

REPORT FOR DECISION

DECISION OF:	CABINET
DATE:	8 JULY 2015
SUBJECT:	MODERNISATION INTERMEDIATE CARE SERVICES – REQUEST FOR APPROVAL TO USE CAPITAL TO REFURBISH KILLELEA HOUSE
REPORT FROM:	COUNCILLOR ANDREA SIMPSON CABINET MEMBER FOR HEALTH AND WELLBEING
CONTACT OFFICER:	Patricia Jones-Greenhalgh, Executive Director of Communities & well Being
TYPE OF DECISION:	CABINET KEY DECISION
FREEDOM OF INFORMATION/STATUS:	For publication
SUMMARY:	<p>Killelea House is Bury’s Intermediate Care facility which provides rehabilitation for Adults who are either discharged from hospital and need intensive rehab or people who are at risk of being admitted to hospital. This report outlines a proposal and business case to refurbish Killelea House. The current layout and condition is dated not conducive to promoting people’s wellbeing and independence. This proposal is made in response to the need to continue to develop services for the future which maximise independence and help people to stay at home for as long as possible, supporting people who care for them to continue in their caring role by providing valuable respite opportunities.</p> <p>The proposal is made on the basis of invest to save and has been structured to maximise the existing available assets in a more efficient way, whilst also addressing the increasing demand for social care services which help people to remain independent and promote self care.</p>
OPTIONS & RECOMMENDED OPTION	1. Refurbishment of the existing Killelea site

	<p>2. Do nothing- the current layout is not conducive to promoting people's health and well being, and is hampering service outcomes.</p> <p>3. Rebuild in a town centre location</p>
IMPLICATIONS:	
Corporate Aims/Policy Framework:	Do the proposals accord with the Policy Framework? Yes
Statement by the S151 Officer: Financial Implications and Risk Considerations:	<p>This proposal represents a significant improvement to provision of reablement services in the Borough.</p> <p>Capital costs will be met from a combination of existing Community Well Being Capital budgets, HRA monies and Capital receipt from Warthfield.</p>
Health and Safety Implications	<p>There will need to be a robust plan to manage the existing service whilst the refurbishment takes place.</p> <p>In addition the proposed refurbishments will increase the opportunities for people to regain their independence in an environment which provide opportunity to move freely around the building and reduces the risk of falls.</p>
Statement by Executive Director of Resources (including Health and Safety Implications)	<p>The proposals represent a significant improvement to provision of reablement services in the Borough, and help the Council mitigate future cost pressures.</p> <p>Capital costs will be wholly met from a combination of existing social care grant funding, capital receipts, housing capital monies and contribution from revenue reserves.</p> <p>Revenue costs (premises related) are anticipated to be lower than the existing building which is in need of modernisation, and not energy efficient.</p> <p>The proposal also offers income generation potential.</p>
Equality/Diversity implications:	Yes No (see paragraph below)
Considered by Monitoring Officer:	Yes

Wards Affected:	Killelea is currently situated in Elton ward,
Scrutiny Interest:	

TRACKING/PROCESS

DIRECTOR: EXECUTIVE DIRECTOR OF COMMUNITIES AND WELL BEING

Chief Executive/ Strategic Leadership Team	Cabinet Member/Chair	Ward Members	Partners
Scrutiny Committee	Cabinet/Committee	Council	

1.0 BACKGROUND

1.1 In July 2009 Executive approved a report for the modernisation of Older People’s Residential Services. The report considered the current in-house provision within the context of the wider care market in Bury and acknowledged the over provision of general older people’s residential care and the need to reduce vacant beds. It also recognised the need for specialist support to provide choice and control. A number of recommendations were agreed by Executive including:

Retain the existing sites at Killelea and Elmhurst as intermediate care centres capable also of offering emergency and respite care;

1.2 Subsequent to this the development of Intermediate care in partnership with Bury CCG, saw the transfer of Intermediate Care Services to one centre (Killelea) in 2010, rather than being split across Killelea and Elmhurst. Through demographic changes we have seen a rise for demand of Intermediate care services since 2013.

