

SCOTTISH BORDERS COUNCIL

Hawick Care Village

Appendix 1 - Outline Business Case

January 2023

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CASE FOR CHANGE

1. Introduction

The Scottish Borders Health & Social Care Partnership proposes an innovative new model of residential care, designed specifically to better support the changing needs of older people alongside providing high-quality care and support through proactive early intervention and preventative action aimed at those with complex needs, frailty and dementia.

The concept of the care village model supports unique needs, lifestyles and personal preferences for living, care and well-being for people living mainly with dementia and frailty. The focus is on possibility rather than disability and will be supported by 24-hour care, delivered by trained professionals.

Following work already underway in enabling a Care Village setting in Tweedbank, this proposal is looking to establish the provision of a similar facility in Hawick. This new facility will re-provision the existing Deanfield Care Home.

This case for change describes the proposals for delivering change and the potential options for further development and appraisal. Future work will be undertaken to demonstrate value for money; sustainability; affordability; feasibility; acceptability. The procurement strategy for the successful delivery of the project has been outlined at section 4.

The scope of the care village facility will be informed by the work carried out by NDTi engagement activities carried out in the Hawick Community and with residents, families and staff. A summary of the engagement carried out is as follows:

Engagement session 27 June Hawick Town Hall –

- Local groups, GP's, the Borders Carers Centre, Health and Social Care representatives were invited to attend
- People were asked what they would like to see in terms of care village/facility in Hawick and outcomes for people
- People were also asked specifically to consider equalities and human rights and how we cater for these in the new facility – these will be fed into IIA and Business case as it develops

This was followed by NDTi engagement activity in Hawick throughout July, asking the same questions at:

- 2 Drop-in sessions Heart of Hawick;
- Staff drop-in sessions in Hawick Town Hall;
- Deanfield families and residents sessions;
- On-line workshops with specific groups – Community Groups, Third and Independent Sector, Health and Social Work professionals, Mental Health;
- Conversations with key specific groups in Hawick – e.g. Burnfoot Cuppa and Chat group, Men’s Shed, Women’s Craft groups, Dementia Café, mental health and learning disability representatives, health and social care staff including the District Nursing Team.

NDTi findings

- It’s how the service is delivered that is key – joined up services
- A range of accommodation types are required to maintain independence – linked up
- Accommodation needs to allow couple with differing needs to stay together
- Respite provision required for carers
- More community involvement and not “shut away”
- More training for staff
- More trained volunteers to enhance service provision

The NDTi findings are in line with the agreed vision for the care villages. The full published NDTi report can be found at [NDTi Hawick Care Village Final Report August 2022 | Scottish Borders Council \(scotborders.gov.uk\)](https://www.scotborders.gov.uk/ndti-hawick-care-village-final-report-august-2022)

2. The Strategic Case

In May 2021 the HSCP and SBC Strategic Leadership Team requested further evidence in relation to care home demand and modelling of the Scottish Borders older population. A Stakeholder Care Home modelling group was established with a specific ask to: Provide a 10-year forward projection of 24-hour care demand for older people and describe the expected changes in 24-hour care demand broken down by residential care, nursing care and specialist care provision with worse case and best case scenarios. If possible, the group were also asked to include potential for mid-range scenario. Several assumptions were applied to predicted future demand, these were

- Expected changes in population frailty or dependency levels will increase demand
- Expected changes in dementia prevalence and need for 24-hour care will increase demand
- Impact of changes in older peoples integrated preventative models of care may decrease demand for future 24-hour care

The outcomes of this study highlighted that the demographic projection and 30% increase in older people predicted the need for an additional 188 care home places by 2030, this represents between **8-11** additional care home places per year however:

- Scottish Borders benchmarks in lowest 4 Local Authorities for care home places
- There has been no change in Scottish Borders care home places 2009-2019 despite 20% increase in >75 Borders population
- The number of SBC-funded residents out with the Scottish Borders has been steady at 20% over the past 5 years
- Scottish Borders benchmarks in lowest 6 Local Authorities for home care packages
- Suggestion that rurality and community/family support is maintaining more people at home
- The % of residents who remain in their own locality is directly related to the number of care home beds in a locality (0.91 correlation)

