



DERBY CITY COUNCIL

COUNCIL CABINET
17 MARCH 2009

Report of the Corporate Director of Corporate and Adult Services

New homes for old: strategic review of care homes for older people

SUMMARY

- 1.1 The demand for residential care in the city is decreasing each year. It will diminish further with the development of Extra Care Housing as well as other initiatives that are increasingly able to support older people with high needs in the community in accordance with their wishes.
- 1.2 Older people's expectations about the quality and specification of the accommodation they require are changing. Council care homes are increasingly under-occupied as the demand for residential care falls because they cannot compete with the accommodation standards of many independent sector providers. Older people also prefer Extra Care Housing as an alternative way of meeting high-level needs.
- 1.3 Robust decisions about the future of Council-owned care homes need to be made as continuing with the status quo is unsustainable. The need for some of the Council's general, long-stay care home provision is progressively being replaced by new community initiatives and the availability of Extra Care Housing. It does, however, make sense for the Council to retain a strategic lead in some areas of care home provision:
 - The delivery of expert dementia care as part of a programme of development to be managed in partnership with the independent sector
 - The delivery of short-term stays that provide rehabilitation for older people (using intermediate care services) or respite for carers. These targeted interventions, using care home beds, can keep older people at home for longer in accordance with their wishes.
- 1.4 This report and accompanying appendices draw conclusions about the overall care home provision required to meet older people's needs. If recommendations are approved they will be used as a basis for further options appraisal for each individual care home site. A project plan will also be produced showing how changes can be managed over time.

RECOMMENDATIONS

- 2.1 To reduce the number of care home places the Council provides in line with falling demand on the basis that 68 less places will be required by the close of 2009-10.
- 2.2 To approve in principle that two Council owned care homes should be adapted to provide specialist dementia care. Initially delivering long-term beds, respite beds and day care facilities, but moving into solely providing dementia respite and day care over time.
- 2.3 To encourage independent sector care homes to deliver specialised dementia care through the issuing of a Council dementia specification linked to dementia-specific fee rates.
- 2.4 To approve in principle the move of all sixteen intermediate care beds on to one Council care home site, with the remainder of this site being used for short-term respite and emergency beds.
- 2.5 To assess Council care home sites for their potential to provide Extra Care Housing instead of traditional residential care.
- 2.7 To commission a report to provide options appraisal and recommendations for each individual older persons care home owned by the Council, within the confines of the recommendations above. The report to be compiled with input from general stakeholder groups.

REASON FOR RECOMMENDATIONS

- 3.1 Decreasing demand for traditional residential care is projected to continue for at least six years and is especially affecting Council homes, designed in the 1960's and 1970's for a more able group of residents and without the space and personal facilities of many independent sector competitors.
- 3.2 The decline in demand for traditional residential care for older people over the next few years is especially likely to be influenced by the increasing availability of Extra Care Housing. There is strong evidence that Derby's older people (including the very oldest) greatly prefer the Extra Care Housing model to residential care. This is because it can meet high care needs in a secure environment but the resident can keep their own front door and move with their partner instead of being separated. There is very little Extra Care Housing in Derby at present and the Council target of 925 flats by 2015 reflects the rate of development necessary to catch up with Local Authorities that have made more progress in this area.
- 3.3 The Council needs to work in partnership with independent sector care homes to improve dementia care for older people because dementia will soon be the single biggest factor in causing care home admissions. At present there is no clearly defined or strategic approach to developing dementia care, and there is a significant risk that care of the appropriate standards for this client group will not be developed in either the Council's or the independent sector's care homes.

- 3.4 The Council's main strategic aim in commissioning and delivering adult social care for older people is to ensure they are able to lead independent and fulfilling lives in their communities for as long as possible. Using Council-run homes to deliver short-term, rehabilitative or respite services, including day services, will help achieve this objective while the flexible and sometimes unpredictable nature of these services will make best use of the Council's provider staff.
- 3.5 The Council needs to improve its focus on intermediate care, which will work best if it is marketed from one site rather than several. This will also make best and most efficient use of staff as specialist skills are required to deliver intermediate care. There is similar logic in keeping respite and emergency beds together rather than dispersed over several sites.

SUPPORTING INFORMATION

- 4.1 Detailed analysis and options appraisal has been undertaken to arrive at the recommendations. This is attached to this report as Appendices 2 and 3. The key supporting information is outlined below.
- 4.2 **Views of older people**
Two surveys carried out a year apart both show far higher approval ratings for Extra Care Housing than care home provision as a way of meeting 24-hour care needs safely. The latter survey contacted older people who were already home care service users and therefore already had experience of disability. Even those in the 85+ age group preferred Extra Care Housing to residential care should their needs increase to the point that they had to move.
- 4.3 **Needs, demand and alternatives**
Even though the population of older people is rising, the demand for care home placements is falling. This is because of the greater effectiveness of care provided at home. New initiatives like Assistive Technology and Falls Prevention also have an evidence base in other parts of the country for reducing care home placements. Likewise, experience in places like Coventry and Oxfordshire shows strong evidence that care home placements decline significantly once Extra Care Housing becomes widely available. Projections for Derby indicate that the demand for care home placements will fall until at least 2015. Derby still provides relatively more care home placements than comparators, whose numbers are continuing to fall. The demand for care home placements that remains will be increasingly dominated by dementia care needs. Care home provision must adapt to meet this specialist demand rather than maintaining its current generic focus.
- 4.4 **Supply, characteristics and occupancy**
- a) Independent sector capacity in both residential and nursing homes has remained stable for several years. Independent sector residential home capacity was sufficient to meet all demand during the period of time when Council care homes were not accepting any new admissions due to the uncertainties around Bramblebrook House. Independent sector nursing home capacity is extensive, with significant potential to meet increasing demand from older people with the very highest levels of need who are not appropriate for standard residential care or Extra Care Housing.

