

Item No.	Classification: Open	Date: 13 September 2013	Meeting Name: Cabinet Member for Health, Adult Social Care and Equalities
Report title:		Award of Dementia Capital Grant	
Ward(s) or groups affected:		All	
From:		Strategic Director of Children's and Adults' Services	

RECOMMENDATIONS

1. That the Cabinet Member for Health, Adult Social Care and Equalities approve a grant award to HC1 of £854,616 to cover the cost of capital works at Tower Bridge Nursing Home, funded through a successful bid made by the council to the Department of Health.
2. That the Cabinet Member for Health, Adult Social Care and Equalities note the award of grant to the council includes a sum of £60,000 to pay for the cost of project management oversight and evaluation of the impact of the works for the residents.

BACKGROUND INFORMATION

3. On 25 October 2012 the secretary of state announced a £50million dementia-friendly environments investment programme to support the NHS and social care to create dementia-friendly environments. Half the programme was to be allocated to the NHS and the other half to Local Authorities working where applicable in partnership with social care providers.
4. This pilot programme, funded through grant from the Department of Health (DoH) aims to deliver physical improvements and provide the evidence to increase the knowledge-base in both NHS and social care settings on how the physical environment of buildings providing direct care and support to people living with dementia can be beneficial and improve outcomes. The programme seeks to establish areas of good practice that can be easily shared in future developments and settings and with other providers.
5. The scope of the programme included such initiatives such as;-
 - Refurbishment of wards, care home lounges, dining rooms, day areas, reception areas or other social areas. Refurbishment of bedrooms, including provision of specialist pressure-relieving mattresses or beds, or ceiling-mounted hoists
 - Refurbishment of bathrooms, including provision of specialist sanitary and bathing equipment
 - Creation or redesign of gardens and outdoor spaces to enable people with dementia, their families and carers to spend time outdoors

- Improvements to therapy spaces to aid rehabilitation
 - Improvements to environments which support independence – e.g. measures to reduce falls etc
 - Improvements to ambulatory care settings including outpatient, accident and emergency and day care and therapy facilities
 - Improvements to visitors' facilities, including facilities for carers, overnight suites, counselling rooms, and play areas for children
 - Creation of palliative and end of life care facilities.
6. The council agreed to bid in partnership with HC1 Ltd, to improve the physical environment of the Tower Bridge Nursing Home. This is a 122 bed care home operated by HC1 Ltd. It consists of four floors, with each floor containing two wings and was built in the 1980s of traditional construction. It is located in the north of the borough just off the Old Kent Road.
7. Overwhelmingly the residents are local people and living with some form of dementia. The council currently utilizes approximately 80% of the bed spaces and purchased via spot purchased arrangements. The cabinet approved through a Gateway 1 report in July 2013 a single supplier negotiation procurement strategy to establish a more formal contract with HC1 for Tower Bridge. This being part of the council's overall approach to improve quality in care homes in the borough. As part of these negotiations the council will be requiring an increase in service quality to match the capital investment that is being made and will make provision to withhold funding of elements of the grant should it not be used as is specified in the council's grant conditions to HC1.
8. The bidding to the DoH took the form of a two stage process with initial bids submitted by 16 January 2013. Bids were evaluated by the DoH and although heavily over subscribed the council was shortlisted from the first round and then invited to submit a more detailed bid. The final announcement that the council was successful was made by the Secretary of State on 25 July 2013.
9. Working closely with officers the bid was drawn up to include a range of capital works to Tower Bridge Care Home on all four floors and can be summarised as follows :
- Reception and entrance – making them more welcoming and to create a more friendly and homely atmosphere
 - Corridors and circulation areas – works to decorations , handrails and floors
 - Reconfigure day service provision to include, activity rooms, reminiscence rooms, cafe, multimedia rooms, sensory suite and faith room.
 - Refurbishment of shower rooms and WCs
 - Bedrooms to include improved flooring and new lighting
 - Doors to be decorated or replaced
 - Mechanical and electrical – better ventilation, circulation and cooling throughout
 - Installation of memory boxes and name plates
 - Sensory Garden.