- Based on demographic change only, we can expect an increase of 188 beds by 2030. This has been broken down to a 28% increase in residential care beds and 29% nursing care beds
- This in numbers can be interpreted as an increased requirement of 14-17 beds per year by 2023-2026 and 19-23 beds per year in 2027-2029

High Level Data / Needs Analysis

	Bed Types		
	Long Stay /Dementia	Interim Care	Respite
Current position	21	9	0
Deanfield Waiting list	15		
Demographic Increase @30% by 2030	11	3	
Total beds required	59		

The outcomes of this proposal align closely with the identified population/demographic demand, and allows for the required revenue migration, through the transfer of existing provision from Deanfield, which will ultimately be closed, to the new development. Depending on the model of care, the supporting revenue model may require to be reviewed.

There has been extensive engagement with the communities in Hawick on the Care Village development to determine the requirement for the care facility and to seek the views of the Hawick communities regarding the type of provision they would like to see in the town.

National and Local Policy

Adult Social Care: Independent Review February 2021: The Feeley Review

The principal aim of this review was to recommend improvements to adult social care in Scotland, primarily in terms of the outcomes achieved by and with people who use services, their carers and families, and the experience of people who work in adult social care. The review takes a human-rights based approach.

The Hawick Care Village is an innovative alternative social and health care support model for the future which prioritises the principles of Feeley and supports the recommendations of the Feeley Review. This will ensure that the citizens of Scottish Borders Council can maintain and develop rich social connections and to exercise as much autonomy as possible in decisions about their lives

Scottish Borders Health & Social Care Partnership Strategic Plan: Changing Health & Social Care For You 2018- 2022

The Partnership Strategic Plan provides the local strategic context for taking forward the care village development. Following a review in April 2021 by the Scottish Borders Strategic Planning Group, at the end of April 2021, the decision was taken to continue with the plan and with the three agreed existing objectives, and to build in lessons learned from COVID-19 and update existing priorities. The strategy and its priorities aim to deliver a vision where NHS Health and Council Social Care Services are joined-up and work in new partnerships together, with communities, residents and third sector providers to:

- improve the health of the population
- reduce the number of hospital admissions
- improve the flow of patients into, through and out of hospital
- improve the capacity within the community for people who have been in receipt of health and social care services to better manage their own conditions and support those who care for them.

The Hawick Care Village development will help to deliver these objectives and ensure services and care are:

- Accessible
- Closer to home (*and offering greater support for care at home*)
- Delivered within an integrated model
- Give greater choice and control
- Optimise efficiency and effectiveness
- Reduce health inequality

Scottish Borders Council, “Council Plan 2022 – 2023” describes SBC’s commitment to reshaping and improving services. The Hawick Care Village will contribute to the Council Plan Outcomes in relation to:

- a) Good Health and Wellbeing – People of the Scottish Borders have the opportunities and are supported to take control of their health and wellbeing, enjoying a high quality of life.
- b) Empowered, Vibrant Communities – The Scottish Borders has thriving, inclusive communities where people support each other and take responsibility for their local area
- c) Clean Green Future – A modern environmentally designed and built building will contribute to tackling climate change and the surrounding grounds will enhance our local environment

3. Economic Case

3.1 Options Considered

Initially there were 5 options but one was removed in the Initial Assessment leaving 4 options, ‘Refurbish Deanfield’, ‘Build on the Stirches site with Eildon Housing Association’, ‘a partnership with a private provider or engage a Housing Management Company to carry out the design, build and care service on our behalf’. Since then, the private provider has withdrawn their interest leaving 3 options: ‘Refurbish Deanfield’; ‘New Build in partnership with Eildon at Stirches’; ‘New Build via Housing Management Company.’

Renovation of Deanfield

Renovation of Deanfield will reduce the number of rooms available and will not allow for the Care Village vision to be fully met. The implications of reduced rooms would mean an increase in the current waiting list and costs elsewhere in the system. Refurbishment will still leave an aging care home that does not fully meet modern standards of quality and energy efficiency or new Care Inspectorate standards in relation to building better care homes guidance. For these reasons, it is proposed that refurbishment of Deanfield should be discounted. This option also scored significantly lower than the preferred option.

