

16 January 2019		ITEM: 15
Decision: 110500		
Cabinet		
Developing a New Residential Care Facility in South Ockendon, and a New Model of Primary Care for Thurrock		
Wards and communities affected: All	Key Decision: Key	
Report of: Councillor Susan Little, Portfolio Holder for Children and Adult Social Care, and Councillor James Halden, Portfolio Holder for Education and Health		
Accountable Assistant Director: Les Billingham, Assistant Director, Adult Social Care and Community Development		
Accountable Director: Roger Harris, Corporate Director of Adults, Housing and Health		
This report is Public		

Executive Summary

The Council has ambitious plans for development and improvement in the Borough, including ensuring the growing numbers of older people have genuine accommodation choices that meet their aspirations for later life, and high quality integrated care when they need it. In this context the challenges presented by rising demand, and the numbers of people with complex, chronic or multiple conditions, as well as the sustainability of the private market for care, can only be met by the transformation of our housing, health and care system.

This transformation will require investment in well-designed new homes that are care ready, in equipment and adaptations to existing homes so that they better meet health and care needs, and in new facilities for those who need social care and nursing care in a specialised setting. To complement the Council's HAPPI housing for older people at South Ockendon and Tilbury, and its well-regarded care home in Corringham, this is a proposal to develop a new facility, fit for the 21st century, to provide high quality housing with on-site social care and nursing care, as a means of meeting growing need through a desirable and effective alternative to additional care home provision.

Work has been undertaken since the last report to Cabinet in December 2017 to progress the development of the Whiteacre / Dilkes Wood sites, including a vision for the scheme, surveys, site investigations and specifications. Strong interest in progressing the design has been established, and preparations are now being made to take the development forward, including tendering for the works, subject to addressing the principles for the business case as set out in this report.

1. Recommendation(s)

- 1.1 To approve the delegated authority for the Corporate Director Adults, Housing and Health, and the Director of Finance and IT or the Corporate Director of Place, in consultation with the Portfolio Holder for Children and Adult Social Care and the Portfolio Holder for Education and Health, to tender for, and award the building contract for, the development of housing and associated facilities for older people requiring residential and nursing care, subject to tender returns being in line with an agreed business plan based on the principles within this report.**
- 1.2 To expand the negotiations being undertaken with NHS Thurrock Clinical Commissioning Group (CCG) and other NHS partners concerning the viability and business plan for a phase 2 Integrated Medical Centre to replace the adjacent South Ockendon Health Centre.**
- 1.3 To instruct officers to work with Basildon and Thurrock University Hospitals NHS Foundation Trust (BTUH) and other NHS partners to outline the options for a possible future upgrade to Collins House.**

2. Introduction and Strategic Context

- 2.1 Thurrock has an ambitious plan for improvement and growth, which includes greatly enhancing the offer we make to our older residents. This means ensuring they have genuine accommodation choices that meet their aspirations for later life, and high quality integrated care when they need it. The Council wants to support people for as long as possible within their own homes. However, for some, there remains a need for residential and nursing care, and this should be provided to the highest standard, enabling people to remain independent and in control.
- 2.2 The Care Quality Commission in their recent report¹ highlighted that “Demand is rising inexorably not only from an ageing population but from the increasing number of people living with complex, chronic or multiple conditions, such as diabetes, cancer, heart disease and dementia. The total number of years people can expect to live in poorer health is steadily growing.”
- 2.3 The pressure this is placing on social care services and budgets has been documented for some time, and has been the subject of previous reports to Cabinet. As a Council we are considering how our whole range of functions, and the strengths and assets within our communities, can enable our older residents to enjoy a good life in old age.
- 2.4 What is needed is new thinking about ageing well in our communities, recognising that the so called baby boomers who have built their homes and lives in Thurrock, will want to look forward to their years in the 21st century, no less in command of their futures.

