for York it is estimated that CYC will need 180 beds providing a mixture of dementia, high dependency, and nursing care. In line with the Long Term Commissioning Strategy there will be a requirement to increase the number of respite care beds from 14 to 20 which will help support carers in the City. This will bring the total number of beds required to 200.
14. Some limited daycare activity is provided in six of the EPHs. However, this is not undertaken within dedicated facilities; visitors join with residents in activities but numbers are restricted in line with regulations and the impact on permanent residents. Whilst this model of daycare provides a welcome break for carers and the people who use the services it is a poorer model than found in daycare facilities designed and operated specifically for that purpose. A number of re-provision options have been considered and these will form the basis of consultation with daycare users.
15. Care homes being built today are designed to meet not only current needs but, as they are expected to last in excess of 30 years, they are also built in anticipation of future needs. In summary, in a “future proof” EPH, the specification aimed for should be:
 - bigger bedroom sizes, at least 14 sqm
 - all bedrooms to have an en-suite facility
 - rooms to be flexible in operation so that they can switch between dementia care, nursing care or even intermediate care
 - a range of smaller areas for day space, rather than one or two large spaces
 - wider corridors, wide enough to allow two wheel chairs to pass and broken up with features such as small seating areas to create interest
 - wider door openings to facilitate wheelchair access
 - gardens that provide a secure environment but offer scope for exercise, particularly important to dementia sufferers who enjoy walking

- a maximum of two storeys - more than two floors become difficult to operate and require increased staff numbers hence they are less economical to run
 - sprinkler systems - to significantly reduce the risk to residents of death or injury should there be a fire
16. The past 10 years have seen a change in the level of need of people admitted to residential care. As people live longer and stay at home longer those admitted to residential care are often more physically frail. Recent years have also seen a significant increase in the number of people in residential care suffering from dementia which ranges from mild signs of confusion to more acute forms where they are very confused and often demonstrate challenging behaviour. The average age of people entering residential care in York is now 86 years old and the average stay for an older person in CYC homes is 18 months. This all means that a change in a person's level of need, and a consequent move, can occur in a relatively short space of time.
17. The size and design of CYC's EPHs does not allow for people with different categories of need to be cared for in the same home. This frequently means that as the needs of residents in council run elderly persons homes change there is a need to move to homes that can provide EMI or nursing care.
18. The EPHs have an average size of 31 beds which is small compared to the size of homes currently being built. Larger homes allow a design that can offer a continuum of care. Current CYC homes are not able to provide this within one home and this can lead to unnecessary moves for residents as their needs change.
19. With the exception of Fordlands and Haxby Hall, the sites on which the CYC EPHs stand are small and there is little scope to meet a modern specification by extending and refurbishing or demolishing and rebuilding on the sites (paragraph 25 option B). In addition to the Fordlands and Haxby Hall sites there is a large council owned site at the former Lowfield School in Acomb. At 6 acres this site is large enough to provide two good sized care homes as well as a range of other older people's accommodation which would combine to provide a continuum of care on the same site. This "Care Village" would meet some of the aspirations for supported

accommodation highlighted in the Long Term Commissioning Strategy.

20. A summary of key information on the council's nine EPHs is at Annex C and includes details of beds provided, site sizes and values, staff numbers and gross budget. There are currently 45 permanent beds vacant in the nine EPHs.

Consultation

21. The key strategic documents listed in Annexes A and B were informed by consultation with York residents in the lead up to and early stages of this review. This report seeks permission to begin a widespread consultation on the review and its options for the future. This consultation would be conducted over three months before submitting a further report to the Cabinet in November 2011.

Options

22. The following options have been considered:
 - A - Take no action and retain current operating model and provision.
 - B - Extend and refurbish existing homes.
 - C - Purchase all or an increased proportion of beds from the private sector.
 - D - CYC fund the design and build of new care homes and continue to operate them with council staff. Four homes would be required on the 3 available sites in order to provide 200 beds - 55 beds each on the Fordlands and Haxby sites and 90 beds (2 x 45 bed homes) on the Lowfield site. The Lowfield site could be significantly larger if the demand increased.
 - E - Similar to option D, but enter a partnership with a commercial developer to fund and build a new home. The operator partner chosen to run the new home could come from the "not for profit" or, independent sector. The operator could also be a social enterprise or local authority trading organisation. council staff could transfer to the operator.