Housing Management Company

Precise financial information has not been provided however they have proposed 60 one and two bedroom self-contained accommodation units at an affordable rent. SBC would need to cover this cost in addition to the commissioned care cost and management free. The model proposed would mean their soon to be registered, Scottish RSL would deliver the ongoing landlord and housing management functions and through their Support Living service deliver the required care and support on site. It is recommended to reject this option as it does not align with the residential care model. Furthermore the available land is owned by Eildon Housing Association who would be required to agree to another RSL building on their site. This option also scored significantly lower than the preferred option.

Eildon Housing Association

The vision for this partnership is to build a care village alongside EHA's extra care housing and learning disability provision. This would provide economies of scale which would help reduce both capital and revenue costs through a shared staffing model and cost reduction arising from building shared communal spaces. This model would provide an integrated approach to the provision of care on this site which aligns with the views given during the Hawick Care Village consultation exercise carried out in July 2022. Full details would be worked up with Eildon Housing Association to develop a full business case if this is confirmed as the preferred option for Hawick.

3.2 Non Financial Appraisal

Scoring was carried out to assess acceptability, viability and suitability of each option, using feedback from the public consultation events and Councillors. This resulted in the following:

	Land Available	Councillors Preference	Acceptable to the public/community (NDTI findings)	Acceptable to users	Acceptable to Care Inspectorate	Meets needs assessment (size of build)	Meets operational requirements	Meets the vision				scoring
Significance Rating/Priority Score	1	1	1	1	1	1	1	1				
	Impact Rating	Impact Rating	Impact Rating	Impact Rating	Impact Rating	Impact Rating	Impact Rating	Impact Rating	Impact Rating	Impact Rating		
Refurbish Deanfield	1	0	1	1	2	0	2	1				8
Stirches - Eildon	2	2	2	2	2	2	2	2				16
Housing Management Company	1	0	2	1	2	2	0	1				9

Weighting - Requirements Rationale: None applied

Option Scoring Rationale: 2 = option fully meets the requirements

1 = option partially meets requirements or is doubtful

0 = option does not meet requirements

Acceptability criteria for the community and users which will influence the choice of location and partner.

- Future proofing when repurposing /designing care provision
- Better integration between housing, care and health services
- Partnership approach between agencies for integrated, flexible housing and care. Housing, home care, day support, respite and residential care delivered from one place.
- It must be possible to have two-way contact with the town
- A garden, space outside – somewhere to grow things
- Location important – many preferred to be near centre of Hawick – to continue meeting friends, for shopping etc.
- Accommodation that could be easily adaptable as needs changed or new ways of delivering support and care developed

Acceptability criteria for the councillors which will influence the choice of location and partner.

- Future proofing when repurposing /designing care provision
- Quality of care before profit

3.3 Financial Appraisal

The total budget available in SBC's Capital Plan at 30th September 2022, for the two care villages was £22.829 million.

- Refurbish Deanfield

Costs for the refurbishment of Deanfield in 2019 were £3.3 million. Allowing for inflation from 2019 until the point of commencing the build, this figure based on a starting date in 2025 is estimated to be £4.7 million. This would only provide 30 beds and there is also limited ability to provide other on-site facilities in line with the care village ethos.

- New build in partnership with Eildon Housing Association on their Stirches site

The available capital for this option at 30th September 2022 was £11.180m.

- Housing Management Company

It has not been possible to carry out a financial appraisal as no financial data was provided by the company. Consideration was given to how we could estimate the financial costs but due to the model being offered by the company, we have no comparative figures.

Value for money assessment

Option	Full Cost	Beds	Cost per bed	Quality score	Cost per bed per quality score point	Rank
Deanfield Refurb	£ 4,700,000.00	30	£156,666.67	8	£ 19,583.33	2
New build with EHA/Stirches	£11,180,000.00	60	£186,333.33	16	£ 11,645.83	1

Preferred Option based on value for money assessment is the new build in partnership with Eildon Housing Association on their Stirches site.

4. Commercial Case

This section highlights the procurement routes to be considered for appointing a contractor to provide the facility and include:

Open Market

Since SBC are a government funded body they will have to comply with stringent procurement rules. This will include advertising the contract with the European Union via OJEU. This sets the limit for a contract of £4,733,252 (net of VAT) so anything above this has to be marketed via the OJEU process. This process can be time consuming and can be very labour intensive in terms of reviewing the submitted returns. In some cases it can add between 3 – 6 months to the programme.