10. Currently Tower Bridge has a wing that is not currently in commission that is the first area to be completed. The intention is then to temporarily decant each wing to this area whilst the works in the decanted wing are carried out. This means that disruption for residents will be minimised, as their usual staff team will move with them to this floor. Families and carers will continue to be consulted and engaged to ensure that disruption is kept to the absolute minimum.
11. The design and implementation will be based upon best practice guidance on dementia design from academic organisations such as the Kings Fund and Stirling University¹. The Kings Fund has worked closely with the DoH in developing this programme and was closely involved with the evaluation of the bids. The council has also incorporated its learning on good dementia design from its engagement with carers and families in the development of the Centre of Excellence.
12. There was focus in the DoH bidding criteria on the evaluation of any works carried out to improve and widen the evidence base that good design can make a considerable difference to lives of those people with dementia. Subsequently the council bid also included an element for the council to assist with programme management and evaluation of the impact of the works to the lives of residents. A sum of £60,000 has been awarded making a total of £914,616 for this project.
13. In addition, in order to increase and share the learning from the pilot projects that are funded, the DoH will itself undertake an overall programme evaluation which will include the information required to be provided by applicants as part of the project monitoring and evaluation process, including before and after photographs. This work is likely to result in the production of a number of detailed case studies of some of the work funded and as a result the council may be requested to participate in the preparation of these case studies.
14. The deadline for completion of works is March 2014 and the council has been working in partnership with HC1 to ensure delivery within the required DoH timeframe.
15. The council is committed to improving the quality of care for our local residents in nursing and residential care homes in the borough. Around 80% of the beds in the home are currently occupied by Southwark residents who have been placed by the council. There are also a small number of local self funders in the home. The aim of the proposed works is to significantly improve the quality of life and care provided to these Southwark residents at Tower Bridge (which is the largest home in Southwark). These projected improved outcomes are summarised in appendix 1.

KEY ISSUES FOR CONSIDERATION

16. The DoH grant programme is part of a range of actions to take forward and to deliver the Prime Minister's Challenge on Dementia, an ambitious programme of work designed to make a real difference to the lives of people with dementia. The Challenge, launched in March 2012, builds on the achievements of the National Dementia Strategy to secure greater improvements in dementia care and research so that people with dementia, their carers and families get the services and support they need.

¹ <http://www.kingsfund.org.uk/projects/enhancing-healing-environment/ehe-design-dementia> and Stirling University <http://dementia.stir.ac.uk/>

17. The National Dementia Strategy 'Living Well with Dementia' was published in February 2009 and is being implemented over a five-year period to 2014. It sets out 17 key objectives designed to make significant improvements in the quality of care for people with dementia and their carers, with specific objectives relating to the quality of care in general hospitals and in care homes.
18. The physical environment is equally important in care homes, where a significant proportion of residents have dementia. Those homes, seen as providing the best quality of care for people with dementia, generally pay close attention to, amongst other things, providing a physical environment that enables people with dementia to move around the home safely, reduces the potential for confusion and supports them to live well with the condition.
19. Since the National Dementia Strategy was published, the profile of and priority given to dementia has continued to grow, as illustrated by the Prime Minister's Challenge on Dementia, published in March 2012. The Challenge builds on the achievements of the National Dementia Strategy to secure greater improvements in dementia care and research so that people with dementia, their carers and families get the services and support they need. It focuses on three areas – driving improvements in health and care, creating dementia friendly communities that understand how to help and better research.
20. Improving the environment of care for people with dementia in care homes is a key element of the council's Care Home Quality Improvement strategy, due to be considered by the Cabinet Member for Health, Adult Social Care and Equalities in September 2013, as it is recognised to be an important aspect of improving the overall quality of life for those people most affected by dementia, as well as ensuring better outcomes and reducing costs.
21. The council is committed to ensuring that residents of care homes do not lose contact with their local community and support networks. In September 2013 the council will be approving a Care Home Quality Improvement Strategy which will place importance of Tower Bridge along with other care homes in the borough, to develop stronger bonds with local community groups, faith based organisations, businesses and volunteering resources to ensure that care home residents remain integrated with wider society. The works proposed to the communal and day areas of the home will help facilitate this, and should be considered alongside other initiatives of the council such as funding being made available in 2013-14 for a new initiative to be co-ordinated by Attend² to deliver self sustaining community befriending in reach activities and to build stronger links between the home and the local community. This initiative will certainly benefit from the improved physical space within Tower Bridge, afforded by works funded by the Dementia Capital Grant.
22. The council is also about to start formal contractual negotiations with HC1, that will focus primarily upon how the quality of care in the home will continue to improve in order to become a beacon of best practice. It will be difficult to achieve the level of excellent care the council wishes to see at the home with the current institutional layout of the home.