1.3 The total number of referrals to Killelea in has risen over the last two years. In 2013/14 referrals totalled 261; in 2014/15 referrals increased to 337. Current figures show occupancy levels are at a constant level of 79%. Alongside this the dependency levels of customers requiring Intermediate care services at Killelea has changed. People are more dependent upon admission than they were three years ago, there are more people living with two or more long term conditions which requires more intense reablement and multi-disciplinary approaches to allow people the opportunity of regaining independence.

1.4 There is a drive for integrated services, through GM devolution. Intermediate care is a key component of the health and social care strand and this is reflected in our local approach to the better care fund. Effective intermediate care deflects people away from hospital and enables the length of stay of people that are admitted to be reduced, minimising delayed transfers of care. In other words, it is shifting the balance of resources from the acute settings into more community based settings, ready to return people to their own homes.

- 1.5 To ensure that the Council is able to meet the challenges that both devolution and the Better care Fund brings it is essential that we have an environment that is fit for purpose and will adapt as the demographic changes over the coming years.
- 1.6 Consideration has been given to the option of building a new Intermediate Care facility in the town centre, (option 3) however estimated costs have precluded this.

DEMAND FOR INTERMEDIATE CARE

Bury has an ageing population, in line with the national picture. By 2025, there will be 8,000 (25%) more people aged 65 and over than in 2013. They will also live longer, and by 2025 there will be 46% more over 80's than current levels. This will have an impact on service demand as the morbidity burden increases. Current projections suggest that by 2025:

- *5000 more people will have long term limiting conditions (+35%)*
- *10,000 people are likely to have some form of continence problem*
- *8500 will have some problem getting around (+40% on current levels)*
- *Some 10,000 older people will be classed as obese with almost 5000 people suffering from diabetes.*
- *There will be 1000 – 1500 more people with dementia*
- *Other limiting conditions such as visual and hearing impairment are also expected to rise by between 35% and 45%.*

1.1 It is a key priority for the Council is to develop services which not only provide care and support for this increasing group of vulnerable people, but which maintain people's independence and ability to live in their own home for as long as possible. This is achieved through services which focus on prevention, early intervention and reablement. Often a package of different services is required to enable someone to be supported at home, avoiding admission to permanent residential care. Commissioning the right level of Intermediate care, reablement services and equipment is critical to successfully supporting people in their own homes

1.2 To understand how the projected population increase in customers aged 80 and over may have an effect on bed availability at Killelea House, analysis of current trends has been carried out. There are currently 36 intermediate care beds at Killelea House, which equates to 13,140 available bed days¹. The occupancy over the last three years has averaged at around 69%; however, customers aged 80 and over have accounted for three quarters of the occupancy in this period. This means that any change to the population in this age group is likely have a large impact on bed availability at Killelea house.

From the latest ONS² population estimates and projections, the overall population in Bury will increase by 12,400 (7%) by 2025. The under 80 population will increase by 5% and the 80 and over population will increase by 46% (approx 3,600 people). The effect that this would have on occupancy levels and bed availability can be seen in

1.3 Table 1 :

¹ Assuming all beds are available for 365 days a year

² <http://www.ons.gov.uk/ons/publications/re-reference-tables.html?edition=tcn%3A77-335242>; <http://www.ons.gov.uk/ons/rel/pop-estimate/population-estimates-for-uk--england-and-wales--scotland-and-northern-ireland/2013/index.html>

Table 1: Effect of population increase on bed days

	Utilisation (bed days per annum) averaged over last 3 years	% increase in population	Estimated usage in 2025 (bed days per annum)
<80	2,242	5%	2,354
80+	6,798	46%	9,925
Total	9,040		12,279

From

Table 1 it can be seen that the number of bed days required will rise simply to meet demographic pressures. Current projections equate to an occupancy rate of **93%** (12,279 [projected bed days] /13,140 [available bed days]).

Current bed numbers at Killelea House can accommodate the projected rise in customer aged 80 and over. However, there are other factors that need to be considered:

- Population projections are based on current birth, death and migration rates.
- Some customers require two support workers for all or part of their stay, which has an effect on available capacity and staffing ratios.
- Facilities within the building need to be suitable to meet the additional numbers (and needs of older people who are more likely to have co-morbidity and/or complex conditions).
- Any changes need to be consistent with other changes in the sector such as investment in health and prevention services, re-ablement and advances in assistive technology.