¹ [The state of health care and adult social care in England 2017/18](#) published on 10 October 2018

- 2.5 To meet this challenge, Adult Social Care must be transformed so that a new integrated housing, health and care system is created, which is person centred and which ensures future sustainability by using all available resources to greatest effect. Factors driving the need for transformation include not just an ageing population – with people living longer, often with a greater number of years in poor health - but also:
- The increasing complexity of providing for multiple medical conditions;
 - Insufficient capacity for the provision of care across the system;
 - A residential care market unable to sustain the current levels of care under the current funding model, with an ageing care home estate, and declining investment in new facilities;
 - A health care system primarily designed to treat ill health rather than prevent, reduce and delay the need for care; and
 - Difficulty recruiting and social retaining care staff – carers in particular.
- 2.6 It is now widely acknowledged that there are many gains from a programme of new housing specifically designed for older adults: manageable, accessible, warm homes with low running costs and a lower risk of falls and accidents, will enable individuals to maintain their independence, see income go further, and avoid unnecessary admissions to hospital and care homes. For many older people, purpose-built accommodation also brings a social life that protects against isolation and loneliness. And, for some, it also means releasing capital to make life easier in retirement.
- 2.7 Of course many baby boomers will be safe, healthy and happy growing old in their existing home, adapted if necessary to their health and care needs. This choice should be respected. However there are also a significant number who would be safer, healthier and happier moving home, and growing old in a different property more suited to their needs. They should be supported to do that. Whatever they choice, Thurrock recognises that our older citizens will increasingly want to:
- stay in control;
 - prepare in good time to step up to the next stage in their lives;
 - have a choice of homes that support their health and well-being.
- 2.8 As part of its ambitious transformation programme the Council has invested in aspirational housing developments, specifically designed for older people, in South Ockendon, and in Tilbury. It will continue to do so, while also using its Local Plan to encourage private developers to do the same.
- 2.9 The transformation programme, which has already seen significant investment by the Council in housing designed in line with the recommendations of the HAPPI Report², in Local Area Co-ordination, in making Careline and Technology Enabled Care available free of charge, and in a range of other initiatives, will also need to offer well designed

²https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/378171/happi_final_report_-_031209.pdf

accommodation for older people who need care, including nursing care, in a specialised setting. As noted in the report to Cabinet on 13 December 2017, the Council has one purpose built residential home, Collins House, in Springhouse Road, Corringham, Stanford-le-Hope SS17 7LE. It is designed to the standards for residential care current in the 1970s and 1980s and is registered to provide personal care and accommodation in single rooms for a maximum of 45 older people, some of whom may be living with dementia related needs. Collins House is well regarded by residents and their families, and the Care Quality Commission gave the home an overall rating of Good in its latest inspection report dated 5 April 2016. However, it does have some limitations: the bedrooms are small, and none have ensuite bathrooms. Moreover, the building places limitations on the care that can be provided: it is not possible to place in Collins House some older adults who cannot weight-bear because the size of some of the rooms prohibits the use of hoists to allow such residents to transfer from bed to chair or bath or WC.

- 2.10 This report provides further details on the investment proposal for a new facility in South Ockendon providing social care and nursing care in a specialised setting of 45 self-contained dwellings, and 30 ensuite bedrooms, with associated care facilities (lounges, restaurant, treatment rooms, laundry etc). As noted in the report to Cabinet in December 2017, Collins House will remain an important resource for Thurrock and it will be retained as a care home for use by older adults. The new facility proposed for the west of the Borough will provide the opportunity to understand more fully how the facilities and services at Collins House could be improved, building on its existing strengths.
- 2.11 When the development of the new facility in South Ockendon is underway, a report will be presented to Elected Members with a review of how Collins House will continue to provide a valued service in the east of the Borough. This will include consideration of the potential contribution it could make, alongside BTUH and other NHS partners, in supporting strategies for reablement, reducing delayed transfers of care, and other initiatives to provide care closer to home. This will widen the social and nursing care offer locally, so that we can more readily offer both permanent accommodation in a specialised setting for older people who have an on-going need for social care and nursing care, and step up/step down care, including:
- a) Intermediate care in a residential setting for people who cannot live in their home at present but have no long term need for residential care;
 - b) Short stays for those requiring re-ablement services in a residential setting;
 - c) Short stays to allow assessments (including Continuing Healthcare – CHC assessments) to be undertaken outside an acute setting when they cannot be undertaken in the patient/service user's home.

