

Full Council Meeting

10am, Thursday 31 August 2023

Castlegreen and North Merchiston Care Homes Capital Works – Corporate Leadership Team Urgency Decision

Executive/routine
Wards

1. Recommendations

It is recommended that the Full Council:

- 1.1 Note the urgency decision made by the Council corporate Leadership Team to progress urgent capital works at Castlegreen and North Merchiston care homes, which were transferred from Four Seasons Healthcare to the City of Edinburgh Council on 22 May 2023, and are being managed through the Edinburgh Health and Social Care Partnership

Mike Massaro-Mallinson

Interim Chief Officer, Edinburgh Health and Social Care Partnership

Contact:

Katie McWilliam

Strategic Planning and Quality Manager

Katie.McWilliam@nhslothian.scot.nhs.uk

Jay Sturgeon

Project Manager

Jay.Sturgeon2@edinburgh.gov.uk

Report

Castlegreen and North Merchiston Care Homes Capital Works – Corporate Leadership Team Urgency Decision

2. Executive Summary

- 2.1 This report outlines the decision of the Corporate Leadership Team to progress capital works in Castlegreen and North Merchiston care homes under urgency.

3. Background

- 3.1 The care and business across the two care homes successfully transferred on 22 May 2023. The buildings are part of the Council's stock. The key aim of transfer was to ensure continuity of care and safety for the residents, who are frail and vulnerable, many with dementia, and to provide assurance for families and employees.
- 3.2 As part of the building lease termination, dilapidations reports were produced, and costed. Additionally, as part of the application for the Council to be the new registered provider, the Care Inspectorate conducted an environmental audit, with an improvement plan developed in June.

4. Main report

Process for Urgency

- 4.1 Consideration has been given to the key capital work that is required to meet building regulation and compliance, as well as ensuring the environmental audit improvement plan required for the Care Inspectorate is addressed.
- 4.2 Considerable work has been undertaken to assess the environment, through the dilapidations survey, and the improvement report from the Care Inspectorate environmental audit. This has been supported by a subsequent report from Skanska, a key Council contractor who undertake various aspects of facilities management. They were asked to review the dilapidations reports undertaken by the surveyors, to allow an assessment of the work that would be required, the sense of urgency of that work, and associated costs.

- 4.3 These works were assessed using RAG status. Red – works to be completed in the 5 months since the transfer of service and the Care Inspection in May 2023, amber – work to take place between 6-12 months, and green, related to a general maintenance and enhancement programme -12 months plus.
- 4.4 The capital works require a lead in time, and some requiring planning permission. It is anticipated that the Care Inspectorate is likely to revisit the care homes to be assured of progress before the end of calendar year.
- 4.5 This level of urgency formed the basis of the decision made by the Corporate Leadership Team to allow the red and amber capital requirements to be instructed at the earliest opportunity. The alternative was to wait for the scheduled Finance and Resources Committee to consider these at the 21 September 2023 meeting.
- 4.6 Following consultation with party group leaders, the convenor of Finance and Resources and the Lord Provost, through an urgency briefing, at the 26 July 2023 Council Corporate Leadership Team, a decision was made to proceed with the red and amber aspects of work. This will allow works to be completed to ensure a safe environment for residents to live in, and for care staff to operate safely, in facilities that meet regulations, and addresses the Care Inspectorate requirements for registration. The work undertaken will align with the standards for all the Council's care homes.
- 4.7 It should be noted that not all group leaders assented to the urgency briefing, with an alternative method for resolving the urgency suggested, of presenting a report to the 31 August full Council.
- 4.8 At Policy and Sustainability Committee 22 August 2023, it was established that the Chief Executive of the Council had the authority to make the decision under urgency powers. An addendum by the Conservative Group that meeting was accepted; *to undertake a review of urgency procedures to determine a formal process where there is not unanimous agreement, and the report should outline any necessary changes to the Scheme of Delegation and Standing Orders required to bring any recommendations into effect.*
- 4.9 A further addendum by the Green Group at the same committee was also accepted; *a request that the upcoming report to Finance and Resources Committee will include a detailed explanation of the difference between the overpayment amount reported to members in previous reports, and briefings, versus the c£87k which has been agreed and paid to the Council.*
- 4.10 Also, at this meeting, a confidential briefing was requested on sponsorship for employees who transferred under TUPE. This has been prepared.
- 4.11 Finally, the Policy and Sustainability Committee further referred that committee report to this full Council 31 August 2023.