2.0 THE PROPOSAL

In order to meet the requirements of a modern Inter-mediate Care service and accommodate the predicted growth in older people, it is proposed to:

- Refurbish the existing site at Killelea
- Integrate the reablement service with IMC care under one business manager

The new facilities will provide up to date reablement approaches focusing on independence and control enabling people to return to their own environment and reduce the likelihood of hospital re- admissions. The refurbished facility will also align to any of the findings coming out of the Better Care Fund review and as such the physical improvements will also go alongside service improvements, e.g. availability of equipment, which has been cited as a delay. Also the equipment can be integrated into a person stay so they are familiar with it when they return home.

From this.....



2.1

ASP
Killelea

Current facilities Killelea

- Dated and in need of modernisation
- Communal areas are dated and limited in the facilities available. Customers are dependent on staff to initiate many activities. Most activities are sedentary
- Limited equipment and assistive technology means customers are dependent on staff monitoring and intervention which can create dependency and also be intrusive
- Assessing a customer's ability is affected by the facilities in the unit i.e. it is difficult to accurately assess ability to manage overnight without staff making regular observations which may in turn affect normal behaviours. Likewise, assessing mobility, bathing etc is in the context of a care home environment and does not necessarily provide an accurate assessment.
- Prior to Killelea being designated as an Intermediate Care service it was an elderly person home. The current layout of the building is not conducive to supporting people to regain their independence, e.g. long corridors and hotel model catering arrangements.
- Facilities do not promote active independence e.g. limited availability to rehab kitchen facilities, currently traditional communal dining room where meals are served to people.
- Lack of community involvement for people to develop confidence building and reducing social isolation.

To this.....



3.3 The work to be undertaken will see a complete refurbishment of the building; the creation of 4 reablement flats where people will receive reablement support to allow an intensive assessment of needs prior to discharge; updated equipment and assistive technology to improve rehabilitation/reablement times; gym equipment to promote active living; and the creation of a bistro to facilitate social interaction, employment opportunities and income generation.

3.4 The **benefits** of this model include and the co-location of reablement service will be :

- Building design focused on rehabilitation in all areas to reduce dependency on staff – improve independence and increase people’s opportunities to return home Therapy hub at the heart of the building

- Extend reablement to incorporate maximising independence with meal preparation and managing tasks in the kitchen
- Reduce likelihood of hospital re-admission through seamless discharge processes.
- Increased ability to manage beds effectively maximising occupancy
- Increased longevity of furniture, reducing damage and repair costs
- Increased availability of accessible social activities will promote social interaction, and improve health and well being
- Improved customer service
- Reduce the length of stay for people within Intermediate care through seamless discharge processes.

3.0 RESOURCE IMPLICATIONS

3.1 The estimated cost is £2,108,700 (including fees) which would be spread over 2 years. These estimates are based on draft specifications and drawings.

3.2 The full cost of development work can be funded via Communities and Well being capital programme, Housing capital monies and the ring fenced capital grant from the sale of Warthfield of £1.25 million

3.3 The table below sets out the financial resource implications.

	£					
Capital Cost:	2015/16	2016/17	2017/18	2018/19	2019/20	Total
Land	0	0	0	0	0	0
Buildings	200,000	1,517,000	200,000	0	0	1,917,000
Fees	20,000	151,700	20,000	0	0	191,700
Total Capital Cost	220,000	1,668,700	220,000	0	0	2,108,700
Funded By:	2014/15	2015/16	2016/17	2017/18	2018/19	Total
2015/16 Social Care Capital Funding Grant	182,520	115,189	0	0	0	297,709
2016/17 Social Care Capital Funding Grant (tbc)	0	428,054	0	0	0	428,054
2017/18 Social Care Capital Funding Grant (tbc)	0	0	220,000	0	0	220,000
Warthfield Capital Receipt	0	1,077,000	0	0	0	1,125,457
Other (Housing capital)	37,480		0	0	0	37,480
Contribution from revenue		48,457				
Total Funding	220,000	1,668,700	220,000	0	0	2,108,700
Net Cost	0	0	0	0	0	0