- b) Even adjusting for the impact of vacancy freezes, Council residential homes have slightly lower occupancy rates than independent sector residential homes. They are also much less popular with older people who fund their own care. A key factor is likely to be the poorer standard of accommodation in Council care homes, where no long-term beds have en suite facilities compared to 48% of beds in the independent sector. This creates a significant ongoing occupancy risk for the Council fuelled by changing expectations of older people about the privacy and personal space they are entitled to expect.
- c) There is inadequate specialist focus on dementia needs across both Council and independent sector residential care homes. There are too many care homes that are registered to meet only general needs of older people. As evidenced in the section on demand, general needs can increasingly be met in other settings.

4.5 **Price**

- a) Independent sector funding arrangements are stable, with the Council paying similar rates to other Local Authorities in the East Midlands. The exception to this is the dementia rate, which is comparatively low and extremely underused in Derby. There is no evidence that the existence of Council care homes acts as a regulator on independent sector price: there are no Council-owned nursing homes and yet inflationary pressures in the nursing sector are no higher than for residential care.
- b) The unit cost of Council-run care homes varies from home to home depending on local factors but is invariably higher than the cost of contracting with the independent sector, even for those homes providing a basic, general service with no day support or specialisms. This higher price is not reflected by higher occupancy and quality.

4.6 **Quality**

- a) 71% of Council care homes are rated as "Good" by CSCI. None are rated as excellent. 51% of independent sector care homes are rated as "Good" with a further 14% rated as "Excellent".
- b) Council-run care homes meet an average of 80% of the National Minimum Standards inspected by CSCI. In comparison, private sector homes in Derby meet 76% and voluntary sector homes meet 87%.
- c) In general, evidence suggests that Council-run homes are clustered in the middle of the quality scale, while independent sector homes show a wider range of quality scores. However, average performance is similar
- d) There is also strong evidence of the Council's track record in working with independent sector providers to improve their quality. All care home providers who have been assessed as "Poor" by CSCI have been advised and monitored by Council contracting staff and have been able to deliver improvements to be rated "Adequate" or "Good" at their next CSCI inspections.

OTHER OPTIONS CONSIDERED

- 5.1 Leaving Council-run care homes as they are now will result in increasing vacancy levels as older people continue to access local alternatives in improved community care, other forms of supported housing and independent sector residential care.
- 5.2 Remodelling all Council-run care homes so that they provide "future-proof" levels of accommodation, for example incorporating en suite toilet and wash facilities, would be prohibitively expensive without large cuts to services and developments elsewhere in the Council. It is also hard to justify this on the basis that good facilities already exist in independent sector residential care. Derby's independent sector care homes are popular and are assessed by the Commission for Social Care Inspection as providing very comparable quality of care to that provided by the Council.

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| For more information contact: | Phil Holmes, tel: 01332 255853 phil.holmes@derby.gov.uk |
| Background papers: | Appendix 1 – Implications Appendix 2 – Care Home Review: Summary, Options and Recommendations Appendix 3 – Care Home Review: Key Supporting Information Appendix 4 - Consultation on the Supported Accommodation needs of Older People (copy of questionnaire) |

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| IMPLICATIONS |
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Financial

- 1.1 The capital cost of providing basic remodelling of a care home to meet dementia needs has been estimated as £2.21 million per home by Council architects. The Council's capital programme can support a maximum of two homes being remodelled in this way. The revenue cost of providing specialist dementia care will also be higher than for several Council homes at present because of the higher staffing ratio required.
- 1.2 The capital required for the development of Extra Care Housing can be delivered in several ways: through Housing Corporation grant, through land value (presuming Council ownership), through the contribution of a development partner (typically a Registered Social Landlord) and through the sale of some flats in the scheme to older people who wish to buy rather than to rent. Some Council capital may be required dependent on the relationship of these factors at a given site.

Legal

- 2.1 This report seeks a decision on the strategic development of residential care, including the overall capacity required from the Council's own provider service. At this stage no specific proposals affecting individual homes are being presented.
- 2.2 Further work is proposed which will bring forward specific options appraisals for each of the Council's care homes for older people. Options are likely to include closure of particular homes, whether by replacing with Extra Care Housing or to suggest another use for the site.
- 2.3 There is a requirement to consult properly on any proposal to close a care home. The Court of Appeal identified four requirements
 - consultation must be at a stage when proposals are still at a formative stage
 - the proposer must give sufficient reasons for the proposal so as to 'permit of intelligent consideration and response'
 - adequate time must be given for consideration and response
 - the product of consultation 'must be conscientiously taken into account in finalising any statutory proposals'.
- 2.4 A health service circular (1998/048) provides checklists of steps to be taken during the closure process. There should be a "project plan", flexible enough to adapt to changing circumstances. The local authority should set up a steering group to see the project through with a project manager, a service user transfer co-ordinator, and a key worker who works at the home that is to be closed. The key worker should know the service user and their needs and liaise with them, their relatives or carers and the staff at the place it is proposed that the service user is

transferred to. Contingency plans must be prepared for all aspects of the project and information shared between all parties. A named staff member should be authorised to postpone or cancel the transfer of the service user should this become necessary.

Personnel

- 3.1 Council staff affected by any proposals relating to individual homes would be invited to fully participate in the consultation about the future of that home.

Equalities impact

- 4.1 There is no clear equalities impact.

Corporate priorities

- 5.1 Helping us all to be Healthy, Active and Independent: Raising the Quality of Social Care for Vulnerable and Older People.
- 5.2 Making us proud of our neighbourhoods: Improving the Standard and Range of Affordable Housing.