

Title of meeting: Cabinet Meeting

Date of meeting: 4 February 2019

Subject: Adult Social Care Care Home placements.

Report by: Innes Richens - Chief Health & Care Portsmouth

Written by: Andy Biddle - Assistant Director Adult Social Care

Wards affected:

Key decision: No

Full Council decision: No

1. Purpose of report

- 1.1. The purpose of this report is:
- 1.2. To update the Cabinet as to the availability of care home provision for older people across the city.
- 1.3. To consider the likely demand for care home places within the next 3-5 years by considering the trend from 2011 onward.
- 1.4. To consider the impact of an extra care development for people with a dementia on the numbers of people with dementia requiring residential care.
- 1.5. To consider the costs of residential care and nursing home care that is owned and managed by the city council and options to ensure the maximum value for money from PCC provided care.
- 1.6. To consider how these issues relate to the Adult Social Care, (ASC) Strategy and the ASC Medium Term Financial Strategy, (MTFS).

2. Context

In order to provide a social care service that meets the needs of Portsmouth residents, meets the Council's statutory duties and manages the demands of increasing needs and costs, Adult Social Care (ASC) has been working to a service wide strategy. Implementing the ASC Strategy will achieve outcomes for residents and seek to support the service to become financially sustainable in the longer term. By 2022, our aim is that ASC in Portsmouth will be:

- Delivering services that have technology at the heart of the care and support offer;
- Working in way that recognises the strengths that people have, and have access to in their networks and communities - and draws on these to meet their needs;

- Working efficiently and responsively, using a reablement approach centred around the needs of the customers;
- Delivered through a market based on individual services to people that meet their needs and help them achieve the outcomes they want to achieve and keep them safe;
- Delivered, (where appropriate) through PCC residential services in one service area to enable quality and maximum effectiveness.

This strategy will seek to support the service to become financially sustainable in the longer term.

These outcomes align to the priorities in the 'Blueprint for health & care in Portsmouth' published in 2015:

- Improve the range of services people can access to maintain their independence
- Give people more control, choice and flexibility over the support they receive
- Do away with multiple assessments and bring services together in the community
- Bring together services for children, adults and older people where there is a commonality of provision, including a family centred approach
- Create better resources and opportunities for vulnerable people and their carers.

2. Recommendations

- 2.1. It is recommended that Cabinet:
- 2.2. Note the current and modelled demand for residential and nursing home care in Portsmouth for older people.
- 2.3. Note the costs of the City Council providing residential and nursing care.
- 2.4. Agree further work to be undertaken as to cost and feasibility of the options for maximising value of the Council's assets.

3. Available Provision

Within Portsmouth as of December 2019, (including PCC provision) there are 29 providers of residential care, (664 beds) and 10 providers of nursing home care, (483 beds) in total¹ providing care and support for older people. It should be noted that some of these providers will also provide care for groups other than older people.

The Care Quality Commission, (CQC) ratings for this provision are below² and show an improved position in 2019, previously there were more providers rated as inadequate that have moved to either requires improvement or good ratings.

¹ Source - CQC Care Directory with filters. Retrieved from: <https://www.cqc.org.uk/about-us/transparency/using-cqc-data> on 11/12/19.

² Source - CQC care directory with ratings. Retrieved from: <https://www.cqc.org.uk/about-us/transparency/using-cqc-data> on 11/12/19.

Rating	Inadequate	Requires Improvement	Good	Outstanding	Not yet Inspected
Residential Care Homes	1	9	19		
Nursing Homes		1	7		2

4. Demand

The picture of future demand for residential and nursing home care for citizens of Portsmouth is complex. It is predicted that Portsmouth will see a 10% increase in the over 65 population by 2025 (an additional 3,400 residents)³. PCC purchased care home population is circa 386⁴ so a flat 10% increase could be applied to service demand by 2025.

However, despite population increases rises since 2016, PCC has showed a 7% drop in residential placements per 1000 65+ population and a 1% drop in nursing placements, whilst provision of domiciliary care has kept steady with the population. Future demand is therefore likely to be influenced by the decreasing rate of residential and nursing beds seen since 2011.