Urgent Capital Works Required

- 4.13 The key aspects required to be undertaken urgently to comply with building regulations, and those required as a condition of the Council's ongoing registration with the Care inspectorate (ie those with the red and amber ratings) have now been instructed. Specifically this includes:
- key infection control aspects, with additional domestic service rooms required, which the Care Inspectorate are working with FM and care home colleagues on;
 - accessible, safe outdoor space;
 - safe and secure waste management, aligned with current care home requirements;
 - water damage and associated repairs;
 - legionella risk assessments; and
 - ventilation regulation assessments and associated works.

Dilapidations, Over and Under Payments

- 4.14 Castlegreen and North Merchiston were leased out by the Council, on a full repairing and insuring basis which is the most usual type of lease for properties leased out by the Council. Under such leases, tenants are responsible for all repairs, statutory compliance, including compliance with all associated regulations and regulatory bodies. It is not usually until the end of the lease that the tenant's compliance with the lease terms is assessed by the Council, which is the purpose of the dilapidations clauses in the lease. Whilst inspections through the lease term would be useful for the c1,100 buildings the Council lease, additional resources would be required to do this.
- 4.15 A dilapidations claim against Tamaris Scotland Ltd (TSL) has been made. Tamaris Scotland Ltd is the subsidiary of Four Seasons Healthcare, and previous provider of the services across the two care homes. The dilapidations sum totalled £1,167k across the two care homes. Dilapidations notices were served by the Council to TSL on 29 June 2023. The 10-day deadline for response passed without any receipt from TSL of any payment.
- 4.16 The Corporate Leadership Team carefully considered the position on 26 July 2023, and authorised the Council Corporate Legal Team to proceed to court action, for each care home. This was based on the requirement in the commercial lease that the tenant (TSL) must comply with the repair obligation. If it does not do so, the landlord (the Council), has the option of certifying the cost of carrying out the necessary work, and that sum then falls due as a debt.
- 4.17 The issue of the over and under payment has been concluded, with the agreed sum of overpayment of c£87k being paid by Tamaris Scotland Limited back to the Council. As indicated above, more detail about this being the final position

will be provided in the Finance and Resources Committee report 21 September 2023.

5. Next Steps

- 5.1 As the red and amber aspects have been instructed, facilities management colleagues are developing the schedule of works, and getting underway with the red and amber aspects of capital works required.
- 5.2 As highlighted above, more detail around the financial position requested around over and under payment will be included in the 21 September Finance and Resources Committee paper.

6. Financial impact

- 6.1 The value of the works is c£244k for the red aspects (94% of which relate to the Care Inspectorate requirements) and c£136k for the amber aspects (with 24% of this relating to the Care Inspectorate requirements). This gives a total requirement of c£380k. The detail highlighted in this report will also be presented to the Finance and Resources Committee on 21 September 2023.
- 6.2 Below, in Table 1, is the summary of the anticipated capital costs and the detail is included in **Appendix 1**.

Table 1: Summarised overall red, amber, green capital works:

RAG Status	Castlegreen (c£k)	North Merchiston (c£k)	Totals (c£k)	TOTAL Red and Amber (c£k)	Care Inspectorate Requirements (c£k)
Red Immediate up to 5 months	106	137	244 ¹ (21% of total)	£380	229 (94% of Red)
Amber Attention required 6-12 months	81	56	136 (12% of total)		37 (24% of Amber)
Green 12+ works programme	388	369	757 (67% of total)		0
Totals £	575	562	1,137		266 (34% of Total)
Notes:					
1. work has been instructed immediately on fire door replacement and funded from the Term Service Contract c£8k					

Source: Skanska Framework Report and Care Inspectorate Improvement Plan June 2023

7. Equality and Poverty Impact

- 7.1 There are no direct implications on equality and poverty impact associated with this report.

8. Climate and Nature Emergency Implications

- 8.1 Any capital work undertaken across the care homes, will have environmental and sustainable aspects considered. The approach will be to recycle and reuse as many materials as possible, if safe to do so. Additionally, a key plan is to assess the solar panels fitted to both care homes, and have them operational to contribute to producing clean energy.
- 8.2 All works will be subject to the Council's approach to identify any positive or negative environmental impacts, as well as the steps taken (or planned) to mitigate any adverse impacts. This includes impacts on greenhouse gas emissions, air quality, biodiversity, and adaptation to climate change.

