

TO: THE EXECUTIVE
20 OCTOBER 2015

**PROPOSED CONSULTATION ON THE FUTURE PROVISION OF SERVICES
Director of Adult Social Care, Health and Housing**

1 PURPOSE OF REPORT

- 1.1 The purpose of this report is to present evidence to members which suggest the potential re-commissioning of services provided at the BFC owned Heathlands Residential Care Home and Day Centre for people with Dementia.
- 1.2 To obtain agreement to consult on the future of Heathlands Residential Care Home and Day Care Centre for People with Dementia with a view to re commissioning all services currently provided in the independent sector.

2 RECOMMENDATION

- 2.1 **That the Executive approve the proposal to consult on the future of services currently provided at Heathlands Residential Care Home and Day Care Centre for People with Dementia being re commissioned in the independent sector.**

3 REASONS FOR RECOMMENDATION

- 3.1 As people with dementia continue to be supported to live in the community for longer, increasingly, therefore, when people with dementia move into a care home setting their needs are more complex and often can only be met through nursing care. There has, therefore, been an increase in the number and proportion of nursing care placements being commissioned as opposed to residential care placements.
- 3.2 Bracknell Forest Council, in partnership with the Clinical Commissioning Groups, will continue to commission services that support a shift away from residential care to personalised social care in community settings, supporting people to live independently and safely to deliver the principles within Bracknell Forest Joint Commissioning Strategy for Dementia 2014-2019.
- 3.3 The necessary investment required to undertake a major refurbishment/ re development and bring Heathlands up to standard would not be economically viable, and would also mean people would need to be moved for a period of time which would create unacceptable disruption to their lives.

4 ALTERNATIVE OPTIONS CONSIDERED

Option 4.1

4.1 Do Nothing – no change

This option would keep Heathlands as it is. It would not resolve the issue of Heathlands being unable to meet satisfactory standards in the future. It would compromise Bracknell Forest Council's ability to maintain high standards of care. Also, the needs of people requiring a residential care home setting are increasing

which requires different facilities to those of Heathlands. The cost of maintaining an aging building would continue to increase and we would end up with the need to consider re provision at some point in the future. There is an inherent risk that deterioration in a critical factor within the building may result in people being placed unacceptably at risk. As personalisation and choice for individuals drives the care market the development of other facilities in the area will mean Heathlands will not be as attractive and occupancy is likely to fall placing greater pressure on its viability.

Option 4.2

- 4.2 **Refurbish/ re develop Heathlands** and invest in a major re development programme to bring Heathlands up to a modern state. A range of refurbishment issues already exist the two most significant being:

The boilers were replaced in 2010 but the pipework and radiators that the service is largely original to the building and therefore nearly fifty years old, and needs to be replaced. This will cost in excess of £250K. Moreover, this work can only take place if the building is emptied on a phased basis.

The roof tiles will need to be replaced in the coming years, and an initial estimate of the cost of this is in excess of £200K.

The layout is unsuitable with none of the 38 rooms having ensuite facilities, or sufficient space within any rooms for ensuite facilities to be installed. The current facilities would not meet modern registration standards if Heathlands was a new facility. Upgrading these would involve knocking down walls, changing the layout, and reducing capacity. The cost of upgrading these has not been estimated as even obtaining an estimate would be expensive due to the need to draw up detailed building plans. However, it is clear that the upgrade cost would be very significant.

Also, the kitchen facilities need updating and once again there is no cost estimate for this in place.

None of these capital costs have been budgeted for.

Option 4.3

- 4.3 **To sell or lease Heathlands to another provider.**

This would be difficult due to the limitations and constraints of the building and the investment required to address these issues and secure a market position.

5 SUPPORTING INFORMATION

5.1 National and Local Context

5.1.2 Social Care in England is rapidly changing. People want control and independence over their lives. New services are being developed to meet their individual needs and to respond to the implications contained in the Care Act. Increasingly people moving into care homes require more complex and nursing care that can only be achieved to the highest standards in more modern and purpose built buildings.

5.1.3 There are 750,000 people living with dementia in the UK, two thirds of whom live in their own home. Bracknell Forest Council aims to build resilient communities,

including dementia friendly communities, with a commitment to develop sustainable cost effective community support, and provide good quality residential and nursing home services.

