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## **CARE VILLAGE DEVELOPMENT - HAWICK**

**Report by Chief Officer Health & Social Care Integration**

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### **SCOTTISH BORDERS COUNCIL**

**26 January 2023**

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

- 1.1 The purpose of this report is to present the Outline Business Case (OBC) to Council for Hawick Care Village provision and to seek approval of and to take forward the preferred option.**
- 1.2 The Draft Revenue & Capital Investment Plan (Revenue 2021/22 - 2025/26, Capital 2021/22-2030/31) agreed at 19 March 2020 Council includes a £22.829m allocation for "new residential care provision" for Tweedbank and Hawick.
- 1.3 The Outline Business Case is attached as Appendix 1.

#### **2 RECOMMENDATIONS**

##### **2.1 Scottish Borders Council is recommended to:**

- (a) Agree the preferred option of a new build with Eildon Housing Association on their Stirches site.**
- (b) Agree progression to the next stage of the preferred option and the development of a Full Business Case.**
- (c) Approve the closure of Deanfield Residential Care Home on completion of the new Care Village.**

### **3 BACKGROUND**

- 3.1 The Draft Revenue & Capital Investment Plan (Revenue 2021/22 - 2025/26, Capital 2021/22-2030/31) agreed by 19 March 2020 Council, includes an allocation of £22.829m for care village provision for both Hawick and Tweedbank.
- 3.2 In September 2022, Council agreed an Outline Business Case (OBC) Initial Assessment for Care Village provision in Hawick and that an OBC and preferred option be brought forward in early 2023.
- 3.3 As social care services are delegated to the Integration Joint Board (IJB), in March 2022 the IJB directed the Council to scope the development of an OBC for residential care service provision in Hawick. As part of the development of this OBC it directed that:
- Full and appropriate consultation and engagement with stakeholders has taken place in Hawick
  - The model of service proposed is needs based
- 3.4 The Health and Social Care Partnership commissioned Public Health Scotland to undertake a whole systems modelling and needs assessment for social care services covering the Scottish Borders to ascertain the current and future need for homecare and residential care services. This work has been used to validate the proposed build size of 60 rooms will meet ongoing requirements. The work will continue to be used as part of the Full Business Case development.

### **4 OUTLINE BUSINESS CASE**

- 4.1 The OBC is set out in Appendix 1. It includes:
- the Strategic Case for change
  - the Economic Case
  - the Commercial Case
  - the Financial Case
  - the Management Case

The Economic Case sets out the Non-Financial and Financial appraisal of options and the preferred option. This will be further developed as part of the of the Full Business Case for Hawick Care Village provision.

### **5 SUMMARY OF OPTIONS**

- 5.1 Following the approval of the OBC IA the options have been further developed and appraised. The options are:
- I. Refurbishment of Deanfield – This is a challenging option, as it would prove difficult to refurbish Deanfield so that it meets the new Care Inspectorate standards in relation to building better care homes guidance. It will also be expensive to upgrade and difficult to approve in line with dementia friendly design.

- II. Development of a new care village facility, co-located with Eildon Housing Association (EHA), on the Stirches site currently owned by EHA – Meetings have been held with EHA to explore this option. EHA are happy to work in partnership to look at this option to build a new integrated care facility on part of their Stirches site, which would be alongside their approved plans for Extra Care Housing and Learning Disability Housing. Options for joint working and efficiencies will be explored as part of this proposal.
  - III. Partnership with a National Private Residential Care provider at a site to be determined – A National residential care provider who currently operate care home facilities in the Borders, have come forward and are offering to work in partnership to build a new care village facility in Hawick. This could include them providing a 50% contribution to the capital funding of the build. They also have land available to build on in Hawick, the exact size and location is to be determined.
  - IV. Partnership with a National Housing Management and Care company (market sounding) – Through the market sounding exercise a National provider of housing management, care and support came forward offering to work in partnership to design, build and manage a new care village facility in Hawick. However, they do not have a site on which to build and were also proposing an Registered Social Landlord (RSL) model of provision which does not meet the requirements. This has been taken account of within the appraisal process.
- 5.2 During the process of developing the options, option III, the Private Residential Care provider withdrew their interest and so were not taken forward in the appraisal process.
  - 5.3 The non financial appraisal of the options was carried out by assessing viability, accessibility and suitability of each option. This included feedback received during the engagement process. The financial appraisal utilised the same methodology used in the Tweedbank OBC.
  - 5.4 As the IJB is responsible for the oversight and revenue of delegated services including social care and the Council is responsible for the capital spend, this final OBC has been submitted to both the Integration Joint Board and to Council for sign off.
  - 5.5 If the preferred option is agreed, the Full Business Case will be developed with Eildon Housing Association and submitted to both the IJB and Council upon completion.

