

# REPORT

## An Older People's Pathway

Edinburgh Integration Joint Board  
9 February 2024

### Executive Summary

The purpose of this report is to provide the Integration Joint Board with the findings and recommendations of the commissioning exercise that it directed in June 2023.

### Recommendations

It is recommended that the Integration Joint Board commissions:

1. a costed proposal to open 40 – 50 new beds in 2024 that will support people who would otherwise use hospital-based complex care
2. a feasibility study to reopen Drumbrae as a care facility
3. an independent study of the cost of intensive care home services
4. a service specification and framework of prices, terms and conditions for intensive care services
5. a business case for an enhanced 'Care Bookings' team

### Directions

Direction to City of Edinburgh Council, NHS Lothian or both organisations	No direction required	
	Issue a direction to City of Edinburgh Council	✓
	Issue a direction to NHS Lothian	
	Issue a direction to City of Edinburgh Council & NHS Lothian	

## Report Circulation

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1. The findings and recommendations of this report were first presented at a Development Session of the IJB on 12 January 2024. Following this, a paper was considered at the Strategic Planning Group on 30 January 2024.

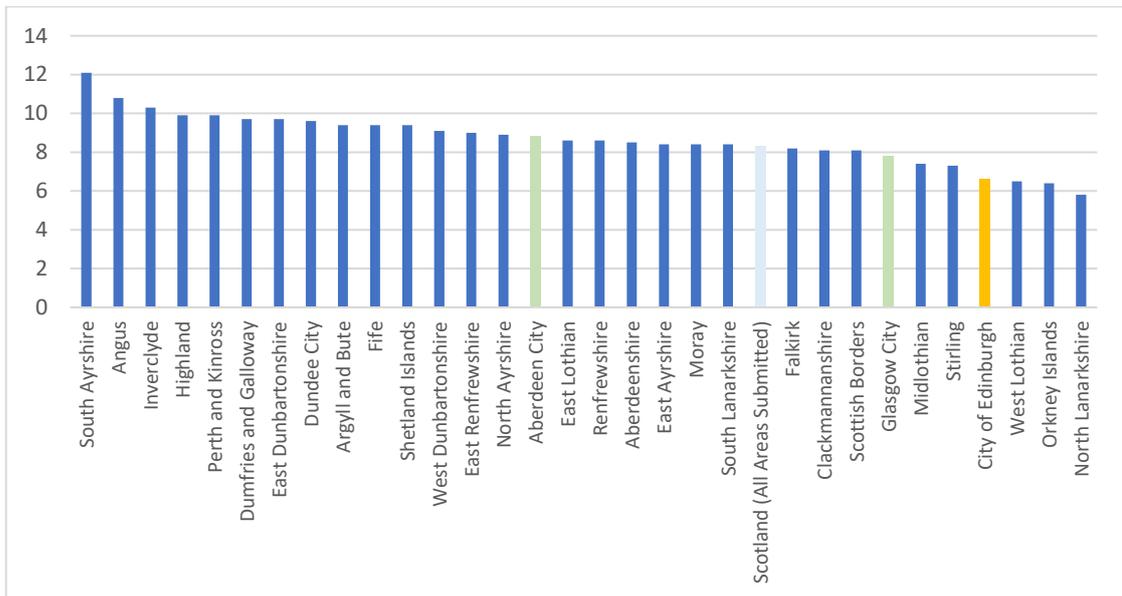
## Main Report

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2. In June 2023 the Board directed ‘a strategic commissioning exercise on older people’s bed-based services by appointing an external independent commissioner.’
3. The commissioning exercise is managed and governed in the Partnership’s Older People’s Pathway (OPP), which is a commissioning programme for accommodation-based care for older people, especially care homes. OPP is managed and overseen in an established system of governance that includes a Programme Board of officers and senior clinicians who are directly involved in these services; a Change Board of executive offices; and a group of IJB members and other stakeholders, among them industry representatives, who contributed to the findings and recommendations in the paper.
4. This report summarises the findings of that exercise; recommends modest expansion of the city’s intensive care home services; explains how and where those recommendations are realised, in concert the plans for Liberton hospital and the Edinburgh’s use of the Royal Edinburgh Hospital.