3. Issues, Options and Analysis of Options

- 3.1 The Care Quality Commission in their report referred to above goes on to note that in the face of growing need “The capacity of adult social care provision continues to be very constrained: the number of care home beds dropped

very slightly in the year, but what was noticeable were the wide differences across the country. Across a two-year period, from April 2016 to 2018, changes in nursing home bed numbers ranged from a 44% rise in one local authority to a 58% reduction in another.

- 3.2 In November 2018 the Competition and Market’s Authority³ reported on its undertaking the most complete study of profitability in the sector in recent years. Amongst its findings was that “many care homes, particularly those that are most reliant on LA-funded residents, are not currently in a sustainable position”. Moreover “they are not able to cover any additional investment costs. This means that while they might be able to stay in business in the near term, they will not be able to maintain and modernise facilities”. The CMA also found that “the sector is not able to attract the investment required to meet the future increase in demand to serve LA-funded residents.”
- 3.3 Locally, the Public Health team has made an assessment of the need for residential care in the Borough, which has informed the preparation of this report (see Appendix 1). The assessment uses Department of Health planning tools to estimate the number of people over 65 years in Thurrock who cannot undertake even one mobility activity alone, and who may therefore require adult social care. Whilst the total number in 2017 was 4,201, this is projected to increase to 6,801 by 2035, which is an increase of 61.89%. The largest increase is seen in the 85+ year age group, which sees an increase of 95.38% between 2017 and 2035. In relation to dementia the assessment shows the estimated number of people aged 65+ with the condition could increase from 1,503 in 2015 to 2,401 in 2030 – an increase of 59.7%. with the largest proportional increases are seen in the 80-84 year olds (82.9%) and 90+ year (88.6%) age groups. Residents in their 80s are already the largest users of residential care, so without effective intervention to mitigate this trend of decreased mobility, the need for additional residential care homes is likely to increase substantially.
- 3.4 Another projection of demand growth taken from the Public Health team’s assessment shows a need for a further 410 beds in residential care in Thurrock by 2035:

Care Places Needed in Thurrock	2017	2035	Additional Number Needed	% increase
Medium need	107	208	101	94.81%
High need	344	652	309	89.81%
TOTAL	451	860	410	90.99%

- 3.5 There is already increasing demand for residential care in Thurrock which is difficult to meet with the current range of beds available locally. This is evidenced by a snapshot of available care home beds in homes in the

³ Competition and Markets Authority, Care homes market study, published 30 November 2017

Borough for the week of 17 October 2018 (the latest available) which shows that across the whole Borough only 1 nursing care home bed, 2 dementia care homes beds, and no other residential care beds were available.

- 3.6 In response to the increased local demand for places in care homes, the report approved by Cabinet in December 2017 proposed that the Whiteacre / Dilkes Wood sites in South Ockendon should be developed to provide a range of homes for older people needing care: from small, easy to maintain flats designed for frail elderly people, to retirement living for those who wish to downsize to a care ready environment, including potentially a mix of one and two bedroom dwellings for rent. This was seen as an opportunity both to address the growing demand for care, and to invest in innovation in care, and so to set new higher standards for housing with on-site care in the Borough.
- 3.7 Since the last report work has been undertaken to clarify a range of issues necessary to progress the development. A progress update on this work is outlined below.

Design, and realising development potential.

- 3.8 Following Cabinet approval of the proposal for a strategy for the development of a 21st Century residential care facility on the Whiteacre / Dilkes Wood site in December 2017, Pollard Thomas Edwards, architects were commissioned to develop a vision for the proposed scheme including addressing how the development may be phased to deliver the new residential offer for older people and also, potentially, the redevelopment of the health centre should that be agreed with NHS partners.
- 3.9 The report from Pollard Thomas Edwards (see Appendix 2) showed a number of case study examples in which progressive developers have been exploring new ways of better integrating residential and nursing care with the local community. These approaches are consistent with Thurrock's vision for transformation, with new models of care to ensure people who need residential and/or nursing care can be supported to remain recognisably part of their community, rather than being cared for in an institution. It also reflects our collaboration with NHS partners including Thurrock CCG , BTUH, North East London NHS Foundation Trust and Essex Partnership University NHS Foundation Trust, to develop integrated care pathways for older people, to avoid unnecessary acute admissions and delayed transfers of care, by making more care available closer to home. Following the agreement by all parties of the Memorandum of Understanding, work is now being undertaken to explore producing a formal Alliance Agreement which will set out in much greater detail how the Council jointly with its NHS partners will plan, commission and provide services to the people of Thurrock.
- 3.10 The Pollard Thomas Edwards report concluded that the Whiteacre / Dilkes Wood site offers an opportunity to provide exemplary residential accommodation for people with varying levels of need, while creating a new community-led focus to the town centre. The scheme also unlocks the

potential for the phased development of a new community health facility to replace existing provision in the South Ockendon Health Centre.