## **6. RECOMMENDATIONS**

- 6.1 It is recommended that Scottish Borders Council
  - Agree the preferred option of a new build with Eildon Housing Association on their Stirches site.
  - Agree progression to the next stage of the preferred option and the development of a Full Business Case.

- Approve the closure of Deanfield Residential Care Home on completion of the new Care Village.

IJB have been asked to approve revenue spend and the transfer of the service to the new care village upon completion of the project.

## **7. IMPLICATIONS**

### **7.1 Financial**

The project is proposed to be funded via the Council's Capital Plan. The total budget available in SBC's Capital Plan at 30<sup>th</sup> September 2022 for the Hawick care village is £11.180m. Work is ongoing to confirm the forecast project costs as part of the 2023/24 capital planning process.

There will be revenue implications of the new development which will be partially met through the the proposed closure of Deanfield Residential Care Home and the associated revenue funding transferred to the care village. Due to the requirement for increased provision in Hawick as identified through the needs assessment, it is anticipated that additional revenue will be required. The revenue implications will be met through current IJB budgets with a pressure of £0.794m identified.

The development of a Full Business Case for the care village and its associated service model will enable a more detailed revenue funding model to be developed.

### **7.2 Risk and Mitigations**

The Council-owned care estate would not meet all of the health and social standards introduced by the Care Inspectorate in 2018 for new buildings. Our existing facilities would therefore not be graded highly against these new standards.

We expect further revision of the guidelines in response to the Covid-pandemic. New facilities will need to be designed to meet this new guidance and be able to address any further changes to standards expected in future years.

To inform future development work additional demand modelling work will be undertaken and this will remain under review across both internal and external residential provision.

The Scottish Government is consulting on the recommendations from the recent Feeley Report following the review of adult social care. Should the Government decide to progress with the development of a National Care Service, there may be a risk regarding on-going funding arrangements to cover the impact of the capital funding for any development within the social care estate.

Any such risk could be mitigated through the current and future deliberations with the "Integration Unit" of Scottish Government. Agreement would be sought with the office for the Minister for Mental Wellbeing and Social Care ahead of the Council entering into a capital borrowing arrangement.

The very act of compiling an OBC itself helps to mitigate risks to the Council and its objectives by following a risk based approach to selecting appropriate options with regards to the development of a Hawick Care Village, taking into account factors such as capital, resources, the availability of partnering through market sounding (and as such the potential to share risk), future proofing and changing legislation and guidance (eg. in relation to the Care Inspectorate's grading criteria).

Detailed Programme Plans, a Programme Board and Risk Management Arrangements (including the development and maintenance of a risk register and subsequent reporting) are in place to ensure that effective governance is in place and that risks to the development of the Hawick Care Village are identified, assessed, controlled, monitored and reviewed, enabling effective and informed decision making by Officers and Members.

### 7.3 **Integrated Impact Assessment**

An integrated impact assessment (IIA) has been commenced and is a continuing process throughout the project to provide a new Care Village in Hawick. Recommendations arising from this will be used to inform village design and the operational model of care. The Assessment as it currently stands is attached at Appendix 2.

### 7.4 **Sustainable Development Goals**

The UN Sustainable Development Goals checklist will be completed.

### 7.5 **Climate Change**

The Climate Change checklist will be completed as part of the development of the Full Business Case.

### 7.6 **Rural Proofing**

n/a

### 7.7 **Data Protection Impact Statement**

It is anticipated that the proposals in this report will have a minimal impact on data subjects and the Data Protection Officer has confirmed that a Data Protection Impact Assessment is not required.

### 7.8 **Changes to Scheme of Administration or Scheme of Delegation**

n/a

## **8 CONSULTATION**

8.1 The Director (Finance & Corporate Governance), the Monitoring Officer/Chief Legal Officer, the Chief Officer Audit and Risk, the Director (People Performance & Change), the Clerk to the Council and Corporate Communications have been consulted and any comments received have been incorporated into the final report.

**Approved by**

**Name: Chris Myers**

**Signature .....**

**Title: Chief Officer Scottish Borders HSCP / Director of Health and Social Care**

**Author(s)**

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**Background Papers:** [insert list of background papers used in compiling report]

**Previous Minute Reference:** [insert last Minute reference (if any)]

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