A further significant factor in future demand is the provision of care to people in their own homes, (domiciliary care, Table 5). ASC pursues an ethos of providing care to people in their own homes rather than care homes wherever possible. The domiciliary care statistics would therefore be expected to increase each year as they have done from 2011/12 to 2018/19.

Whilst these are significant factors however, there is no guarantee to them continuing. Therefore, to try and present a reasonable range of potential outcomes, there are two main categories of information relevant to demand, the actual numbers and potential demand. Tables 1 & 2 show the actual numbers of placements and indicative trend up to Month 8 2019/20. In terms of potential demand, the worst case scenario is that there is a greater than predicted increase in the over 65 population AND an upward trend in numbers requiring care. The best case scenario is that there is a lower than predicted increase in the over 65 population and the current trend in numbers requiring care continues.

For the purpose of demand analysis, Tables 3 & 4 use two mid-range scenarios, an **optimistic case** where the current trends are continued and a **pessimistic case** where the trends are flat. *The best and worst case scenarios would fall outside both of these ranges.* Both are calculated against the predicted population increases for 2025.

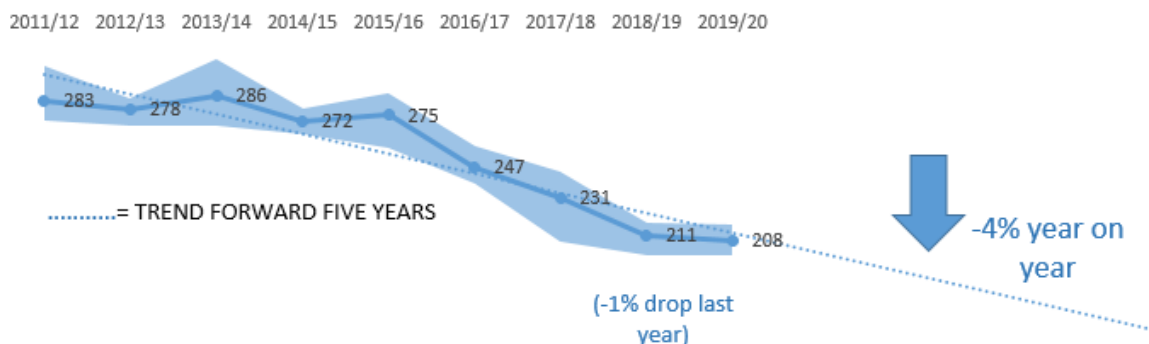
³

(Figures are taken from Office for National Statistics (ONS) subnational population projections by persons, males and females, by single year of age. The latest subnational population projections available for England, published 24 May 2018, are full 2016-based and project forward the population from 2016 to 2041.

⁴ December 2019

Table 1

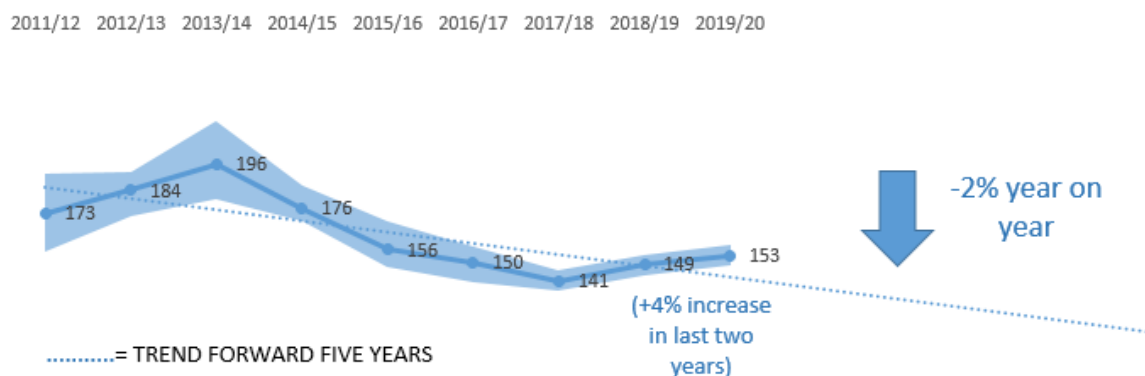
RESIDENTIAL CARE SINCE 2012 - Showing maximum, minimum, and average numbers each year.