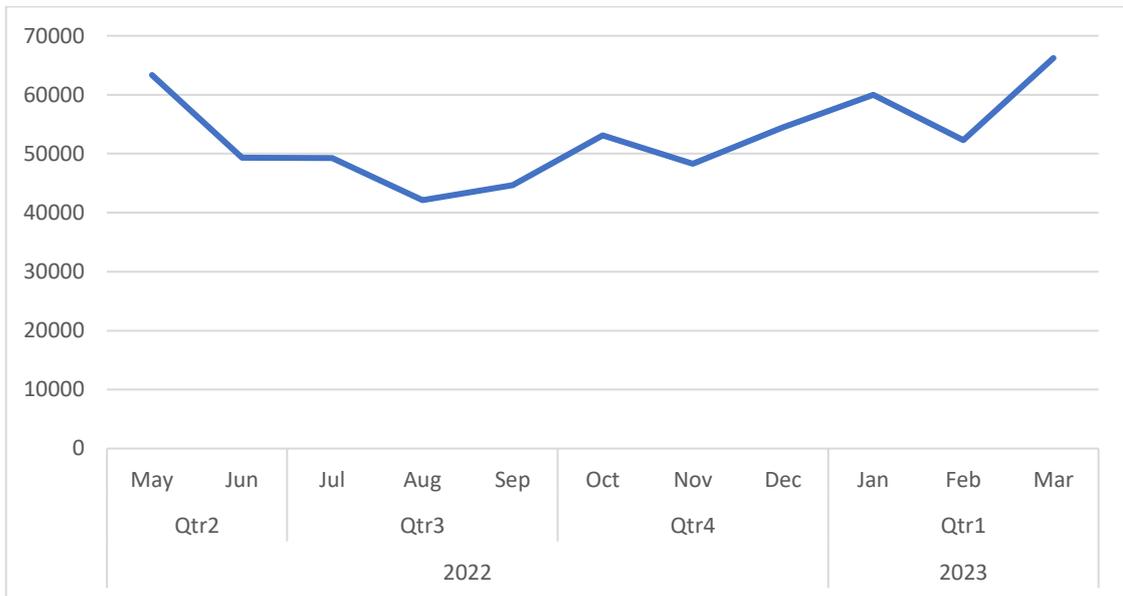
### **BACKGROUND: EDINBURGH’S BALANCE OF CARE APR 2022 TO MARCH 2023**

5. Edinburgh has comparatively few care homes for its population. The City has about six care home beds per thousand of its population compared with eight for Scotland as a whole, and for Glasgow and Aberdeen.