9. Risk, policy, compliance, governance and community impact

- 9.1 The approach to care, regardless of the place where care is provided, is to comply with the Principles of the Health and Social Care Standards¹, and the 6 key principles therein: dignity and respect; compassion; be included; responsive care and support; wellbeing.
- 9.2 The briefing for urgency to undertake the capital works, indicated that each of these principles would be adversely impacted for the people living in the care homes, who are vulnerable, have complex care needs many having dementia, and indicated potential risks. Further, there would be risk implications associated with the working environment for colleagues. As the Corporate Leadership Team on 26 July 2023 authorised the red and amber status works to commence, this will mitigate these associated risks

10. Background reading/external references

- 10.1 No background reports – Urgency Briefing circulated to the Lord Provost and Party Group Leaders

11. Appendices

Appendix 1a - Five Year Programme of Works RAG Castlegreen CLT 28.06.23

Appendix 1b - Five Year Programme of Works RAG North Merchiston CLT 28.06.23

¹ [Health and social care standards | Care Information Scotland \(careinfoscotland.scot\)](https://www.careinfoscotland.scot)

Five Year Programme of Works RAG Castlegreen CLT 28.06.23

Red	Critical to service provision : immediate up to 5 months
Amber	Needs attention:6-12 6 months
Green	Part of longer works programme: 12+ months

The City of Edinburgh Council - Castlegreen Care Home					
Five Year Programme of Works at June 2023					
Priorit	Category	Description	Source	Budget Cost £	Timescale
1	Internal Fire & Exit Door Renewal	Renew the internal fire doorset to the lower ground floor staircase . Renew the external doorset from the staff / goods entrance	Facilities Management Report	£7,390.00	Jul-23
2	DSR (Domestic Service Rooms)	DSR serving care areas are separate to other areas such as laundry and other activity such as administration. 6 Off . Locations to be agreed.	Care Inspectorate Improvement Plan	£44,000.00	Jun-23
3	Mechanical Ventilation	A review and audit of ventilation equipment must be completed to determine type of ventilation in the home and repair any damaged or broken equipment.	Care Inspectorate Improvement Plan	£5,000.00	Jul-23
4	Garden Spaces	Carry out a detailed survey inspection of all boundary fence issues include all areas of damaged fencing, missing fencing and inadequate fencing to the boundary of the memorial garden and domestic dwellings. Currently the site is not fully secure given the low level security fencing currently on site. We require a meeting with the CoEc and the security team to revise all external boundary and propose any remedial actions. Approx external boundary fencing Front 30mtr - Rear 20mtr both with lockable gates	Care Inspectorate Improvement Plan	£15,000.00	Dec-23
4	Garden Spaces	Carry out a detailed survey inspection of all internal fences issues include all areas of damaged fencing, missing fencing and inadequate fencing to the garden areas. The care inspectorate have recommended that the residents have a say in how the grounds are to be maintained and developed. In the meantime we suggest a Provisional Sum of £30,000.00 for enhancement works.	Care Inspectorate Improvement Plan	£30,000.00	Dec-23
4	Garden Spaces	Remove all debris left in the grounds by others	Facilities Management Report	£4,600.00	Jul-23
5	Drainage Inspections	Further to our survey carried out at the above premises we confirm our cost per care home to carry out an inspection of the existing drainage runs and pressure jet any blockages found during our survey and provide drawing of drain runs and a condition report.Note: Inspect all surface manholes, road gullies and drainage to all accessible locations on the site.	Facilities Management Report	£448.50	Jul-23
6	Ceiling Repairs	The Care inspectorate noted a number of areas in the home where the ceilings had evidence of water damage. The Council must assess where and how water is managing to enter the building and take steps to repair and reduce recurrence – In response We have had our high level team on site to review the building / layout and access requirements for the purpose of providing and adding costs to the PPM schedule for High Level inspections and gutter cleaning carried out annually. We did not witness any significant areas of ingress however there are a number of ceiling tiles that are showing water staining we would engage with our attending contractor to carry out an internal ceiling condition prior to the 1st inspection. Carry out internal ceiling repairs following the initial PPM and minor roof repairs.	Care Inspectorate Improvement Plan	£8,000.00	Nov-23
7	External Balconies	There are a number of external balconies which present with a single layer of decking on an exposed steel framework. We recommend an engineer inspects these areas for suitability and condition. The existing decking boards may have a shelf life given there exposure to the elements and their ability to support point loading.	Facilities Management Report	£35,000.00	Nov-23
8	Waste Management	A review of waste storage area should be undertaken to provide screened and lockable bin store.	Care Inspectorate Improvement Plan	£25,000.00	Jan-24
9	External Elevation & Windows	Carry out a full inspection of the all window timbers, glazed units and external elevation cladding. Remove and replace all defective elements with matching elements.	Facilities Management Report	£7,500.00	Aug-23
10	Window Blinds	Carry out a full survey / inspection of all existing window blinds and the requirements of the care home management staff to supply and install selected window blinds and privacy blinds as required. Note: Supply and install roller blinds to all existing road facing windows (Greendykes Road), remove all existing damaged blinds and install new blinds with antiligiture clips. We have accounted for 32Nr individual blinds (Approx).	Facilities Management Report	£4,320.00	Nov-23
11	Flooring	Flooring (5 Year Rolling Programme)	Facilities Management Report	£267,339.47	Jul-24
11	Decoration	Decoration (5 year rolling programme)	Facilities Management Report	£99,836.00	Jul-24
11	Lighting	Lighting	Facilities Management Report	£21,208.00	Jul-24
Total				£574,641.97	

