

Cabinet

25 July 2023

Adult Social Care, Reablement Centre (Bed-Based Care)

Decision

Portfolio Holder: Councillor Jane Somper

Local Councillor(s): County Wide

Executive Director: Vivienne Broadhurst, Executive Director People – Adults & Housing

Report Author: Jonathan Price
Title: Interim Corporate Director for Commissioning & Improvement
Tel: 01305 224685
Email: Jonathan.Price@dorsetcouncil.gov.uk

Report Status: **Public**

Brief Summary:

To report progress of the Reablement Centre Project and seek approval to commence work on the design of the first centre which will be located in Dorchester.

The report is supported by the [RIBA Stage 1 Project Brief](#) for the project. The Brief consolidates the Council's strategic intention, service concept and business case for the project and describes Dorset Council's Client Requirement for the design and construction of a Reablement centre for people who are discharged from hospital or recovering after a fall or illness in their own home.

Recommendations:

- (i) To delegate authority to the Executive Director of People – Adults & Housing, Executive Director of Corporate Development and the Portfolio Holder for Adults, Health & Housing and the Portfolio Holder for Finance, Commercial and Capital Strategy to finalise negotiations with NHS partners to secure the Dorchester County Hospital site for the first centre.
- (ii) To approve the procurement of a design partner to develop detailed plans and costings for the Dorchester Reablement Centre and to present back to Cabinet for the delegated authority to approve the required capital commitment to deliver the build stages of the project.
- iii) To delegate authority to the Executive Director of People – Adults & Housing and the Executive Director of Corporate Development in consultation with the Portfolio Holder for Adults, Health & Housing, Portfolio Holder for Finance, Commercial and Capital Strategy and the Portfolio Holder for Assets and Property to commence the design of the scheme.

Reason for Recommendation:

Implementation of the recommendations in this report are a key part of the Council's plan to meet the forecasted demand from Dorset Council residents for care and support services over the next 15 years (2023-2038) as laid out in the [Commissioning Strategies](#) for Adult Social Care which were endorsed by Cabinet in February 2023.

The new Reablement centre will help to:

- Reduce pressures on the Councils finances arising from demand and cost of adult social care services.
- Ensure that the Dorset Council area has sufficient care services to meet future demand for care.
- Reduce pressure on NHS beds and services including prevention of admission.
- Improve health outcomes for Dorset Council residents who are discharged from hospital and need ongoing care and support.

The capital cost of the centre is estimated at £30.4m. The net revenue benefit to the Council of implementing the project is £3m per year from year 6 of the project (year 3 of operation). Capital borrowing will be repaid over the 40-year life of the building.

1. Background to this report

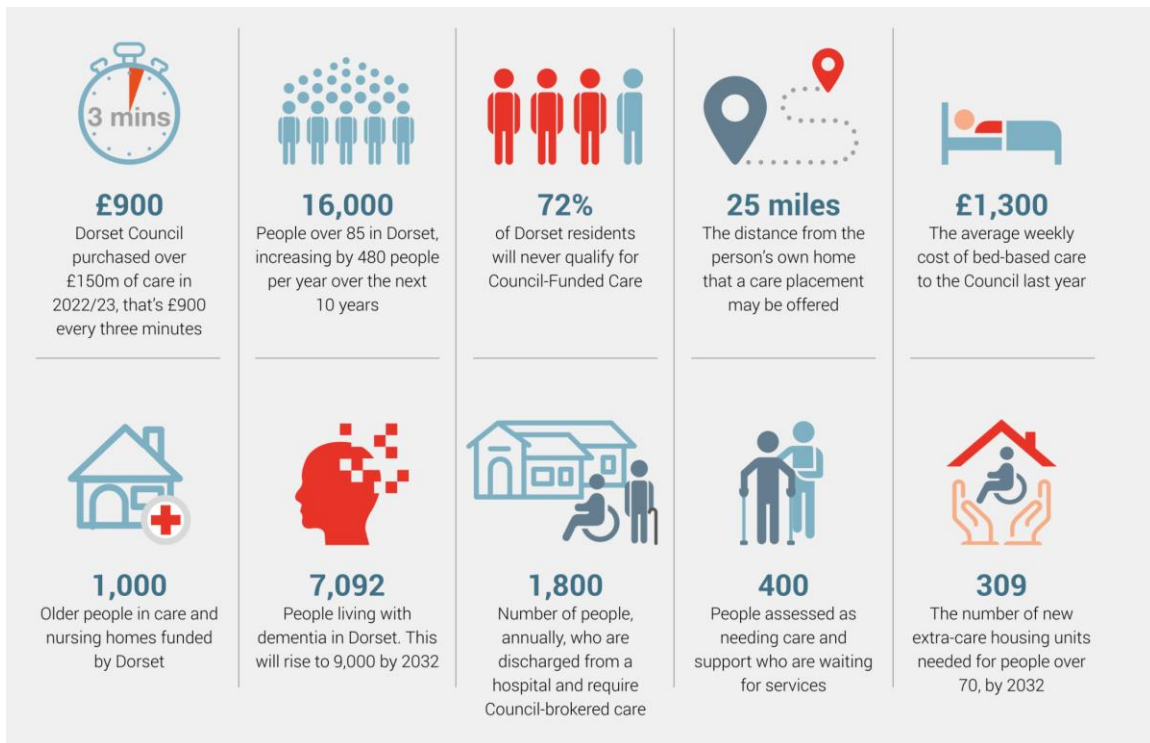
- 1.1 In July 2022 as the health and care system continued to adjust after the Covid pandemic, Dorset Council prioritised actions to address a shortage of therapeutic recovery services in the Dorset Council area for people who are discharged from hospital or recovering after a fall or illness in their own home.
- 1.2 This shortage of suitable recovery and reablement provision in the Dorset Council footprint means that fewer people are able to return to their own home or avoid unnecessary admission or readmission to hospital than in other parts of England and Wales. In 2022-23 the cost to the Council as a consequence of people going directly into long-term care from hospital was estimated at £8.5m per year.
- 1.3 At its meeting on 25 July 2022 under an exempt item, Cabinet delegated authority to the Executive Director of People - Adults & Housing and the Executive Director of Corporate Development in consultation with the appropriate portfolio holders, and the Executive Director Place to:
- Initiate a project to develop up to three 80 bed Reablement Centres in the Dorset Council area at an estimated cost of £80m over the next ten years.
 - Review sites in the Council's property portfolio against the site criteria for the home and prioritise allocation of a site to the project.
- 1.4 The service analysis and demand forecasts underpinning the need for this project are summarised in the Council's strategy [Commissioning for a Better Life as People Age](#)
- 1.5 As part of the business case options analysis the Council considered and rejected options to:
- Do nothing and continue to rely on the market to supply services** - the market is already failing to supply services and there are no plans for development by third parties of bed-based care of the type and scale required.
- Contract with a third party to invest capital and provide services** - the cost of borrowing for care providers and a reluctance to take risks in higher acuity bed-based care make it unlikely that the Council could