- 3.11 Since the last report, initial surveys and site investigations have also been undertaken, and a scheme specification prepared. This preparatory work culminated in the publication of an Invitation to Tender for a Design Team (architects), Employers Agent and Cost Consultants. The ITT has elicited strong interest from the market with 24 bids being received for the Design Team tender.
- 3.12 The appointment of the Design Team will enable detailed plans to be drawn up for the scheme and allow early consultation with a range of stakeholders, including the local community, about both the vision for care and support for an ageing population, and the proposals for the site. The designs will also allow cost consultants to provide firm estimates of the construction and operating costs of the facilities.

Financing.

- 3.13 The feasibility study undertaken for the Council in February 2017 (previously presented to Cabinet with the December 2017 report) included an initial cost appraisal by consultants Calford Seaden for the complete redevelopment of the Whiteacre / Dilkes Wood site to provide 30 ensuite interim care bedrooms and 45 self-contained flats, with associated facilities. This estimate put the development costs at around £7m. However, in view of the time elapsed since that work was undertaken, and taking account of inflation in the construction industry, the actual costs are now expected to be higher.
- 3.14 It is proposed that the capital funding for the 75 residential units, and associated care facilities, will be funded as part of the agreed capital programme.
- 3.15 Revenue funding to cover the loan costs, as well as management and maintenance of the facility, will be available from rents and service charges for the 45 self-contained flats (housing costs and supported housing services funded by rents remain eligible for Housing Benefit). The care and support in the scheme will be provided by Well-Being Teams, and the service provided will be chargeable in line with the Council's policy for domiciliary care.
- 3.16 The revenue funding cost for providing the 30 interim beds is estimated to be circa £1,400 per week. This funding would form part of the business case for the scheme to be agreed with NHS partners as part of a new strategy for Intermediate Care. The interim beds could be offered to other authorities if the local demand profile for intermediate care changes, or if necessary, the service could be remodelled and operated as residential care beds (and so chargeable at the locally declared rate).

Site assembly and the potential for a joint venture with NHS partners.

- 3.17 The South Ockendon Health Centre on an adjacent site on Darenth Lane is currently occupied by a single handed GP Practice, a branch surgery of an Aveley Practice, and a range of other clinical services including Health Visitors and dentists. NHS partners have confirmed the building is no longer fit for purpose, and they see potential benefits in redeveloping the site to create a new health centre. This could bring together other surgeries from the local area, and be equipped with a fuller range of primary care and associated facilities, reflecting the new model of care being pioneered at the Integrated Medical Centres.
- 3.18 The Pollard Thomas Edwards report cited above notes the existing South Ockendon Centre / community hub has proved popular with residents since its opening in 2013. It has a wide range of services and activities, and creates a strong community focus. However, their report argues the community hub could be better connected to the town centre if it was located on the Whiteacre / Dilkes Wood site.
- 3.19 The option of a further Integrated Medical Centre is contingent on buy-in from, and a funding agreement with the NHS, community consultation, and may require a phased development. However, in this scenario, the new health facility could be progressed as a combined Community Hub/Integrated Medical Centre. Discussions regarding this option continue, remain positive and will hopefully be concluded in a timescale which fits with the Council's plans for the redevelopment of the Whiteacre / Dilkes Wood site. The location adjacent to the new residential facility, and alongside an existing children's nursery, provides better connectivity to the town centre for a range of services.
- 3.20 These proposals taken together: new aspirational homes with a new model of residential care; a new Integrated Medical Centre; and a new community hub; form an ambitious plan for the centre of South Ockendon. And it is a plan not just for older people who need personal assistance or nursing care at home but for all ages, bringing together young and old and with the potential to strengthen bonds across the generations.

Delivery.