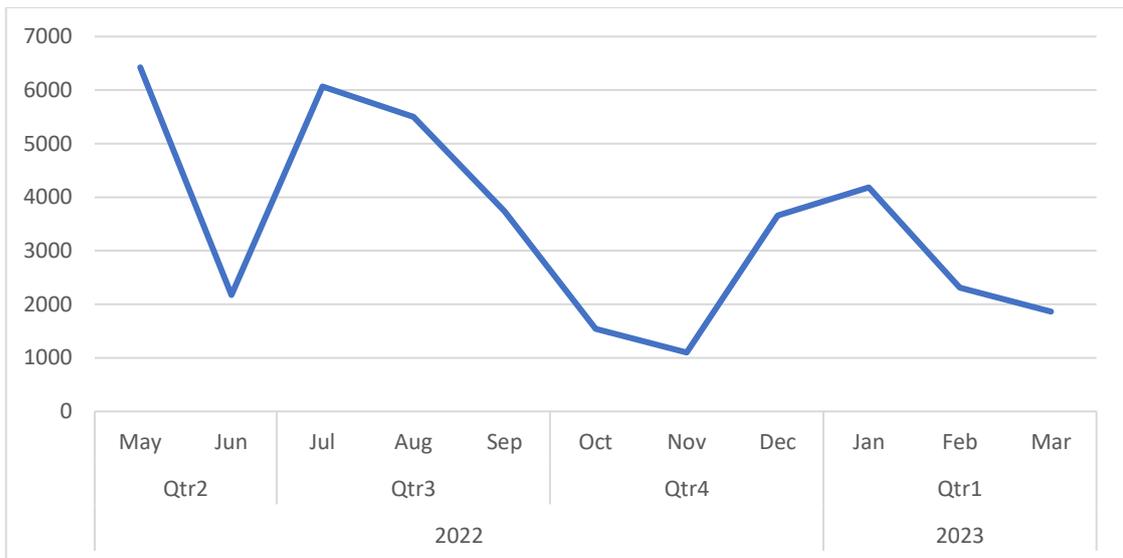


**Fig. 1 Long-stay care home beds per population 2022-23 (Public Health Scotland: [Source Platform](#))**

6. Edinburgh’s “balance of care” is exemplary. The City manages with comparatively few care home beds because it has a large, thriving market for care at home. According to the national local authority spending statistics, in 2022-23 the Partnership spent 10% more supporting people at home than in care homes. Aberdeen, our nearest comparator, spent about twice as much on care homes than care at home. This is not due to significant differences in care at home fee-rates but because the Partnership arranges intensive packages of care at home for people who would live in care homes elsewhere.
7. Within these broad statistics are signs that people whose needs are more acute or more complex sometimes wait for the support they need to leave hospital. The new two charts show the number of days that Edinburgh’s residents waited in hospital each month between May 2022 (the first month for which we have complete data) and March 2023. Fig. 2 shows waiting for care homes that offer nursing, dementia or other specialist care, for example, for people who have mental health problems other than dementia. Fig 3 shows that people wait less time for “standard” residential care.

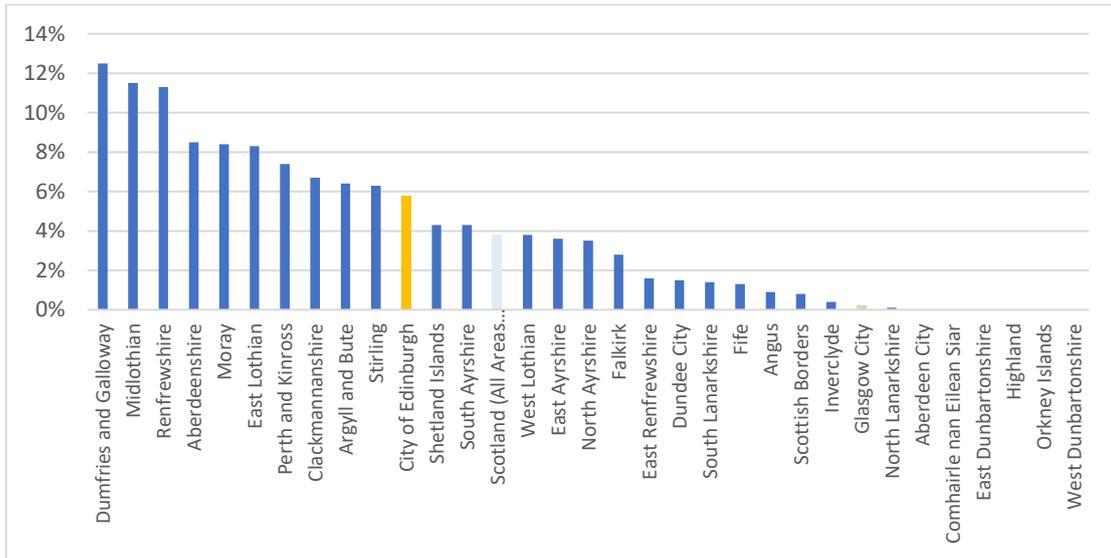


**Fig. 2 Days in hospital waiting to move to specialist, dementia and nursing care homes, 2022-23. (Source: Trak)**



**Fig. 3 Days in hospital waiting to move to “standard” residential care homes (including CEC homes), 2022-23 (Source: Trak)**

8. Other people, include some leaving hospital, manage with unusually large packages of care at home. Edinburgh uses more most intensive care at home than Scotland as a whole. Aberdeen and Glasgow, both with more care home beds, use almost none. As plausible explanation, supported by discussion with front-line workers, is that the availability of a suitable care home, and not the needs and preferences of the person, decide in favour of intensive care at home. For some, a care home might better suit their needs and circumstances and be more affordable for the Partnership.