secure the type of care required on terms more advantageous than if it were to invest capital at Public Works Loan Board (PWLB) rates and contract with an operator itself.

Build and operate the home itself - the Council does not have the skills and experience required to operate complex, higher acuity registered care homes and prefers to contract with an experienced provider of care to secure these services.

2. Context

- 2.1 30-40 Dorset Council residents a week require Council brokered care after being discharged from hospital because they are not yet able to look after themselves without help. Eight out of ten of these people are over the age of 65, many are over 85.
- 2.2 The lack of suitable rehabilitation services that could help them to recover more quickly or more fully means that too many people have to stay in long-term care or go back into hospital rather than returning to their own home. This is not a positive outcome for them or their families and cost the Council an additional £8.5m in 2022 - 2023.



- 2.3 The lack of effective bed-based care services in the community means that people are also staying in hospital for longer than they need to or being readmitted to hospital because there is no alternative. This is contributing to the already severe pressures on beds in Dorset and neighbouring hospitals.

3. What is being proposed and how will it operate?

- 3.1 The Dorchester Reablement Centre will support people who require intensive, integrated care and rehabilitation after an illness, a fall, or a stay in hospital. The primary aim of the Centre is to enable people to return to their own home or place of residence.
- 3.2 It is expected that 900 people a year, 17 people a week will benefit from recovery services in the Centre. With a minimum of 40% expected to be able to return home on leaving the Centre rather than going into long term care.
- 3.3 The new Centre will significantly increase the number of people receiving effective recovery and rehabilitation care and provide a modern fit-for-purpose facility for the next forty years.
- 3.4 The proposal for the new Centre, as set out in the [RIBA Stage 1 Project Brief](#) is for an 80 bedded Centre at Damer's Road / Bridport Road in Dorchester, working in partnership with Dorset County Hospital NHS Foundation Trust and NHS Dorset. This Centre will be for all Dorset Council residents who require recovery and rehabilitation services.

4. Timeline for development of this report

- 4.1 Since the decision in July 2022 to initiate the project the Adult Social Care project team, supported by experienced external advisors, has worked closely with corporate Finance, Procurement, Legal, and Property colleagues to identify a site and prepare for the design and construction of the Centre.

5. Project Timeline

2022

Dec Engagement of expert programme management capacity to supplement the Council's own team, develop the service concept and assure delivery

Oct Initial review of the project by Corporate Asset Strategy Management Group

2023

Jan Identification of sites suitable for the Centre by Dorset Corporate Property team

Feb Review of the project by external consultants and recommendation of the project to the Corporate Asset Strategy Management Group

Apr Planning Appraisals by external planning consultants of the short-listed sites

May Initial feasibility studies of three sites

Jun

Discussions with Dorset County Hospital NHS Foundation Trust on opportunities to locate the Centre on land adjacent to the hospital in Dorchester through a partnership agreement.