23. Additionally a further option could be to combine a number of the options above.

Analysis of the Options

24. **Option A - Taking no action and retain current operating model and provision.** Based on analysis to date, this option does not address the problem of the age of the buildings or the continually increasing operating costs. Energy and maintenance costs are higher; CYC Property Services advise of a maintenance backlog of £404,059. Kitchens, lifts and heating systems are ageing and there is an inherent risk of failure as time goes on. The buildings have no sprinklers fitted. The changing need of those who live the homes or the need to avoid unnecessary resident moves is not addressed in this option. The option fails to provide a suitable future proofed care environment.
25. **Option B - Extend and refurbish.** This option has been fully analysed by CYC Property Services. Small site sizes combined with 40 year old buildings make this a very difficult solution to implement. It is not simply a case of increasing the number of bedrooms; existing bedrooms will require an en-suite bathroom, which initially means a reduction in the overall number of beds. New bedroom wings and/or storeys will need constructing to add the required number of new en-suite bedrooms but these can only be constructed in line with the existing building footprint. This therefore restricts the ability to make full advantage of the shape and size of the site. Kitchens, lifts and heating systems will require either replacing or refurbishing. Dayspace will also need to be increased and better fire systems installed. Corridor widths are fixed and there is little that can be done to improve them. CYC Property Services consider that there are only two sites, at Fordlands and Haxby Hall, on which a two storey extend and refurbish option could be feasible. However, the cost of modernising these has been estimated to come close to or exceed the cost of demolishing and building a new care home on the same site. Furthermore this option appears not to be able to reach the specification requirements outlined for a future proofed modern care home.
26. **Option C - Purchase all or an increased proportion of beds from the Private Sector.** There is a current shortfall of dementia care beds in the independent sector beds within York.

Consequently there are not enough beds available to re-provide those beds currently supplied by CYC care homes. There is, however, interest from private sector developers who may wish to build in York. One developer has already purchased a site and is building a care home in the city which will provide 83 beds when completed in Spring 2012. It is understood that there is another site in the Clifton area which is available for sale with planning permission for a 71 bed care home. This option could see the council increasing contracts with new and existing providers. This option does not offer a complete solution to the re-provision of CYC's residential care but it could form part of a long term or interim solution if used in conjunction with other options.

27. **Option D - CYC fund, build and operate three new care homes.** In this option the council would need to find £13.4m of capital in order to build on the three available sites. As part of a three or four year re-provision the council would undergo a phased rebuilding programme. Given the potential availability of the Lowfield site and the number of bed vacancies in the current operation an early start to the programme could be made, subject of course to planning approval. Annex D shows concept drawings of what could be possible on each of the three sites. The Lowfield site could suit a range of developments with increased numbers of care beds if required.
28. This option (and Option E below) presents an opportunity to re-provide the City of York with fit for purpose, "state of the art" residential care homes which can provide a range of care solutions that will sit alongside other strategies designed to keep older people at home for longer. Options D and E also present the opportunity of working with health colleagues to implement residential intermediate care facilities in line with the investment plan described earlier.
29. This option is likely to result in an ongoing increase in running costs associated with the extra cost arising from council staff terms and conditions.
30. **Option E - CYC enters a partnership with a developer/operator to fund, build and operate three new care homes.** Similar to Option D but here a partner developer takes responsibility for financing and building on the sites. The specific finance costs will depend on the way any deal is constructed with factors such as

ownership of the site and ownership of the completed home being of significance. Subject to the regulations relating to procurement a partner chosen to operate the home could be a social enterprise, local authority trading company, commercial organisation or a “not for profit” organisation. Existing staff would transfer under TUPE (transfer of undertakings (protected employment)) arrangements.