**Fig. 3 Percentage of care at home packages more than 50 hours per week, FY 2022- 23 (Public Health Scotland: [Source Platform](#))**

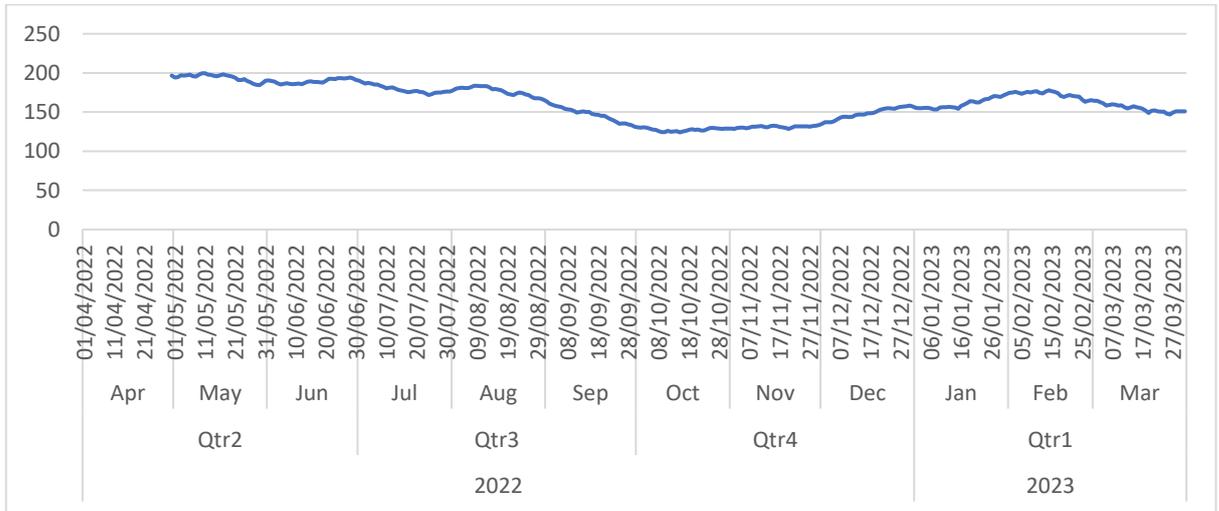
**THE BALANCE OF CARE AND THE COST OF CARE**

- The Council currently operates about 15% of the city’s 3,020 care home beds. The rest are operated by organisations of widely varying sizes, from national groups with hundreds of homes to small, owner-managed homes. Their commercial models also vary

	LA	Private	Not for profit	Total	100000 pop
<b>Edinburgh</b>	436	2211	373	3020	575
<b>Glasgow</b>	550	3128	241	3919	617
<b>Aberdeen</b>	-	1210	163	1373	605

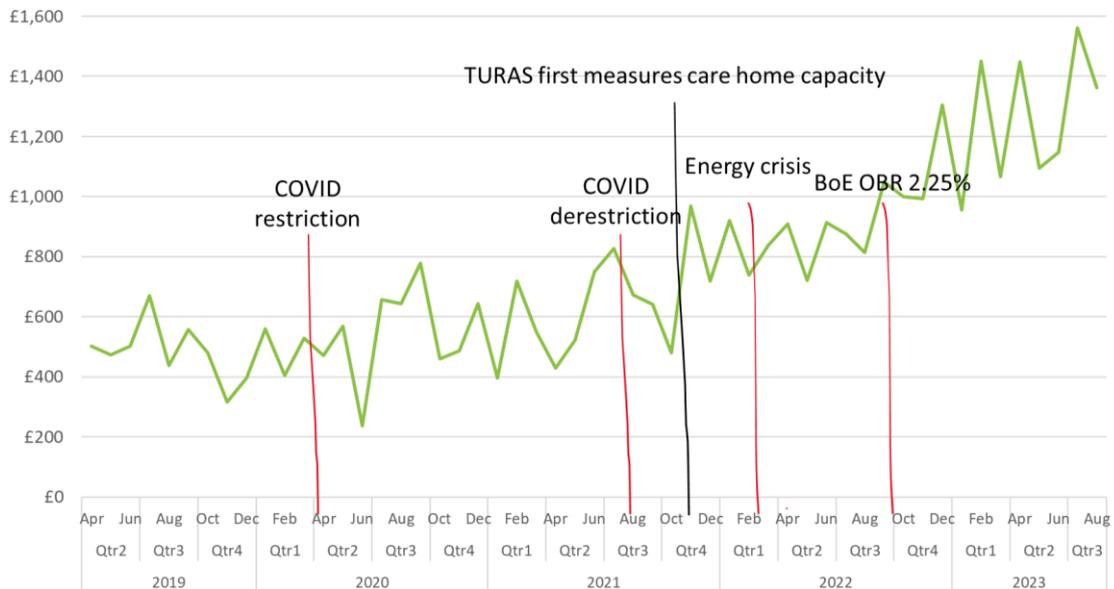
**Fig 4. Total care home beds operated by public, private and not-for-profit operators (Source: MDFS July 2023)**

