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## **CARE HOME INVESTMENT UPDATE**

### **Report by Service Director Assets and Infrastructure**

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### **SCOTTISH BORDERS COUNCIL**

**31 October 2019**

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#### **1 PURPOSE AND SUMMARY**

- 1.1 **This report outlines the prioritised investment requirements in the care home estate, with the exception of Deanfield in Hawick which has already been approved by Council, for consideration as part of the forthcoming financial planning process 2020/21.**
- 1.2 **The report sets out the current condition, the capital upgrade requirements and the annual revenue budget required to maintain the interior and exterior fabric of the Councils Care Homes to an appropriate standard. The investment proposed will not only improve the quality of the homes but will extend their useful lifespan in the medium term.**
- 1.3 The report demonstrates that a capital investment of approximately £1.52m will be required to maintain the interior and exterior of the four remaining homes to bring them up to an appropriate standard. It also indicates that ideally a revenue budget of £1600 per bed per annum will be required to maintain the homes to that standard, which would be in line with typical industry standards.
- 1.4 The Care Home estate consists of five homes located in Eyemouth, Galashiels, Hawick, Innerleithen and Kelso. The facilities were opened during the 1960's and 1970's with the most modern ones opening in the 1980's. A full condition survey has been undertaken on all the Care Homes which has identified that over the next five years a significant number of works will be required to bring them up to an appropriate standard.
- 1.5 The Care Home estate requires investment to improve its current condition. While conditions across the estate vary, for example, fixture and fittings throughout are aged, kitchens are in need of replacement or doors and windows require replacement. Decoration is required both internally and externally. Individual bedrooms and bathrooms/ensuites may require complete overhaul to meet modern care standards or new furniture may be required throughout. The investment required includes appropriate elements of the building fabric, plant, plumbing and wiring.

## **2 RECOMMENDATIONS**

**2.1 It is recommended that Council:-**

- (a) notes the current condition of the Care Home Estate;**
- (b) agrees the requirement to prioritise capital investment in the estate to bring it up to an appropriate standard and that this will be considered as part of the capital financial planning process for 2020/21 and future years; and**
- (c) agrees the requirement for an annual revenue budget of typically £1,600/bed/annum to maintain the properties at that appropriate standard.**

### 3 CARE HOME ESTATE

3.1 Scottish Borders Council care estate currently has 5 care homes owned and maintained by the Authority, with care currently provided by SB Cares. The Council's care homes were opened during the 1960's and 1970's, with the most modern opened in the 1980's. Investment in the care home estate has been largely reactive for many years. While the buildings have been maintained to ensure they are wind and watertight and safe for residents and staff, most are now beginning to show their age. The homes in the main do not always meet modern care and space standards. Significant upgrading and remodelling would be required to meet these standards and thereby substantially extend the life of these assets. The purpose of this report, however, is to focus purely on current condition, not models of care or long-term suitability.

3.2 Full condition surveys were undertaken in October 2019 across all five of the care homes. A summary of the condition of the four remaining homes (excluding Deanfield) and identified works costings are detailed below. A more detailed summary of the types of work required as part of the capital upgrade identified in the survey on the individual homes is detailed in 3.5.

#### 3.3 Condition

The condition scoring is based on the following condition ratings:-

Category **A: Good** – Performs well and operating effectively.

Category **B: Satisfactory** – Performing adequately but showing minor deterioration.

Category **C: Poor** – Showing major defects and/or not operating adequately.

Category **D: Bad** – Economic life expired and/or risk of failure.

#### 3.4 **Saltgreens, Eyemouth – Overall Condition Score – B – Total identified works cost £617,500**

External Areas – Condition Score C – Identified works - £17,500

Buildings – Condition B – Identified works - £600,000

#### **Waverley, Galashiels – Overall Condition Score – B – Total identified works cost £137,000**

External Areas – Condition Score C - Identified works £32,000

Buildings – Condition B – Identified Works - £105,000

#### **St Ronans, Innerleithen – Overall Condition Score B – Total identified works cost £363,000**

External Areas – Condition Score C - £18,000

Buildings – Condition Score – B – Identified Works - £345,000

#### **Grove House, Kelso – Overall Condition Score – C – Total identified works cost £397,000**

External Areas – Condition Score C – Identified Works- £22,000

Buildings – Condition Score C – Identified Works - £375,000

### 3.5 **Capital Upgrade Requirements**

Investment in the estate will be necessary if the homes are to meet modern care and space standards. A breakdown of the individual requirements to bring these assets into a condition which will meet the minimum current building requirements is detailed below.