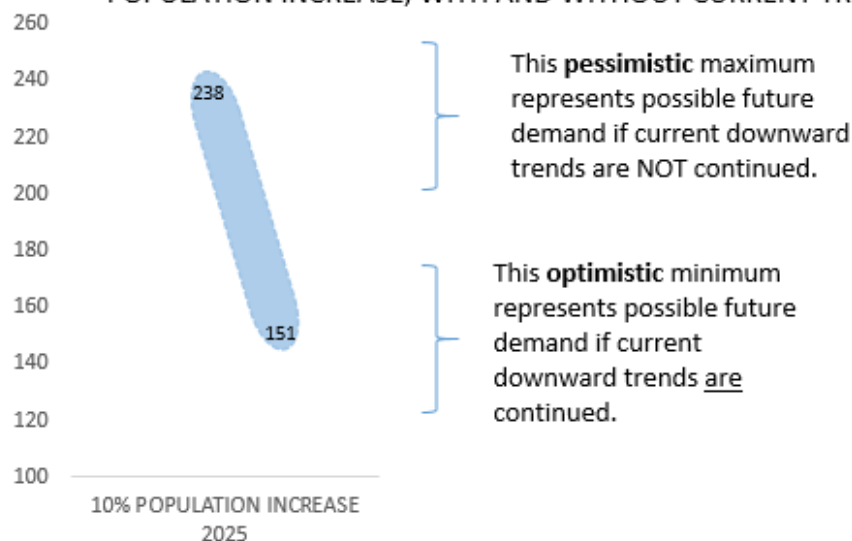
The overall trend for Residential placements decreases 4% year on year with a 1% decrease in 2018/19.

Table 2

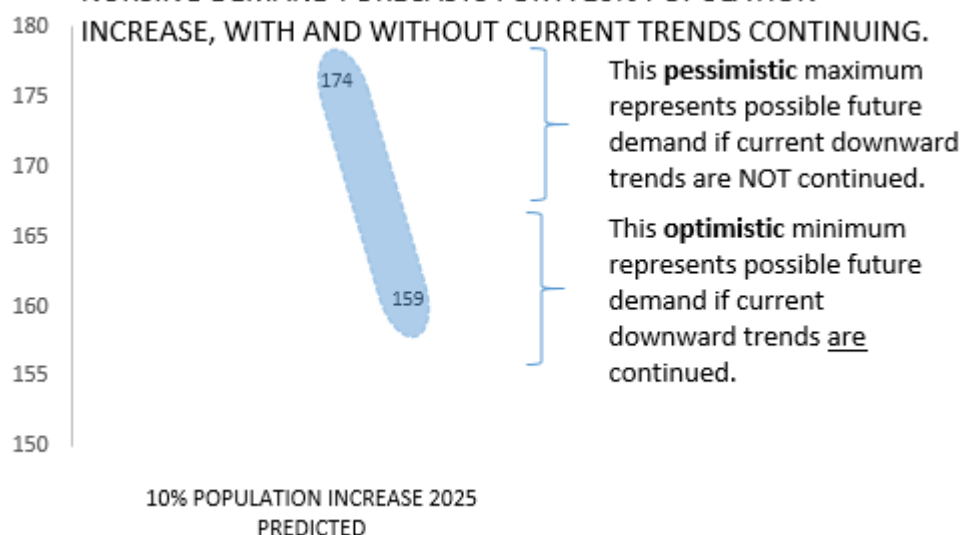
NURSING CARE SINCE 2012 - Showing maximum, minimum, and average numbers each year.



Whilst the overall trend for Nursing placements have decreased since 2011/12 by 2% year on year, there has been a 4% increase in 2018/19 continued to Month 8 2019/20, which may suggest a change in the trend. Potential reasons for this change would be that more complex needs are being met within the home environment and when an individual needs care in a care home environment this is more likely to be in a nursing home, rather than a residential care home, as their needs have gone beyond that which a residential care home would be able to meet.

Table 3
RESIDENTIAL DEMAND RANGE FORECASTS FOR A 10% POPULATION INCREASE, WITH AND WITHOUT CURRENT TRENDS


RESIDENTIAL	10% POPULATION INCREASE 2025
MAX NO TREND	238
AVE NO TREND	229
MIN NO TREND	220
MAX TREND	163
AVE TREND	157
MIN TREND	151

Table 4
NURSING DEMAND FORECASTS FOR A 10% POPULATION INCREASE, WITH AND WITHOUT CURRENT TRENDS CONTINUING.