31. All of these options - with the exception of Option A, in the short term - will impact on current EPH residents in that they will involve a move from their current home at some point in the future. It is recognised that, until the consultation process has been completed and the Cabinet has decided how it wants the council to proceed, there will inevitably be a period of uncertainty for residents. The council is keen to reassure residents and their relatives that, whatever the conclusions, they will not receive any reduction in care. Indeed, the council fully expects the review to result in improved facilities for residents and provide a continuum of care that addresses the current situation where some residents have to move to have their care needs met.
32. The council recognises that moving very elderly people can be detrimental to their health and well being but there is much that can be done to reduce the impact of a move. The council has a ‘Moving Homes Safely’ protocol - developed with input from Age UK York and Older Citizens Advocacy York - that builds on best practice identified in NHS Guidance and recently published national research. The protocol explains how the council would ensure that any move is well planned and carefully managed and how residents and their relatives would be involved in all aspects of the decision as to where they move.

Corporate Priorities

33. The protection of vulnerable people lies at the heart of the council’s priorities. Over 7,000 vulnerable adults receive social care services in York. The council’s overarching objective is to safeguard such adults, to promote their independence, enable them to make real life choices and give them control over their daily lives.

Implications

Financial

34. There are no immediate financial implications arising from this report at this stage in the review. The total revenue spend on our EPHs in 2011-12 is expected to be £7m. We anticipate that the provision of 200 specialist residential care beds in improved facilities could cost up to £5.75m in revenue costs. More detailed financial information will be provided on the evaluated options in the November report to Cabinet following the consultation.

Human Resources (HR)

35. Staff will have a full opportunity to comment on the proposals and put forward any suggestions during the three month consultation period.
36. Full and formal consultation will commence with affected staff groups, following the decision of the Cabinet in November 2011. We anticipate that all options can be delivered without the need to make compulsory redundancies. Should options C or E be taken forward, staff would be eligible to transfer to any new provider under the Transfer of Undertakings (Protection of Employment) Regulations 2006.
37. We will also explore further requests for early voluntary severance, and movement between homes in order to minimise any impact on staff during the programme of change.

Equalities

38. Work on the Equality Impact Assessment (EIA) began at an early stage with the Equality Advisory Group (EAG) considering the scope and content of the review to help shape it. During the proposed three month consultation period we will consult with all interested parties to inform the full and final EIA that will be included in and inform the report to Cabinet in November.

Legal

39. Legal Services have been advising the Project Board throughout the review, and particularly on the approach to consultation. The essentials of any such consultation are as follows:
- (i) Consultation must be at a time when proposals are still at a formative stage.
 - (ii) The proposer must give sufficient reasons for any proposal to permit intelligent consideration and response.
 - (iii) Adequate time must be given for consideration and response.
 - (iv) The product of consultation must be conscientiously taken into account in finalising any statutory proposals.

Legal Services will continue to be involved throughout the review process.

Crime and Disorder

40. There are no crime and disorder implications.

Information Technology (IT)

41. There are no IT implications.

Property

42. Due to the lack of comparable evidence in the market, the values given in Appendix C are based on pre-downturn levels. A recent report by a firm of independent valuers has indicated that the council will not achieve these values, in current market conditions.
43. The valuations are subject to obtaining planning permission for change of use. The title deeds have not been inspected, therefore a clean title has been assumed.
44. It should be noted that the Lowfield School site is currently declared surplus. A capital receipt is required from its disposal to fund the council's capital programme. If the site is to be used as part of any of the options outlined in this report, there will be the

need to find an alternative source of funding for the capital programme.

Other

45. There are no other implications at this stage.

Risk Management

46. There are no risks at this stage arising from this report which seeks permission to begin a period of consultation on the review and its options.

Recommendations

47. It is recommended that full and meaningful consultation begins on the review and its options for the future re-provision of the council's nine elderly persons residential care homes. The consultation should last for a period of three months and involve residents, day care and respite care service users, relatives, staff, trade unions, elected members, health colleagues, older people's groups and any other interested parties (see Annex E, Consultation Plan). A further report to members outlining the result of the consultation and recommendations for action will follow in November 2011.

Contact Details

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Wards Affected: <i>List wards or tick box to indicate all</i>			All ✓
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Background Papers:

Annexes

Annex A - Long Term Commissioning Strategy Refresh 2010

Annex B - Joint Vision for Health and Social Care in York July 2010

Annex C - Summary of Information on City of York Council's Nine EPHs

Annex D - Concept Drawings for each of the Three Sites

Annex E - Consultation Plan