² www.attend.org.uk

Evaluation and Governance

23. Under the council's grant conditions to HC1, the provider will be fully responsible for carrying out the works, and ensure completion by March 2014. The council's role will be to assess that the works are completed by HC1 and to evaluate the impact of these works.
24. As part of the DoH grant, the council has also been awarded a sum of £60,000 to cover the costs of the project management and evaluation referred to above. It should be noted that given the level of funding for the evaluation it has been clearly, albeit indirectly, indicated that there is an expectation from the DoH that the evaluation element is well evidenced and robust.
25. This evaluation will be overseen by both officers from Children and Adults and Regeneration, to ensure both the technical and service delivery aspects of the work are addressed to the council's satisfaction. The progress and outcomes of the works will be reported to both senior managers and elected members through the reporting structures of the imminent Care Home Quality Improvement Strategy.
26. A number of measures will be assessed and taken to evaluate and quantify the impact of the changes made. These will include:
 - The Kings Fund Assessment Tool – this has been used to score the home as it is now and will be used again on completion of the works to help quantify the impact the changes have made.
 - Overall staff turnover – will improvements to the physical environment of the home assist with reductions in staff turnover.
 - Visitor satisfaction – a simple tablet based survey will be implemented prior to commencement of the project. This will enable measurement of the impact of the works on the experience of relatives, carers, visiting healthcare professionals and other stakeholders.
 - The collation of compliments and complaints to monitor trends.
 - The numbers of quality risk alerts and upheld safeguarding incidents.
 - The number of hospital admissions and ambulance call outs before and after the completion of the works.
 - Information from support plans and the recording of changes in behaviour
27. Base data is available for the three months prior to commencement of the works against which to benchmark the impact of the works.
28. HC1 have also already undertaken some preliminary works on one wing of the home that is part of the overall schedule of work. The initial feedback from these works has shown that a number of residents who have recently moved into the home are showing much improved patterns of sleeping, eating, become less agitated and now better engage with both with staff and other residents.

Risks to the council

29. The risks to the council have been fully assessed and are summarised below

Risk	Level of risk	Mitigation
The council will be financially liable	Low	<p>The Grant conditions set by the Department of Health are rigorously assessed to ensure that there is no risk for the council, before the formal decision is formally made to accept the grant.</p> <p>HC1 will be liable for the works and subject to non payment of the full grant until satisfactory completion of the works</p> <p>The level of project management funding has been assessed by officers within Children and Adults and Regeneration as being sufficient.</p>
Works will not be completed by 31.3.2014.	Low	Builders have been procured already by HC1, and will commence as soon as the council authorises the award. The works have been assessed to be completed by March 2014
Works will not be completed to a sufficiently high standard.	Low	The council will be ensuring the works are completed to a satisfactory standard. This will be enhanced by the quality assurance that has so far and will continue to be provided by The Kings Fund.
Other boroughs or NHS organisations may attempt to block book beds and therefore deny Southwark residents an opportunity to benefit from the works.	Low	<p>It is known from the preliminary discussions prior to formal negotiations that HC1's preference is to enter into a more formal agreement with the council, and see Tower Bridge as a key Southwark resource.</p> <p>It is not thought that neighbouring boroughs have a wish to block book at the home. Lambeth already block book a 80 bed nursing home elsewhere in Southwark, and Lewisham are not understood to be seeking further block booked bed.</p> <p>When people needing nursing care, their families wish for these placements to be in their home borough, near to the individuals' community and support</p>

		networks. Therefore it is not anticipated that there would be interest in other boroughs block booking beds.
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Policy implications

30. There are 10 key pledges in the Council Plan, and the one that relates closest to the recommendations set out in this report is:

“The council will create a fairer future for all in Southwark, by protecting the most vulnerable, by looking after every penny as if it was our own, by working with local people, communities and businesses to innovate, improve and transform public services, and standing up for everyone’s rights”

31. The Future Vision for Social Care approved by the cabinet in April 2011 also sets out the council’s commitment to provide the best possible nursing and residential care for the very frailest who are no longer able to live at home.
32. The numbers of people living with dementia are set to increase significantly over the coming years as a result of the increase in the life expectancy of our population. As people live longer with dementia, there are also higher rates of co-morbidity with other chronic health conditions. It is those with dementia and complex physical health needs who are often most likely to require good quality in borough nursing care.
33. The National Dementia Strategy as updated in 2011, and the local delivery plan drawn up in partnership with the NHS in Southwark, places a great deal of emphasis on adopting a holistic approach to the care of older adults with dementia to ensure a high quality of care and life experience. The council has also recently become a signatory of the Dementia Challenge Compact³, which sets out an organisation’s commitment to supporting the development of high quality local services as part of the council’s delivery of the National Dementia Strategy.
34. The council signed up to the Southwark and Lambeth Integrated Care Programme (SLIC) in May 2012, which is attempting to transform the landscape across the two boroughs in the support of very frail people who are at risk of admission to either acute hospitals or other institutional establishments. SLIC has identified the need to improve the dementia pathway, particularly for older residents in nursing homes. The award of this capital grant will support this strategic objective of SLIC and the council.
35. This capital funding will also contribute to the delivery of The Council’s Care Home Improvement Strategy that is due to be approved by the Cabinet Member for Health, Adult Social Care and Equalities in September 2013.

Community impact statement

36. Consideration has been made to assess whether there is likely to be any disproportional impact in relation to the following areas covered by the council’s Equality Duty: Race, Gender, Age, Disability, Faith and Religion, Sexuality,

³ <http://www.ecca.org.uk/article/prime-ministers-challenge-on-dementia-list-of-signatories/>

Gender Reassignment, Marriage and Civil Partnership and finally Childcare and Pregnancy.

37. This assessment concluded that it would be older people who were also disabled as a result of dementia or other forms of mental or physical ill health as being the primary group affected, and that this impact would be overwhelmingly positive. The council came to this conclusion by noting that the positive impact for elderly disabled summarised in Appendix 1 of this report.

Resource implications

Financial issues

38. The details of the grant being awarded to the council by the DoH is set out below

Bid element	Full costs (£)
HC1	854,616
Project Management costs (Local Authority)	60,000
Total funding awarded to the council	914,616

39. This project will be financially self contained and does not require any additional funding from the council. The costs of applying for the grant have been contained within existing commissioning resources.
40. The council will set up a separate capital budget code to ensure that expenditure can be closely monitored and the council intends to make payment to the provider in stages upon satisfactory completion of various stages of the works
41. The payment of the capital grant to fund improvement works at Tower Bridge nursing home should have a long term positive impact to the council in relation to revenue budgets for nursing care In 2012/13 80% of beds in the home were purchased by the council at a cost of £1.74m Following cabinet approval in July 2013 , the council is currently negotiating future fee costs with HC1 as part of the council's commitment to improving the quality of care in local homes and seeking to secure London Living Wage in contracts.
42. The negotiations will focus on staffing levels and rates of pay plus the physical environment of the home and are likely to result in an increase council expenditure. The major capital investment in the home being made through the dementia grant will mean that any capital required by the provider to upgrade the home will not need to be recouped through higher fees charged to the council.

Staffing Issues

43. The bid was prepared and submitted by staff within the Children and Adult's Commissioning team with support from Departmental and Corporate Finance Teams.
44. Further staffing/project management costs faced by the council, will be funded from the £60k awarded to the council by the DoH as part of the grant for such eventualities.

45. HC1 is an external provider and the service has never been run by the council, and therefore there are no direct or TUPE staffing issues for the council to consider.
46. It is however noted that research undertaken by the Kings Fund has found that in NHS institutions where such works have been carried out, staff sickness, turnover and productivity has improved

Market considerations

47. Southwark has a very small nursing care sector (Now only 3 homes providing 237 beds in total) compared to comparator neighbouring boroughs of Lambeth, which has 750⁴ nursing care beds situated in 10 homes and Lewisham, with 425 beds in 11 homes.
48. Two of the Southwark homes are operated by HC1 and the third by Four Seasons. That home does not currently specialise in dementia care and therefore would not be eligible for support from the DoH funds. A further assessment by the council concluded that due to its size, there was a greater need for these works to be carried out in Tower Bridge than the second HC1 home at Camberwell Green.