- 5.1.4 Many people are now living longer and therefore people are at risk of developing dementia as they get older. The average life expectancy in Bracknell Forest is higher than the national average with the most notable projected population increase being in people aged over 65. The prediction is therefore that locally there will be a significant increase in the number of people with dementia over the next five years which will place greater demand on resources. However, the department has demonstrated its success over recent years in supporting people with dementia to remain longer in their own home. This has resulted in a reduction in the number of people with dementia being admitted into residential care.
- 5.1.5 Bracknell Forest offers a mixed economy of care and a range of supported options for people requiring care and support .People are being supported to remain in their own home longer and this is their preferred choice. There is a range of community domiciliary services to meet the needs of older people through commissioning 5000 hours of domiciliary care a week in the independent sector, the use of live in carers is increasing, and the Clement House development will provide extra care housing. The Council commission day care support for older people. There is also support for carers through voluntary sector grants and commissioning Carers support through Berkshire Carers Service. There has been a 31% increase from 2013/14 in the number of people receiving home care. At the same time the number of people requiring nursing care placement has remained static, with a fall in the number of residential care placements.
- 5.1.6 Only a small proportion of these services for older people are directly provided by the Council. Heathlands Residential Care Home and Day Centre together with a joint funded community and bed based reablement service. There are currently 17 people permanently placed in Heathlands who would need to be placed in another home. Current new developments in the market are that there is a 60 bedded residential care home being built in Crowthorne, completion Spring 2016.and a 64 bedded care home is being built in Bracknell Town.
- 5.1.7 Bracknell Forest Council has to identify how to deliver significant savings following changes in funding for local government. Consideration must therefore be given to how resources are used, both revenue and capital, and focus on those services that deliver the best outcomes for people and value for money. At the same time the needs and welfare of people living in Heathlands is a priority, as are the future needs of older people with dementia in Bracknell Forest which is linked into the availability, quality and market capacity, now and in the future.
- 5.1.8 The Council continues to be responsible for the safety and well being of people placed in the independent sector and robust internal Care Governance procedures ensure close monitoring of these services together with proactive safeguarding. At the same time there is a specific programme which is being offered to care homes in the care home sector through the Better Care Fund called the Care Home Quality Project. The aim is to deliver significant improvements to care delivery and care practice.

5.2 Heathlands

- 5.2.1 Heathlands is registered with the Care Quality Commission as a 37 bedded residential care home for people with dementia. There is a day centre on the same

site that offers 12 places a day for people with dementia together with a carers drop in service.

- 5.2.2 Heathlands is a 1970 building and was built at a time when the spacial standards were different to today. It therefore presents restrictions as to the ability to ensure it can provide a suitable environment going forward. Newly registered care homes have larger rooms and ensuite facilities. Heathlands with its layout, small rooms and corridors is not the best environment to support people with dementia. People with dementia benefit from buildings which are simply laid out.
- 5.2.3 Heathlands will not meet the current standards for residential care homes contained in the CQC Guidance for Providers on meeting the Regulations – (Section 15) March 2015. The building does not meet the standards of accommodation that supports dignity in care. The importance of the physical environment is well documented by the Joseph Rowntree Foundation in their 2009 report on Older People’s vision for Long Term Care. With regard to the physical environment Heathlands will not meet the future needs and expectations of older people that can be found in newly built or modernised care homes without extensive investment on modernisation.
- 5.2.4 Heathlands has been operating with a number of vacant beds since mid 2014 and as 1st June 2015 the home was operating at less than 50% occupancy. It was evident that over period of time there were at least 12 people living in Heathlands whose needs were very complex and they had become appropriate for nursing care. These people have been appropriately transferred over a period of time into placements more able to meet their needs. Currently there are 17 people permanently placed in Heathlands. These people, over time, would be likely to be moving out of Heathlands, if and when their needs cannot be met. The cost of a placement is £693 a week. Heathlands is currently accepting respite care and will be supporting, in the short term, winter pressures.
- 5.2.5 The Day Centre on the same site and managed by the Registered Manager of Heathlands operates 7 days of the week and has 370 places available each month (approximately 12 places a day). The cost of a day is £ 52.70 which includes transport lunch and tea. There is also a drop in service at £6 an hour with £3 for lunch. Attendance has dropped by 40% over the last 12 months.
- 5.2.6 Comparable day services at Sandhurst Day Centre and Age Concern also accept people with dementia. Sandhurst opens 5 days of the week, offers 35 places at £12 a day, and has capacity for 10 more. Age Concern opens 4 days of the week, has 22 places, with availability, and charges £28 a day.