However, this process can begin early in the project to mitigate programme risks where possible. SBC has previously used Public Contracts Scotland to advertise projects above and

below OJEU limits. It would be advisable to meet with the procurement team in the early stages of the project to establish the requirements.

Existing Framework

There are a number of existing frameworks that could be accessed to procure the project. The use of frameworks provides a rapid access to a list of pre-qualified contractors, who have been engaged on a competitive basis, complied with the necessary public procurement rules and proven to demonstrate value for money. By virtue of these contractors having pre-qualified, a level of assurance of service delivery can be taken; this fact can also save time within the tender process. With most frameworks, elements of terms and conditions can be pre-agreed at framework award, therefore time and effort is saved not having to manage this as heavily.

Possible framework options include:

- Hub (South East Scotland)
- SCAPE
- CCS Framework
- SPA Framework

A final decision is to be made, however **utilising an existing framework** is likely to result in the procurement of the suitable contractor to deliver best value in the shortest time frame.

5. Financial Case

5.1 Introduction

This section sets out the financial case for the preferred option including the capital and revenue implications for the project.

5.2 Capital Funding Constraints

The project is proposed to be funded via the Council's Capital Plan. The total budget available in SBC's Capital Plan, for the two care villages was agreed at £22.829 million.

Work is ongoing to confirm the forecast project costs as part of the 2023/24 capital planning process.

5.3 Revenue Funding Constraints

It is proposed that the revenue implications of the new development will partially be met through the closure of Deanfield Care Home and revenue funding transferred to the Care Village. Due to the increased size of the care village provision identified as required for Hawick through the needs assessment, there will be additional revenue required over and above that transferring from Deanfield. The revenue implications will be met through current IJB budgets with a pressure of £794k identified.

Staffing - There may also be an increased workforce requirement if moving towards the provision of nursing/clinical care. As the model develops, specific workforce modelling will be required taking into consideration anticipated demands on the village and the skill mix required to support the proposed model.

To deliver the new model of care, requires key elements to be examined in more detail:

- transitioning the existing workforce to a new type of working model
- ability to recruit necessary workforce
- recognition of likely requirements within the proposed Health and Social Care Staff Bill
- Understanding dependency and the ratio of staffing to achieve personal outcomes

The Care Village concept is dependent upon the collaboration and inclusion of other partner organisations, such as the local GP practices, Allied Health Professionals, community nursing, community hospital services, local care providers, local charities and the voluntary Sector, all of which will enhance the Care Village concept.

6. Management Case

This section summarises the planned management approach setting out key personnel, the organisation structure and the tools and processes that will be adopted to deliver and monitor the scheme as well as the expected objectives from the new model of care.

On the basis that the proposed service model is put in place, the following identifies the key benefits likely to be attributable to achievement of each investment objective: As part of the project board deliverables a full benefits realisation of existing /status quo and business scope is required.

6.1 Investment objectives

Investment Objective: Increase integration & communication between health & social care services and delivery to service users			
Outcome	Relative Value	Relative Timescale	Type
Delivery of more effective care with improved user outcomes	High	Medium & longer term	Qualitative and quantitative
Greater collaboration between partner organisations to improve effectiveness of preventative and intermediate care	High	Medium & longer term	Qualitative
Improved staff engagement & communication between partner organisations	Medium	Medium & longer term	Qualitative
More service users able to return home following hospital care (based on draft intermediate care performance measures)	High	Medium	Quantitative
Shared use of partner resources	Low	Medium term	Cash & resource releasing
Improved working arrangements and facilities for staff resulting in greater job satisfaction and less turnover / sickness	Medium	Medium term	Qualitative & resource releasing

Investment Objective: Improve user experience of local health & social care service provision			
Outcome	Relative Value	Relative Timescale	Type
Positive experience of health and social care	High	Medium term	Qualitative

More people able to access care from their preferred location (i.e. at home)	High	Medium term	Quantitative
More people able to return home following hospital care (following rehabilitation and reablement)	High	Medium term	Quantitative & resource releasing
Better transition through each care journey	High	Medium term	Qualitative
Positive experience of the environment in which services are provided	Medium	Medium term	Qualitative