Legal implications

49. The council will make an award of grant to HC1, which will be enforceable through a contract between the council and the provider to ensure that the DoH grant conditions for the council set by the Department of Health are complied with.

Consultation

50. The plans were drawn up with input from residents and family members at Tower Bridge. The council's also consulted the Lay Inspector Service facilitated by Age UK Southwark and Lewisham, the Clinical Commissioning Group, Maudsley NHS Trust and the Older People's Partnership Board to obtain their views of the bid and the plans for Tower Bridge.
51. The opinion of the Kings Fund on the suitability of the works being proposed were also obtained prior to submission, and suitably incorporated into the final bid.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Head of Procurement

52. Not applicable

⁴ This total does not include the 4th home in Southwark that is 100% block booked by Lambeth Council

Director of Legal Services

53. The Director of Legal Services (“DLS”, acting through the Corporate team) notes the content of this report, which seeks approval of the award of a grant to HC One Ltd (“HC1”) to cover the cost of proposed capital works at Tower Bridge Nursing Home as detailed in paragraph 9.
54. The decision to approve the proposed grant award is one which is expressly reserved to the Cabinet Member under Part 3D of the council constitution. The DLS understands that officers are awaiting confirmation of the Department of Health (“DoH”) grant funding conditions and, once received legal advice and assistance will be provided in order to ensure that an appropriate form of contract is entered into with HC1 which will protect the council’s position in relation to its obligations to the DoH.
55. The report also confirms that key groups and individuals (including residents at Tower Bridge Nursing Home and their families) have been consulted in connection with the proposals and have had an opportunity to influence the plans for the capital works. The report further confirms that due regard has been given to the likely impact of the award on specific community groups as part of an equality analysis required to be carried out under the Equality Act 2010 and that the proposed grant funding is consistent with corporate policy in this area.

Strategic Director of Finance and Corporate Services (CAP13/035)

56. This report is seeking approval from the cabinet member for Health, Adult Social Care and Equalities to approve the grant award to HC1 for the sum of £854,616 towards the capital cost of refurbishing Tower Bridge Nursing Home.
57. It is noted that this cost will be funded from the Department of Health (DoH) grant to the Council for the sum of £914,616 following the council’s successful bid against the DoH’s dementia friendly environments investment programme and £60,000 of the DoH grant will be used to fund the project management costs undertaken by the Council.
58. The report indicates that the DoH grant conditions requires the works to be completed by March 2014 and it is noted that the Council’s grant conditions to HC1 will ensure that HC1 is fully responsible for carrying out the works to the required standards and within the deadline.
59. In order to mitigate any potential risks to the Council, it is also noted that the grant award to HC1 will be subject to a rigorous contract arrangement to ensure the grant conditions are being complied before payments made. Officers should ensure a robust monitoring mechanism to ensure the payments are monitored and reported against the grant conditions and deadline.
60. The financial implications of the report also indicates that the majority of the beds at Tower Bridge Nursing Home are purchased by the Council and this major capital investment in the home will have a positive impact on the current fee negotiations between the Council and the Home.
61. Staffing and any other costs connected with this contract to be contained within existing departmental budgets.

BACKGROUND DOCUMENTS

Background documents	Held At	Contact
None		

APPENDICES

No	Title
None	

AUDIT TRAIL

Lead Officer	Sarah McClinton, Director Adult Social Care	
Report Author	Andy Loxton, Lead Commissioning Manager	
Version	Final	
Dated	10 September 2013	
Key Decision?	Yes	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments Sought	Comments Included
Head of Procurement	No	No
Director of Legal Services	Yes	Yes
Strategic Director of Finance and Corporate Services	Yes	Yes
Contract Review Boards		
Departmental Contract Review Board	Yes	Yes
Corporate Contract Review Board	Yes	Yes
Cabinet Member	Yes	Yes
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