- On a given day currently between 3% and 5% of the City’s care home beds (100 and 150) are available for new residents. This is half the number in January 2022. A significant part of the change occurred between Apr 2022 and March 2023



**Fig. 5 A thirty-day moving average of care home beds that were available for new residents in Edinburgh's care homes, FY 2022-23 (Source: TURAS)**

11. Of the beds available at large Scottish Care indicates most weeks that the Partnership purchase access 10 near the “Social Work” rate of £888.50/week in the independent sector, and a handful more in the Council’s care homes.
12. In consequence, the Partnership was obliged to pay higher fees, above the rates assumed in budget planning, to help people leave hospital. The period of most rapid increase began in the first quarter of 2022.



**Fig. 6 The average monthly fee paid by the Partnership new care home admissions (Source: Swift)**

13. Since November 2022, the funding and operating cost of care homes do not explain the prices. Care homes certainly felt inflationary pressures in their operating costs. Wages, energy, food and the cost of borrowing (OBR) account for most of the cost of care. Fig 6 shows important economic shocks to care homes. In the twelve months between November 2021 and October 2022, the growth in independent sector care home fees followed the rate of underlying inflation. Cost-inflation slowed after October 2022, but care home fees continued to grow.



**Fig. 7 Indices of care home fees paid by the Partnership; bed-availability; and consumer prices** (Source: Swift, TURAS and ONS)

### BALANCE OF CARE AND PARTNERSHIP SPENDING ON CARE FOR OLDER PEOPLE

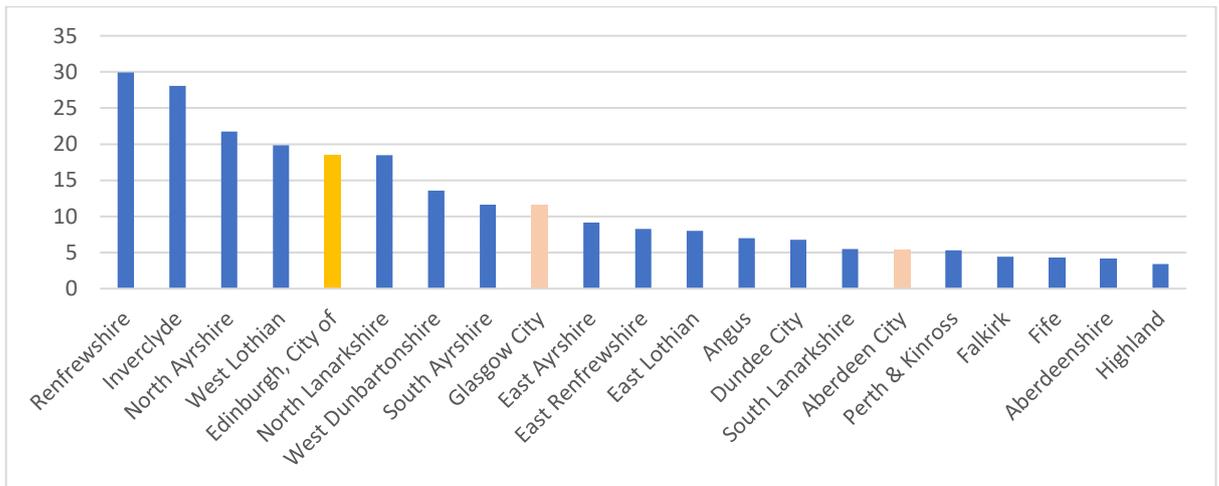
14. Of the 1100 older people the Partnership supported in care homes, nearly a fifth now cost between 10% and 100% more than the “Social Work” fee rate of £888.50. The Social Work rates remains the median and modal rate those above it contribute a growing proportion of the Partnership’s spending on care for older people. The difference between the Social Work fee and the fee we agreed to pay will cost the Partnership £3.8M this financial year. These fees are for intensive services, for people with dementia, or who need nursing care home services, or both: the services that hospital delayed discharge data indicate are most scarce (fig. 2 and 3 above).
15. Scarcity also contributes to spending on care at home. As of December 2023, we can estimate that this year the Partnership will spend £8.5M (net) to support 130 older people at home with services of more than 45 hours per week that cost more than a suitable care home service. The annual cost to support them