#### **Saltgreens, Eyemouth**

The condition report has identified works to the external of the property such as pointing to brickwork, redecoration, drainage and grounds maintenance.

The property is also in need of replacing many of the windows and doors as they have now reached the end of their design life. Other major items include replacement of the kitchen, lighting upgrade, an upgrade or renewal of the heating system, replacement off all sanitary fittings and fixtures, and major re-decoration throughout.

#### **Waverley, Galashiels**

The condition report has identified works to the external of the property such as redecoration, potholes to the drive, concrete repairs to steps and soft landscaping.

The property is also in need of renewal of elements of the heating and the need for upgrading of parts of the electrical/lighting services. Redecoration is required both externally and internally throughout the home. The staffroom requires refurbishment with replacement of the kitchen units.

#### **St Ronans, Innerleithen**

The condition report has identified works to the external of the property such as fencing renewal, pointing brickwork and hard landscaping.

The property is also in need of the full upgrading of the heating system within the property, refurbishment of ensuite shower rooms, kitchen replacements, redecoration throughout and upgrading of electric/lighting in part of the property.

#### **Grove House, Kelso**

The condition report has identified works to the hard landscaping, drainage and glazed canopy.

The property is also in need of upgrades to external windows and doors, remediation/structural works to part of the cavity brick wall, refurbishment of ensuite shower rooms, redecoration throughout and upgrading of electrics/lighting in part of the property.

### 3.6 **Annual Revenue Budgets**

Recurring revenue spend, which has been largely reactive, has previously been partly funded through SB Cares and partly funded through the Councils Property Maintenance Fund. The average spend per bed per annum according to a recent benchmarking report indicates a market rate in the range £1,600/bed/annum is required, based purely on building fabric maintenance and excludes heating, lighting and utilities. This would therefore require an approximate annual revenue commitment of circa £192,000 based on 120 beds across the current 5 x Care Homes.

### 3.7 **Future Development**

Work by Officers from SBC and the IJB is continuing with regard to the potential replacement and renewal of the Care Home Estate as part of a wider review of property across the care spectrum. While an Outline Project Business Base has been submitted, this is not yet sufficiently informed and detailed to determine any priority investment and programme. As this work is developed, further reports will be brought back to Members for consideration for inclusion in the capital financial plan in future years.

## **4 IMPLICATIONS**

### 4.1 **Financial**

- (a) The report gives full costs of the potential investment and potential revenue budget required in the remaining care estate.
- (b) The estate currently needs a capital investment of £1.52 million to maintain the interior and exterior of the homes and ensure that the accommodation is brought up to an appropriate standard.
- (c) The estate ideally requires an estimated spend of £1,600 per bed per annum to maintain the building fabric in an appropriate standard.
- (d) The development of the new care estate strategy will ensure the investment requirements for care homes are fully considered and prioritised in line with available resources as part of the annual financial planning process.
- (e) This strategy will complement and build upon the Housing and Care Strategy approved by members in June 2018. Members will recall this strategy is currently informing the development of Extra care housing in a range of locations across the Borders including Todlaw in Duns, Langhaugh in Galashiels, and at the site of the old Kelso High school.

### 4.2 **Risk and Mitigations**

Risks of not funding the investment as described in the report fall into three main areas:

- (a) The quality of care and environment at the home will continue to decline putting residents at increased risk of health and care issues and reducing their comfort and quality of life.
- (b) The standard of the accommodation continues to decline to an unacceptable standard. The implication of this development is that the Care Inspectorate could de-register the care home requiring

Scottish Borders Council to find alternative accommodation for frail older people.

- (c) If our buildings are not appropriately maintained there is a risk that the Council may be open to litigation and may suffer financial and reputational damage.

#### 4.3 **Equalities**

An Equalities Impact Assessment has been carried out on this proposal and it is anticipated that there are no adverse equality implications.

#### 4.4 **Acting Sustainably**

Investing in our Care Estate as described will ensure the continuing employment in care service in our care homes and will improve the energy efficiency and life of our existing buildings.

### **5 CONSULTATION**

- 5.1 The Chief Financial Officer, the Monitoring Officer, the Chief Legal Officer, the Chief Officer Audit and Risk, the Service Director HR, Communications and the Clerk to the Council have been consulted and any comments received have been incorporated into the final report.

#### **Approved by**

**Martin Joyce**

**Service Director Assets & Infrastructure Signature .....**

#### **Author(s)**

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**Background Papers:** None

**Previous Minute Reference:** None

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