5.3 Legal Implications

- 5.3.1 There is an obligation to consult on the proposal before a decision is reached and that the responses to the consultation are conscientiously considered in the decision making process.

5.4 Financial Implications

- 5.4.1 The cost of closure is likely to be significant. Although redeployment opportunities will be explored, there is a potential redundancy and pay in lieu of notice (PILON) cost of approximately £400K. If suitable redeployment opportunities are found, the redundancy and PILON costs fall. With savings estimated to be at least £500K per year the pay back period is approximately 10 months. It is normal practice for the

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Council's Structural Changes Fund to meet the redundancy costs, but the PILON costs will impact on the Department's revenue savings in the first year

5.4.2 The unit cost of a bed at Heathlands is an estimated £1,116 per week, due in part to the high vacancy rate. This compares with the Bracknell Usual rate for purchasing residential care for a person with dementia of £517.99. In the event that a decision was made to close Heathlands it is unlikely that this rate could be achieved when moving 17 people at once, however it is considered prudent that a £375K saving would still be achieved.

5.4.3 The unit cost of a place in the day centre is an estimated £74 per day. As with the residential home, the high unit cost is due in part to capacity not being fully utilised. Comparable day centre places can be purchased for significantly less than £74 per day, and it is considered prudent that a saving of £125K would be achieved on commissioning the service externally.

5.5 Human Resources

5.5.1 There has been a commitment to ensuring staff working in Heathlands have training, expertise and knowledge to enable them to support people with dementia. A management development programme is in place to ensure effective management.

5.5.2 A total of 38 permanent staff would be affected and redundancies may apply as there would be limited scope for redeployment.

6 **ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS**

Borough Solicitor

6.1 The legal issues are addressed within the report and in view of the proposed recommendation together with the alternative options as outlined, there is a legal obligation to consult.

Borough Treasurer

6.2 The cost of this proposal - that is, to consult on the future of Heathlands Residential Home and Heathlands Day Centre – can be met from existing budgets.

Equalities Impact Assessment

6.3 A full Equalities Impact Assessment will be carried out in due course to accompany any future report to the Executive following a decision on the agreed option for consultation

Strategic Risk Management Issues

6.4 It has been identified that there is a need for a major works programme which needs to be undertaken specifically with regard to the whole central heating system, roofing, and upgrading of kitchen facilities and there is risk that further deterioration may cause a failure of these critical features. This could lead to non-compliance with Care Quality Commission regulations.

- 6.5 Risk to the reputation of the Council associated with movement of frail people with dementia to independent sector homes would be mitigated by a robust assessment and support service.
- 6.6 There are risk associated with changes in terms of staffing and continuing to run services. However the cost of no changes to the Council would be very significant and would require mitigating action elsewhere.

Head of Human Resources

- 6.7 Any proposals affecting the employees of Heathlands will be dealt with under the Council's Organisational Change Protocol. Once the public consultation is complete and an Executive Decision is made, if that decision involves the future of the employees at Heathlands a further 30 day consultation will need to take place. At the end of that it may be necessary to put the workforce "At Risk" and this will trigger work on Redeployment and/or Redundancy. The timetable will be structured in accordance with the protocol and it will need to go to the Local Joint Committee of the Trades Unions and the Employment Committee for approval to use funds for Redundancy. Every effort would be made to redeploy as many staff as possible.

7 CONSULTATION

Principal Groups Consulted

- 7.1 n/a

Method of Consultation

- 7.2 n/a

Representations Received

- 7.3 n/a

8 CONCLUSION

- 8.1 This report deals with one of the most difficult decisions the Executive has to take and the decision to consult on re commissioning Heathlands is a serious proposal with wide ranging implications. However, the current model of service at Heathlands does not support the Councils' ambitions to deliver sustainable, high quality, value for money services for the future.
- 8.2 There are identified potential risks in planning a consultation of this nature:
- Uncertainty for individuals and their families/supporters
 - Uncertainty for staff
 - Effect on stability of care home market
- 8.3 However, without consultation a decision on the future of Heathlands cannot be made.

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