in standard residential care homes would be approximately £6M before contributions or £4.8M net assuming the current average 20% contribution from charging. Allowing higher care home fees for people who use the most intensive packages, a net annual cost of £5.6M is plausible. This would yield an annual saving of £2.9M.

16. These estimates are now subject to rigorous testing in preparation for next year's budget. Among the questions the Programme must answer are
  - a. For whom and how many is a care home a better option than care at home?
  - b. What is the exact cost of the care home service for a given number of hours of care at home?
  - c. What would the Partnership pay for funded personal and nursing care contributions for people who would be self-funding when they are assessed in the residential care charging policy?

#### **OTHER FACTORS THAT AFFECT CARE HOME DEMAND AND CAPACITY**

17. Scarcity helps to explain the time older people wait for a suitable care home and pressures on the Partnerships' budgets. It is not a sufficient explanation.
18. The City's care homes are mixed economy of predominantly independent sector care providers (fig. 3). This means that the offer-price as much as the cost of care will continue to affect the Partnership's spending for some years. Good will motivates some operators to offer the Partnership services at lower fees than they might attract from people who pay for their own care. That good will is sometimes counter to purely commercial interest. Some want to offer a public good and will even lead losses to do so. Others would rather avoid waste even if the cost of a vacancy is less than the cost of supporting a resident. Operators and care home managers, some in the Council's own homes, have suggested measures the Partnership might take to garner confidence and trust. They include prices that are more sensitive to the widely varying needs of residents; centralised referrals and purchasing; and more reliable transfers of care for people moving to care homes from hospital especially.
19. The Partnership plans to reconfigure intermediate care and hospital-based complex clinical care (HBCCC) as part of its move from the Liberton hospital site later this year. The plan preserves the City's hospital intermediate care capacity and brings HBCCC beds, of which Edinburgh has more per capita than comparable place, to levels seen in comparable Partnerships.



**Fig. 7 HBCCC beds per 100,000 population (includes other classes of sub-acute hospital care) (Source: HBCCC and Long-stay Inpatient Census 2022.)**

20. The city's comparatively large system of HBCCC beds might be explained by its small number of intensive care home beds, as waiting for nursing and dementia beds is among the main causes of Delayed Discharge in the City's general hospitals. High-intensity care home services, supported by primary and community health services, would be safe, comfortable alternatives to HBCCC for about fifty people at any time. If this kind of bed is our plan to reconfigure HBCCC as we move from Liberton, we add demand for the kinds of bed that are already scarce.
21. Acute beds in general hospitals and HBCCC are not the only classes of hospital bed that need more care home capacity and better pathways. There is growing evidence that some older people in the Royal Edinburgh Hospital (REH) might benefit from specialist dementia care home beds. Work to estimate how many is underway. The Older People's Pathway's focus dementia is complemented by companion programme, Mental Health Pathways, focusing people who live with functional mental illness.

## RECOMMENDATIONS

22. Immediate demand for nursing and dementia care home beds; inflation in the cost of delivering care; rising prices for services in the independent sector; and impending new demand due to reconfiguration of hospital services and performance improvements all argue for a ready source of additional care home capacity that is within the Partnership's control. The first two recommendations find new near-term capacity in the Council's care homes.
23. In the summer of 2023, the Council resumed control of two care homes that were formerly operated by a large national care home group: Castlegreen and

North Merchiston. Both now operate safely at approximately 55% of their maximum safe capacity. At full capacity, with investment in buildings and staff, they offer between 40 and 50 beds between them, one specialising in dementia care, the other in care for frail older people and people who need palliative, end of life care. This matches the demand for alternatives to HBCCC allowing for some who may chose other homes, for example homes nearer their families, in the independent sector.