NURSING	10% POPULATION INCREASE 2025
MAX NO TREND	174
AVE NO TREND	168
MIN NO TREND	163
MAX TREND	169
AVE TREND	164

MIN TREND	159
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Based on these calculations, demand for residential home care by 2025 is between 151 and 238 beds and for nursing home care 159 and 174. Given the current profile of 386 beds purchased in total the best case would see 310 bed requirement, (19% decrease) and the mid-range worst case 412 bed requirement, (6% increase).

The trend in domiciliary care of a 2% increase year on year, (Table 5) may also impact on residential and nursing care home placements. To ensure a balanced view, domiciliary care has also been modelled at mid-range.

Table 5

DOM CARE SINCE 2012 - Showing maximum, minimum, and average numbers each year.

2012/13 2013/14 2014/15 2015/16 2016/17 2017/18 2018/19 2019/20

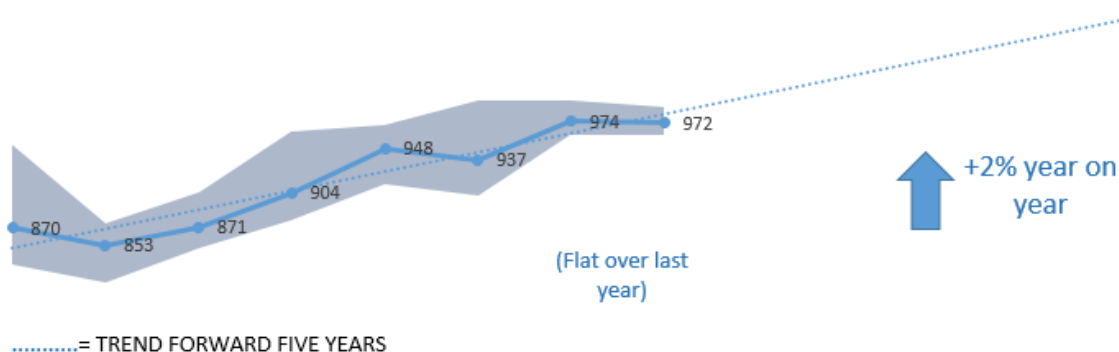
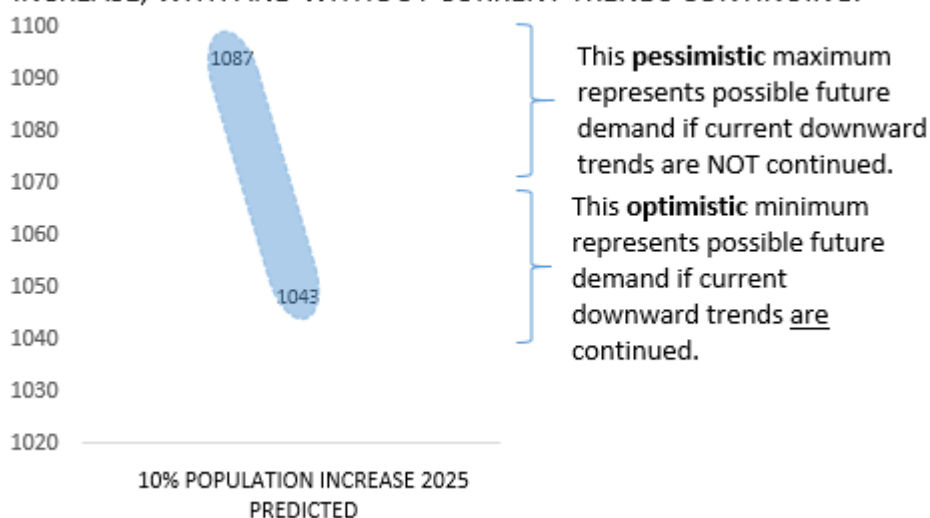


Table 6

DOM CARE DEMAND FORECASTS FOR A 10% POPULATION INCREASE, WITH AND WITHOUT CURRENT TRENDS CONTINUING.