Appendix 1b

Five Year Programme of Works RAG North Merchiston CLT 28.06.23

Red	Critical to service provision: immediate up to 5 months
Amber	Needs attention: 6-12 months
Green	Part of longer works programme: 12+ months

The City of Edinburgh Council - North Merchiston Care Home					
Five Year Programme of Works at June 2023					
Priorit	Category	Description	Source	Budget Cost £	Timescal
1	External Balconies	We have inspected all external balconies and would recommend wholesale renewal of the 6Nr external balconies include all necessary maintenance / repairs including cleaning, de-mossing and ensuring outlets are clear to allow discharge of rainwater. Perimeter handrails need to be replaced in addition to the decking. All costs include the supply and installation without any specific decoration or finishes - Strip back existing coverings and dispose from site Supply new Gripsure non slip treated decking to site Install new decking system on treated timber dwangs with 5mm spacing between boards Improve the overflow set up and pipe to nearby downpipes See attached data sheets on the proposed deck materials.	Care Inspectorate Improvement Plan	£35,000.00	Jun-23
2	DSR (Domestic Service Rooms)	Domestic services rooms (DSR) – these were situated in the hallways between the 2 units on each floor. Ideally each unit should have its own DSR and the provider should consider how this can be accommodated.	Care Inspectorate Improvement Plan	£45,000.00	Jun-23
3	Kitchens	Many of the kitchen areas within the dining rooms we're not fit for purpose with cracked and exposed surfaces missing doors and doors that did not shut properly.	Care Inspectorate Improvement Plan	£55,000.00	Nov-23
4	Ceiling Repairs	A number of mineral fibre ceiling tiles are suffering minor deterioration and moisture staining. Allow for the replacement of moisture stained, damaged, and marked mineral fibre ceiling tiles, complete.	Dilapidation Report	£2,356.00	Nov-23
5	Garden Spaces	Consideration should be given to investing in the landscaping to make all areas attractive.	Care Inspectorate Improvement Plan	£3,500.00	Dec-23
6	Drainage Inspections	Further to our survey carried out at the above premises we confirm our cost per care home to carry out an inspection of the existing drainage runs and pressure jet any blockages found during our survey and provide drawing of drain runs and a condition report. Note: Inspect all surface manholes, road gullies and drainage to all accessible locations on the site.	Facilities Management Report	£448.50	Jul-23
7	Render/Pointing Repairs	External wall render is soiled / stained. Allow for the cleaning down of all soiled / stained render by spraying with water and External wall render is soiled / stained brushing lightly. There is evidence of cracked and missing pointing to brickwork. Allow for raking out all cracked and eroded mortar pointing, allowing for repointing in a suitable mortar.	Dilapidation Report	£10,259.00	Dec-23
8	Window Blinds	Supply and install roller blinds to all existing windows, remove all existing damaged blinds and install new blinds with antiligiture clips. We have accounted for 308Nr individual blinds.	Facilities Management Report	£41,580.00	Nov-23
9	Flooring	Flooring (5 Year Rolling Programme)	Facilities Management Report	£271,036.00	Jul-24
10	Decoration	Decoration (5 year rolling programme)	Facilities Management Report	£76,620.00	Jul-24
11	Lighting	Lighting	Facilities Management Report	£21,208.00	Jul-24
Total				£562,007.50	