**R1. Produce a costed proposal to operate 40 – 50 additional nursing and frailty beds at Castlegreen and North Merchiston, using a care model that can support people in who would live in HBCCC.**

24. The first recommendation offers a solution to new demand due to hospital reconfiguration. The analysis of demand and staffing model on which this proposal would depend is well advanced at the time of writing.
25. Recommendation one does not relieve the underlying issues of capacity and cost that were quantified in the findings (above). It leaves them almost untouched as new intensive care home beds are used by people who would formerly live in HBCCC. New care home capacity above what is needed this year entails a further recommendation about the Council's care homes.
26. Among the City's newest care homes is Drumbrae. It is closed with significant maintenance and security overheads. It offers 60 beds in configurations that, subject to affordability, can relieve waiting times and mitigate the prices that the Partnership pays for intensive nursing, dementia and other specialist care.

**R2. Conduct a feasibility study to reopen Drumbrae as a care facility**

27. The second recommendation maximises capacity in the Council's homes, focussing on the most intensive services that can be provided in a care homes. Most of the City's care homes are operated by independent providers of vary sizes and purposes, from charities to large, for-profit national providers. Consultation with these operators confirms the Programme's interpretation of prices: the fee-rates that the Partnership assumes in medium-term financial planning are some way from their normal operating costs and a reasonable price for care.

**R3. Conduct a detailed cost of care analysis, by an independent third-party, to establish the accurate operating costs of specialist care home services**

**R4. Develop service specifications and a framework of prices, terms and conditions from the findings of the cost of care exercise. This framework should give the Council and providers clear estimates the need for, and reasonable cost of, care home services until the end of this decade at least.**

28. The Older People's Pathway programme is formal part of the Partnership's Medium-term Financial Strategy savings plan. It is asked to save £2.5M in each of the next two financial years. New capacity will help us better manage demand and prices. Even within the City's current care home capacity, the Programme has found evidence that centralisation of all referrals to all care home (including the Council's) and of purchasing from independent care homes, will mitigate some of the growth in prices even within the limits of current capacity.

**R5. Prepare a business case to enhance the Partnership's 'Care Bookings' team. It should be sufficient to support people whose service the Partnership will fund and help self-funders find homes suitable for their needs and means.**

#### **STANDARD RESIDENTIAL CARE**

29. The Older People's Pathway has so far focussed on scarce, intensive services, for about a fifth of older people we support, rising to perhaps a quarter in the medium term due to demographic change and growing prevalence of comorbidity.
30. The Programme has not yet addressed demand for "standard" residential care, or care home services that are not for people whose needs are acute and complex. The IJB's Development Group asked for a commissioning strategy with estimates of need, demand, capacity and pathways for these services.
31. The Programme plans to answer these with NHS Lothian's whole-system bed-modelling programme, which will address care home demand and capacity, across the four partnerships, in February. The results will yield a comprehensive strategy for care homes, from the least to the most intensive services. It will dovetail with the Partnership's established One Edinburgh commissioning programme, ensuring a coherent plan for care at home and bed-based care.

#### **THE OLDER PEOPLE'S PATHWAY PROGRAMME: SCOPE AND GOVERNANCE**

32. The Older People's Pathway is a formal programme of change in the Partnership.

33. In summary, the Programme has a small programme office from the Innovation and Sustainability team. Its work is overseen by a Delivery Group of officers and senior clinicians that meets each month. It reports progress to the Partnership's Change Board, which is the Partnership's Executive Team's monthly monitoring of major change programmes. Intercurrent risks and issue that need urgent attention are taken to the Executive Management Team.
34. A note on scope. The programme is pre-occupied with services for people above 65 years of age. But chronological age is a less useful measure of scope than biological age. In other words, the programme's aim is to define commissioning intentions for people with progress, age-related health conditions of all kinds—the conditions of older age—and therefore includes services for some who live with the conditions during adult life. The early onset of dementia is one such example.
35. The number of working-age people encompassed by the Programme is small but this belies the time they spend in hospital and the fees the Partnership pays for their care. The shortage of care home placements in Edinburgh for working-age people with dementia and other progressive conditions is the most acute of any group. Fees for care homes to outside the City who will support working-age people are also disproportionate.
36. The Older People's Pathway is one of three pathway programmes. A programme for people who live with functional mental illness commissioning bed-based care among other things. An emerging Working-age Pathway will commission support and accommodation for people of working-age or, more precisely, people with life-long, enduring disabilities and health conditions, including early planning for young-people in transition from Children's Services.