DOM CARE	10% POPULATION INCREASE 2025
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MAX NO TREND	1087
AVE NO TREND	1072
MIN NO TREND	1057
MAX TREND	1072
AVE TREND	1058
MIN TREND	1043

5. Impact of extra care for people with a dementia

At the Cabinet Member Decision Meeting of 20th November 2018, it was agreed that work be carried out to re-purpose the Edinburgh House site for the development of a specific dementia extra care facility; acknowledging that any development will be subject to securing sufficient capital funding.

Portsmouth does not currently have an extra care dementia offer. The 2018 dependency exercise to determine staffing requirements showed that whilst a number of individuals were unable to manage on their own at home, they did not need 24 hour residential care, but there are no local facilities that can bridge this gap currently for people with dementia.

Building an extra care facility for people with dementia will enable people to live in a supported environment, with skilled and trained staff available on site to support them 24 hours a day. This affords people their own 'front door' with the ability for regular support and an on-call immediate response should this be needed. We are therefore seeking to re-purpose the current Edinburgh House and create extra care maintaining independence and dignity for people with dementia in their own homes. This builds on supported living opportunities already available in Portsmouth.

Initial indications are that the Edinburgh House site could offer the potential to accommodate up to 60 units for extra care for people with dementia. A capital bid has been secured for the necessary funding from the Council's Capital Programme.

Extra care for people without dementia has been seen as an alternative to residential care placements in recent years. It is likely therefore that it will be residential care provision for people with dementia that will be impacted by the new extra care. It is difficult to be precise with timelines, but the aim is for up to 40 people to move in over the first year to 18 months, (2021/22 onward) whilst some people may move from residential care it is likely that most will move in from their own homes and so the impact on the total number of residential beds purchased is not a linear calculation.

In addition, not all of those moving from their home to extra care would have necessarily gone to residential care, especially as the move to extra care may be earlier than people would have needed to move to residential care. For some it is 'delaying' the moment they may need residential care (and many may never need it). Given these complexities, the potential impact is less beds purchased in residential care by 2022/23, however defining a precise figure is not possible at this time.

The Edinburgh House building was demolished in December 2019 and a project team to work on the design of the new extra care facility has been established.

6. The costs of residential and nursing home care owned and managed by the city council.

PCC, Portsmouth CCG and representatives from Hampshire Care and Domiciliary Care Association have been working during 2019 together to understand the current challenges in care provision. One of the important elements of this work has been to look at the cost of care and whether there are opportunities for taking different, more sustainable approaches to meeting these costs. As part of this work, a survey was undertaken with providers in the autumn of 2019 to gather information about the costs of providing care. An analysis of the costs of PCC in-house provision was also carried out.