3.4 There will also be indirect financial benefits and non cashable efficiencies generated by this project:

- Reduction in length of stay at intermediate care. The average length of stay is currently 32.5 days compared the National Audit of Intermediate Care (NAIC) average time of 28 days. The improvements will bring the length of stay closer to the national average.
- Reduction in assessment times and duplicated effort
- Ability to deflect more people away from residential care. Bury has 9% (28 people) of people discharged into residential care compared to 7%

national average. We know that if we delay someone going into permanent residential care by twelve months the net saving to the Council is £7,886 per person. By redesigning Killelea to reable people quicker, fewer people will be at risk of admission to residential care. Bringing Bury's figures in line with the average will save £47,316 per annum (6 people x £7,886)

- 3.4.1 The first of its kind across Greater Manchester to take such a joined up approach, the refurbished facility will also:
- Improve delays in discharges from hospital for medically fit patients. Bury performs well for delayed transfers of care, and has led the North West over the last two years. However there is now additional monitoring required for patients who are medically fit but delayed pending a therapy assessment, social work assessment etc.. The new environment will allow some of those patients to be assessed at Killelea as opposed to a hospital ward enabling a more timely and natural assessment process over a period of days without the constraints of hospital pressures.
 - Increase the numbers of people discharged home on a permanent basis. Although Bury performs well overall with 78% (242 people) of people discharged home (compared to 64% nationally), 12% (37) of people go back into hospital. The improved environment will aid the recovery and rehabilitation process and reduce other risks such as falls.

4.0 CONSULTATION AND INVOLVEMENT

- 4.1 Whilst Killelea House does not have any permanent residents to consult with, it is good practice to involve stakeholders (customers, carers, staff, visitors, etc) in the design and operation of new facilities.
- 4.2 Pennine Acute are supportive of any changes that will support discharges for medically fit patients and prevent hospital admissions and Pennine Care has also indicated support for refurbishment. Subject to approval, further more detailed consultation on the design of facilities will be undertaken with partners.
- 4.3 Staff (including Pennine Care staff who also work within the unit) will be involved in the redesign of the services, sequencing of moves to allow building works and any relocation of functions/services.

5.0 IMPLEMENTATION

- 5.1 Implementation of this project would follow the Authority's project management methodology and a detailed Project Initiation Document (PID)
- 5.2 A project team comprised of senior managers, officers and technicians would take forward implementation of this project in accordance with strict timescale requirements and resource allocation.
- 5.3 It is planned to maintain the operation of Intermediate care from the existing Killelea site during the period of the building work which is envisaged to be eighteen months.

6.0 EQUALITY AND DIVERSITY

- 6.1 An Equality Analysis has been undertaken and indicates positive impacts for people with a disability and older people who are the primary users of this service..
- 6.2 If agreed to proceed, further work will continue to involve and consult stakeholders in the design and specification of the facility and practical

implementation of the proposal. This will ensure that it incorporates the views and opinions of a range of people who may benefit from what the service has to offer and balances the needs of all stakeholders.

7.0 RISK MANAGEMENT

- 7.1 The main risk to the project is that insufficient funding will be available to carry out all the work required. To mitigate this risk, specialists and architects will be involved in the design of the facility to finalise the specification costs and contain costs within budget. Figures provided allow some contingency for unforeseen items of expenditure.
- 7.2 The project will be carefully managed via a dedicated project team comprised of technical specialists and stakeholders. This will include robust monitoring and management of both budget and timescales. Highlight and exception reports will be provided to Communities and Well being Senior Management Team.
- 7.3 Not refurbishing the intermediate care service carries significant counter risks. As intermediate care is seen to be one of the priorities for delivering the targets within the Better Care Fund, Bury CCG currently commission beds from Killelea to promote reablement and ease the pressure on hospitals. Ongoing support is dependent on Killilea meeting the challenges ahead and improving its performance within the reshaped health and social care system.

8.0 RECOMMENDATIONS

- 8.1 It is recommended that approval be given to proceed with refurbishment of Killelea, and co-location of the equipment store and Care link service
- 8.2 Consultation and involvement of stakeholders be undertake to finalise design and specifications
- 8.3 Agreement be given to expenditure as outlined up to £2,108,700 (including fees), the method of funding to be determined by the Executive Director of Resources and Regulation
- 8.4 A project team be established to take forward the work on this project

List of Background Papers:-

Equality Analysis:

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