## **SUMMARY**

37. Edinburgh's comparatively small care home bed-base helps to explain waiting times, intensive care at home and growing care home fees.
38. The plans for Liberton, intermediate care and hospital-based complex care increases demand for the beds that are most scarce.
39. The Council operates homes that can support the plan Liberton. The Older People's Pathway programme has designed and a clinical and care model with senior clinicians in the Partnership. It is now estimating the cost of that model in Council homes.
40. The plans for Liberton do no address an underlying shortage of dementia and nursing care beds. Drumbrae offers a solution in the term of the MTFs for the people with the most acute and complex needs.

41. Fully optimised Council homes will supply about 15% of the beds the City needs. The independent sector needs confidence about demand; realistic terms and conditions; and predictable, accurate referrals and admission if it is to offer prices that the Partnership can afford. A new Framework, developed in collaboration with providers, can help with this.
42. Much progress has been made with the OPP. However, the work is complex, wide in scope with multiple factors to be considered (including the interface with the medium-term financial strategy). This report sets out a range of recommendations each of which requires further work. On this basis, it is proposed to extend the work for a further 6 months.
43. **R6. Issue the direction attached at Appendix 1 to extend the OPP commissioning exercise for a further 6 months.**

## **Implications for Edinburgh Integration Joint Board**

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### **Financial**

44. The introduction of a nursing model of care into the larger care homes managed by the Partnership will be funded by the redesign of HBCCC and Intermediate Care.
45. Financial modelling is underway to assess the affordability of the current nursing model, against a newly developed model that could see the available capacity at both Castlegreen and North Merchiston brought into operation.
46. A £2.5m savings target over two years has been applied to this programme, which will be realised through a range of activities to improve older peoples' pathways, improve commissioning and rebalance the bed base.

### **Legal / risk implications**

47. The legal right to appeal decisions to discharge could delay implementation plans for redesign.
48. Affordability of bed base redesign within current financial constraints, including any commissioning activity.
49. Reputational risks associated continued provision of care in inappropriate settings.

### **Equality and integrated impact assessment**

50. A high-level impact assessment has been scheduled

51. By improving older peoples' pathways, we will ensure that people are on the most appropriate pathway to meet their needs.

### **Environment and sustainability impacts**

52. There will be environmental benefits (e.g. improved energy efficiency) if the bed base is accommodated in newer buildings
53. There will be a reduced risk of infection prevention and control issues due to services being accommodated in newer buildings.

### **Quality of care**

54. Ensuring the Partnership's models of care and bed-based services can meet the needs of people with complex care requirements.
55. Redesigning bed-based services to meet existing and projected demand

### **Consultation**

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56. No formal consultation has taken place to date, however, the IJB have committed to consulting on the outcomes of the strategic commissioning exercise.

### **Report Author**

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### **Background Reports**

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None.

## Appendices

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Appendix 1      Direction to the City of Edinburgh Council

## DIRECTION FROM THE EDINBURGH INTEGRATION JOINT BOARD (EIJB)

Partner agencies are required to carry out this direction in accordance with statutory and regulatory obligations, ensuring adherence to relevant guidance, policies and procedures, in pursuit of the EIJB's strategic objectives.

Reference number	EIJB-09/02/2024-TBC		
Does this direction supersede or vary an existing direction? If yes, please provide reference number of existing direction	Yes This direction supercedes EIJB-13/06/2023-1		
Approval date	09/02/2024 TBC		
Services/functions covered	Older people's bed-based services		
Full text of direction	Extend the strategic commissioning exercise on older people's bed-based services by a further 6 months		
Direction to	City of Edinburgh Council		
Link to relevant EIJB report/reports	TBC		
Budget / finances allocated to carry out the direction.		<i>NHS Lothian</i>	<i>City of Edinburgh Council</i>
	2023/24		£0.01
	2024/25		£0.11
Performance measures	Delivery of the recommendations of the paper agreed by the EIJB on 9 <sup>th</sup> February 2024		
Date direction will be reviewed	April 2024 as part of the next annual review of directions		