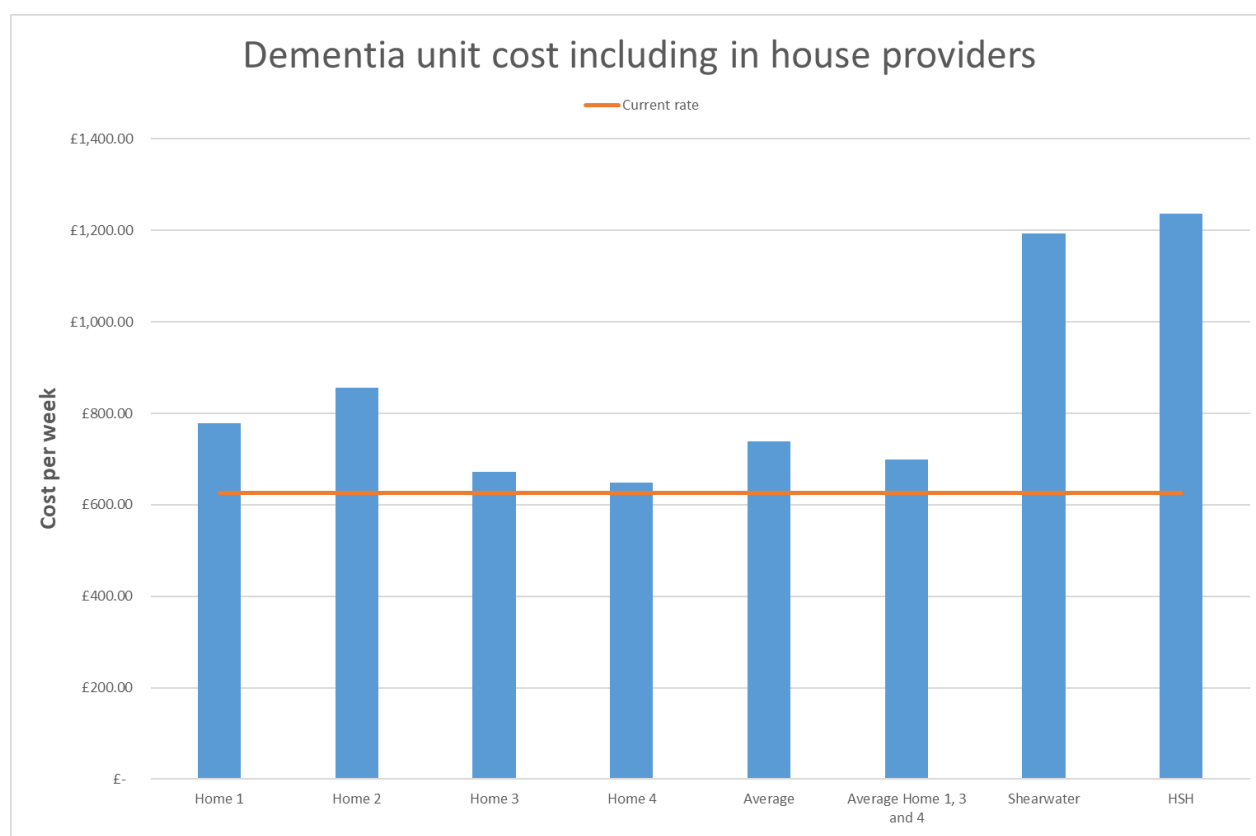
To give a broad view of the costs of care provided by PCC, data from the national 'Adult Social Care Finance Return' (ASC-FR) has been used as a bench mark for Local Authorities that own and operate care homes. Of the 152 authorities providing data, 62 provide in house residential care to over 65s. Of these 62 authorities 35 have unit costs in excess of PCC. Below is a breakdown of the unit costs per week for the provision of Residential care for individuals over 65 for the South East region. The 'blanks' in the tables reflect that some Local Authorities do not operate these services, but are left in to give a broad view of the Authorities geographically and comparatively.

Geographic	
Local Authority	£
Slough	4,165.22
East Sussex	2,090.05
Reading	1,891.79
Brighton and Hove	1,446.50
Southampton	1,360.27
Kent	1,277.33
West Berkshire	1,239.43
Surrey	1,213.77
Portsmouth	1,204.12
West Sussex	1,098.49
Windsor and Maidenhead	1,086.26
Hampshire	790.09
Oxfordshire	-
Buckinghamshire	-
Milton Keynes	-
Bracknell Forest	-
Wokingham	-
Isle of Wight	-
Medway	-

On the same basis please also note the unit costs as per the Chartered Institute of Public Finance & Accountancy, (CIPFA) economic comparator authorities.

CIPFA Comparator	
Local Authority	£
Derby	2,754.00
Bristol, City of	1,555.71
Brighton and Hove	1,446.50
Southampton	1,360.27
Coventry	1,236.66
Portsmouth	1,204.12
Nottingham	796.85
Bournemouth	-
Liverpool	-
Medway	-
Newcastle Upon Tyne	-
North Tyneside	-
Plymouth	-
Salford	-
Sheffield	-
Southend-on-Sea	-

PCC in-house provided care costs comparative to the independent providers' costs are then displayed below:



Taken together this data shows that in-house care costs for Portsmouth are lower than the majority of Local Authority comparators, though higher than the independent sector.

The principle reason for the disparity in costs between private and public sector provision in Portsmouth is PCC policy applying to a shift allowance. A shift allowance is paid as a percentage increment on basic salary to reflect the degree of disruption to life that a shift pattern causes (when compared to an employee on flexitime). An employee needs to be working regularly within a minimum 4 week period on a particular shift pattern in order to be entitled to the enhancement that a shift pattern attracts⁵. Care and associated staff in PCC owned and operated homes are in receipt of a shift allowance, whereas this is not common practice in care homes outside of the Council's ownership and operation.