Review of the capital and revenue modelling for the project with the Corporate Director for Finance & Commercial.

Review of procurement options with Commercial & Procurement and recommendation to procure RIBA design stages 2 & 3 via the Councils contract with Comensura for Statement of Works (SOW) and the main contract via a Framework for specialist health projects (managed by Crown Commercial Services).

Jul Detailed requirement for design stage of the project [RIBA Stage 1 Project Brief](#)

Aug (subject to agreement) Design Stage 2 of the first Centre begins

Finalise work to assign the Dorchester site to the project

Sep Confirm assignment of Dorchester site through a partnership agreement with Dorset County Hospital NHS Foundation Trust

Nov Initial Planning Discussions

2024

Mar Procure Stage 4 Design & Construction

Apr/May Recommendation on Award of Design & Construction Contract

6. Financial Implications

6.1 The estimated full-project cost for the design and construction of an 80-Reablement Centre on the site in Damer's Road / Bridport Road in Dorchester is:

Project Cost (capital)	£ 30 353 000
Cost of Borrowing	(£ 2 246 308)
Net income (Operator)	£ 1 601 683
Savings (reduction in cost of care)	£ 3 685 178
Net benefit to the Council	£ 3 040 552

6.2 The cost and income estimates shown above are based on the 6000 sqm scheme as shown in the [Project Brief](#) and a build cost estimate of £4,500 per sqm.

6.3 Build cost estimates have risen significantly since 2022 because of the general inflation in building costs; doubling of the cost of borrowing; and an increase in size of the scheme from 60 to 80 beds (GIFA 4 300 sqm to 6 000 sqm) - although this last is offset by an increased in income from the Centre.

6.4 Cost management gateway reviews are planned at the end of:

- RIBA Stage 2 Concept Design (& initial planning discussions)
- RIBA Stage 2 Spatial Design (& tender for Stage 4 design & construction)
- RIBA Stage 4 Technical Design (& implementation of the construction contract)

6.5 It is estimated that a contract award recommendation for design and construction will be presented to Cabinet in late Q2 2024 (April/May).

7. Managing delivery and risk

- 7.1 Financial aspects of the project will be overseen by a Finance Working Group jointly chaired by the Corporate Director Finance & Commercial and the Interim Corporate Director for Commissioning & Improvement.
- 7.2 The Council is taking four steps to ensure that effective cost controls are in place for the project:
- Since presentation of the business case in July 2022 the Council has secured external support programme management support to help deliver the programme.
 - Securing experienced designers to complete the next two stages of the design of the first Centre (RIBA 2 & 3) with cost consultants working as part of the Design Team prior to contracting with a construction partner to complete the technical design and build the scheme.
 - Using a framework for specialist health projects (managed by Crown Commercial Services) and an experienced Client-Side team to manage the technical design and build stages of the project
 - Report to Cabinet on progress and cost control at the end of each design stage with a recommendation to Cabinet before awarding the contract to build the Centre.

8. Environmental Implications

- 8.1 In recognition of the council's commitment to deliver against its natural environment and climate priorities, this scheme will be built to a target BREEAM standard of 'Excellent' for performance at specification, design construction and use stages across the performance categories of energy and water use, internal environment (health and wellbeing), management processes, pollution, transport, materials, waste, and ecology.

9. Well-being and Health Implications

- 9.1 The investment will significantly improve the health outcomes and quality of life for Dorset Council residents and make a significant contribution to reducing the long-term cost of care for Dorset Council.

10. Other Implications

- 10.1 The Reablement Centres will make a major contribution to improving the integration of care services with the NHS and existing providers of long-term care services.

11. Risk Assessment

11.1 HAVING CONSIDERED: the risks associated with this decision; the level of risk has been identified as:

Current Risk: Moderate - High

Residual Risk: Moderate-High

12. Equalities Impact Assessment

12.1 The schemes will be developed to Stirling Gold Standard for dementia services design and will be fully compliant with the Councils processes and procedures to assure that ensure that the scheme does not unlawfully discriminate against any protected characteristic.

13. Legal and Procurement Implications

13.1 Legal and Procurement aspects of the project will be overseen by the Head of Legal Services and the Service Manager for Commercial and Procurement. Procurement of external expert support for delivery of the design and construction of the schemes, and the principal supply chain partner for the design (finalisation) and construction will be through a framework for specialist health projects (managed by Crown Commercial Services).

13.2 The services contract for delivery of operational services will be developed in line with the partner development programme for Care Dorset Ltd.

13.3 The Council reserves the right to go to the wider market to procure a service partner for operation of the home should it decide that Care Dorset Ltd. is unable to deliver the services to the standard required. This decision will be made by November 2024 allowing two years to develop operational services prior to the home receiving the first Dorset resident.

14. Appendices

[Dorset Recovery & Rehab Initial Project Brief 2 26-6-23](#)

15. Background Papers

[Commissioning for A Better Life as People Age in Dorset 2023 - 2038](#)