- 3.21 Following the appointment of a Design Team and Cost Consultants, the ambition to realise a residential care facility fit for the 21st Century can be explored in detail, together with design options, cost options and funding. This will inform the business case for the scheme. It is proposed that construction is undertaken as soon as planning consent, and a financially and operationally viable business plan for the development, is agreed.

4. Reasons for Recommendation

- 4.1 Delivery of the new residential facility will enable the Council, with its NHS partners, to meet the housing, health and social care needs of an ageing population in accommodation that reflects the requirements of the 21st

Century. It is essential if we are to meet the growing demand for care for people who need residential and nursing care, and to deliver high quality health outcomes for Thurrock residents.

- 4.2 Further to the approval of this strategy in December 2017, approval is now sought to allow this project to progress to the development stage.
- 4.3. The tender for the capital works will be in excess of the £750,000 threshold that can be approved by Directors and therefore requires a Cabinet decision. This tender is expected to be issued later in the year.
- 4.4. Approval to delegate the award of the construction contract is requested to ensure that the development is progressed, and the new facilities (including potentially those for the proposed new medical centre) are delivered as soon as possible.

5. Consultation (including Overview and Scrutiny, if applicable)

- 5.1 This report was presented to Health and Well-Being Overview and Scrutiny Committee on 8 November 2018 and the Committee supported the proposals.
- 5.2 Consultation with residents, including service users groups, will be undertaken as soon as initial design options have been produced. Discussions with NHS partners about their requirements, and their potential contribution to the development, are on-going.

6. Impact on corporate policies, priorities, performance and community impact

- 6.1 The proposed development supports the 'People' element of the Council's corporate vision and priorities. In particular it will " build on our partnerships with statutory, community, voluntary and faith groups to work together to improve health and wellbeing".

7. Implications

7.1 Financial

Implications verified by: **Mike Jones**
Strategic Resources Accountant

The financial implications are set out within the report. The financial assessment of the project has been completed by Pollard Thomas Edwards and the financial cost appraisal by Calford Seaden. The underlying assumptions have been assessed as reasonable by the Adult Social Care and Regeneration teams.

The model underpinning the calculation has been subject to a high level review and supports the outcomes set out in the body of the report. There has been further sensitivity analysis conducted on the proposed scheme to demonstrate the scheme remains viable if a number of core factors move unfavourably. Further consideration needs to be given to how MRP may be applied to the scheme.

The Capital bid for the new care facility was agreed by Council as part of the 2018/19 Capital Programme, with a total budget of £7m.

7.2 Legal

Implications verified by: **Sarah Okafor**
Barrister (Consultant)

On behalf of the Director of Law, I have read the report in full. The construction contractor will be procured in accordance with a tender process carried out in a fair and transparent way pursuant to the requirements under the Public Contract Regulations 2015 and the Council's Contract Procedures Rules. There are no barriers within the existing constitution that prevents the recommendation for delegation of authority of powers to the nominated officers by the Cabinet. Accordingly, I confirm there appears to be no adverse external legal implications arising from the recommendations proposed.

Moving forward, the Council's internal Legal and Assets teams will provide support on ensuring that the required agreements with Health partners adequately protect the Council's position.

7.3 Diversity and Equality

Implications verified by: **Rebecca Price**
Community Development Officer

The proposed facility will address the health inequalities currently experienced in some areas of the Borough. It will also strengthen our communities through its focus on maintaining independence and intergenerational living. All arrangements for procuring, constructing and operating the residential, health and communities facilities will need to comply with equalities legislation.

7.4 Other implications (where significant) – i.e. Staff, Health, Sustainability, Crime and Disorder)

None identified at this stage

8. Background papers used in preparing the report (including their location on the Council's website or identification whether any are exempt or protected by copyright):

- Developing a new model of residential care for older people in Thurrock, fit for the 21st Century, a Report to Cabinet 13 December 2017 available at <https://democracy.thurrock.gov.uk/ieListDocuments.aspx?CId=129&MId=5209&Ver=4>

9. Appendices to the report

- Appendix 1 – Likely contributors towards future Adult Social Care Need
- Appendix 2 - Whiteacre / Dilkes Wood. South Ockendon Community Hub Vision, Pollard Thomas Edwards, March 2018

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