Investment Objective: Improve access to care			
Outcome	Relative Value	Relative Timescale	Type
Maximised range of health and social care services available locally	High	Medium term	Qualitative
Point of access to care is less confusing	Medium	Medium term	Qualitative
More likely to receive the most appropriate care	High	Medium term	Qualitative
Ability to access care at home	High	Medium term	Quantitative
Better physical access to care facilities	Medium	Medium term	Qualitative
Flexible bed usage enables more user focused care	High	Medium term	Qualitative

Investment Objective: Improve care pathways, capacity and flow management			
Outcome	Relative Value	Relative Timescale	Type
More people treated on a scheduled rather than unscheduled basis	High	Medium & longer term	Quantitative
Service capacity meets service demands	High	Medium & longer term	Quantitative
Flexible use of beds better meets service user needs	High	Medium term	Qualitative
Reduction in overall number of beds (from the baseline high of 161 in 2011)	High	Medium term	Quantitative & cash
Services users don't have to stay in hospital longer than necessary	High	Medium term	Quantitative

Investment Objective: Maximise flexible, responsive and preventative care - at home, with support for carers			
Outcome	Relative Value	Relative Timescale	Type
More people able to access care from their preferred location i.e. at home	High	Medium term	Quantitative
More people able to return home following hospital care	High	Medium term	Quantitative & resource releasing
Providing care at home is more cost effective than institutional care	High	Medium term	Cash & resource releasing to
Carers feel better supported in their role	High	Medium term	Qualitative
Increase in visits and involvement from relatives and wider family, including children, to the residents and within the care village	High	Medium term	

Investment Objective: Make best use of available resources			
Outcome	Relative Value	Relative Timescale	Type
Affordable service delivery	High	Short, medium & longer term	Quantitative
Service capacity meets service demands	High	Medium & longer term	Quantitative
Service model is more flexible to future changes in demand	Medium	Medium term	Qualitative
Reduction in overall number of beds (from the baseline high of 161 in 2011)	High	Medium term	Cash & resource releasing to NHS &

Reduced demand for more expensive care pathways (through shift from health to social care models of care)	High	Medium to longer term	Cash releasing to NHS & Council
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Investment Objective: Improve quality & effectiveness of accommodation used to support service delivery			
Outcome	Relative Value	Relative Timescale	Type
Improved user perception of quality of care	Medium	Medium term	Qualitative
Improved condition of available accommodation	Medium	Medium term	Qualitative
Accommodation meets modern service needs & enables flexibility of use	High	Medium term	Qualitative
Improved functionality of accommodation improves service effectiveness	High	Medium term	Qualitative

Investment Objective: Improve safety of health & social care, advice, support & accommodation			
Outcome	Relative Value	Relative Timescale	Type
Reduced risk of HAI incidents	High	Medium term	Qualitative
Reduced risk of harm from property related incidents	High	Medium term	Qualitative

6.2 Technology

Information Management and Information Communication Technology is a key enabler for the new village model, particularly to deliver:

- Integrated systems and care records – access to a shared clinical and care management system, joint information governance and data sharing arrangements; in and out of hours
- Connected infrastructure - mobile working solutions; shared domains

- Self-management and signposting – technology enabled care; health monitoring systems;
- Business Analytics for evaluation
- Access to STRATA referral pathways
- Access to Datix for reporting of adverse events and incidents
- Attend Anywhere for Virtual Consultation with GP and other services
- WIFI access for patients and families
- information, advice and guidance

Assessment and planning to deliver these component and operations are necessary and will be addressed further within the project planning and commissioning arrangements and a sub group has been set up to facilitate this work.

6.3 Project Management Arrangements

A Project Board is established and chaired by the Chief Officer Health and Social Care, the Chief Officer is also the Project Sponsor. The Project Manager will submit monthly highlight reports to the Programme Board.

The Project Board will be expected to represent the wider ownership interests of the project and maintain co-ordination of the development proposal.

The Project Board comprises representatives from the:

- Scottish Borders Council
- NHS Borders
- Key stakeholders from Health & Social Care Partnership
- SBC Capital Planning team.
- Finance Officer/representative
- Commissioner representation/function
- Independent Provider Representation

- Care Inspectorate
- External Consultant

6.4 Communications and engagement

A communications strategy has been developed and approved by the Programme Board and will be utilised throughout the life of the project.