Until 2019, Portsmouth City Council owned and operated 214 residential care beds for older people with dementia in Portsmouth across 3 sites; Hilsea Lodge; Edinburgh House and Shearwater. Edinburgh House and Hilsea Lodge have now closed. In addition, Harry Sotnick House's, (HSH) 92 bed capacity returns to PCC management in April 2020 (subject to PCC being registered as a provider with CQC to manage dual registered care homes). Portsmouth therefore now operates 152 residential and nursing beds⁶.

Shearwater occupancy runs at 58 of 60 residents, (97% occupancy). HSH has not been fully occupied due to 'embargo' under the previous management of Care UK. Hampshire County Council took over management of HSH in April 2018, have moved the CQC rating from 'inadequate' to 'good' and currently run in a range of 52 to 69 out of 92 beds occupancy, (56-75%).

This surplus not only reflects the under occupancy of Harry Sotnick House during previous management, but also pauses in admissions when Edinburgh and Hilsea residents were admitted to HSH, during closure processes, (ensuring safe admissions and maintenance of the good rating). This occupancy also takes into account the Choice of Accommodation⁷ directions that the Council is obliged to consider under the Care Act, (2014). The occupancy for HSH also reflects the layout of the home into different units over two floors, with associated increases in cost of having all units open.

Based on providing between 91 and 107 beds in PCC in-house care from 2011 to present day, (not accounting for fluctuations in the market) this is a current over provision of circa 42 beds in in-house provision.

Given the disparity in costs between the independent and public sector provided residential care and the costs of staffing capacity that is currently under occupied, the service is considering options for parts of the current HSH facility. These options need to take account of the needs of Portsmouth residents, pressures in the Health & Care Portsmouth system and value for money in in-house provision.

7. Potential demand and options to ensure the maximum value for money from PCC provided care

7.1 The modelling above suggests the number of beds that PCC needs to plan for by 2025 in independent sector is between 151 and 238 for residential care, (currently 223 beds). For nursing care, planning should be between 159 and 174, (currently 163) for nursing care. Based on current figures there will also be 107 beds in PCC managed provision.

⁵ Source - Portsmouth City Council Local pay and conditions document. HR024 v 12. June 2019.

⁶ This figure excludes the Victory Unit and Russets.

⁷ http://www.legislation.gov.uk/ukxi/2014/2670/pdfs/ukxi_20142670_en.pdf

7.2 To mitigate potential increases in care home beds and to maintain or increase a reduction, the construction of extra care for people with dementia will provide a new pathway for people with dementia away from residential care.

Increasing use of domiciliary care will offer greater options for maintaining independence and people remaining in their own environment.

7.3 Given the disparity in costs between the independent and public sector provided residential care, the service has considered options for use of part of Harry Sotnick House:

- a. Use of respite for people with care and support needs.
- b. Location of 'discharge to assess' beds - given the pressures that exist in discharging people considered 'medically fit for discharge' (MFFD) from Queen Alexandra Hospital, (QA) there is an option to use some bedded space for a short stay after hospital discharge for people to receive reablement support to help them return home, if they cannot be discharged directly home from QA. This enables people to make a longer term decision outside an acute hospital and potentially avoid a long term placement.
- c. Use of care home capacity to work with people with behaviour that challenges services. Some Portsmouth residents are placed outside the city, due to a gap in provision. These placements are usually significantly more costly than the price PCC would expect to pay. Using part of HSH offers an option to work with older person's mental health services, to maintain placement within the city.

The timeline for a decision about additional uses for HSH is expected to be after PCC take back direct management of the home in April 2020.

8. Integrated Impact Assessment

An integrated impact assessment is not required as the recommendations do not have a positive or negative impact on communities and safety, regeneration and culture, environment and public space or equality and diversity.

9. Finance Comments

There are no financial implications arising from the recommendations in this report.

10. Legal Comments

ASC should consider referring the transfer of HSH to Legal to consider any employment law issues. Otherwise this report raises no significant current legal issues.

Signed by (Director)

Appendices:

Background list of documents: Section 100D of the Local Government Act 1972

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

Title of document	Location