

	<h1>Business Case</h1>	<p>Project Stage <b>Define</b></p>
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<b>Project Name</b>	Complex Care	<b>Date</b>	09/11/2022
<b>Author</b>	Jenny Rae	<b>Version</b>	0.3

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## 1. Business Need

### What is Complex Care?

There is a small, yet growing number, of people who have Complex Care needs. This is a recognised term for people with a learning disability, but other groups with complexity of need may also be included e.g. mental health or brain injury. Complex Care significantly affects the way in which care, support and environments must be delivered. ACHSCP have published a Complex Care Market Position Statement which details the support and environmental needs, including an environmental specification.

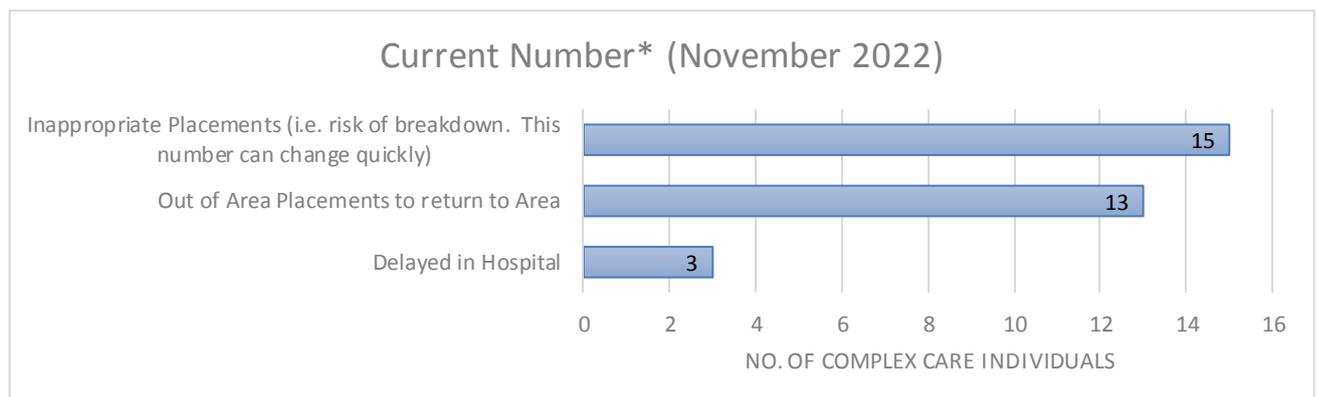


Complex Care Market  
Position Statement W

There is a range of national work taking place, which includes ACHSCP, aligned to the [Coming Home Implementation Report](#) including the allocation of a £20m Community Living Change Fund (CLCF), with a one-off allocation to all Health and Social Care Partnerships (HSCPs); designed to support service development for learning disability Complex Care, with a focus on inappropriate Out of Area (OOA) placements and Delayed Discharge from Hospital

### Current and Future Need

In an indicative data collation exercise the following numbers of people with Complex Care were identified:



As it stands a total of 31 people require Complex Care provision. Need can change very quickly, and these numbers may change at pace. This can be due to:

- new hospital admissions or successful discharges
- transitions into adult services (which at times may not be anticipated)
- changes in health/needs



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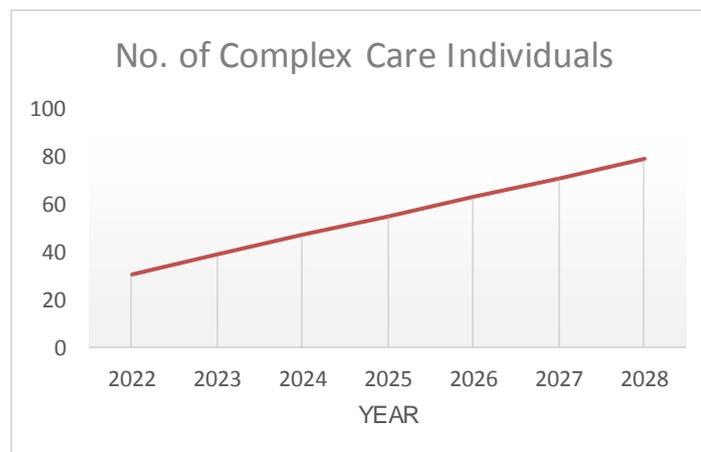
- changes in the current service provision (such as placement breakdown at home or in services, or the change in circumstances of family carers)

Future needs can be hard to predict for many of the reasons above and there may be no obvious trends. The number of people with Complex Care needs is low in relation to more general MHLD social care needs however, this number is growing, and the complexity people present with has intensified. There is a link between inappropriate services, environments, and placement breakdown.

In relation to the transition of young people into adult service alone, there are between 6 and 12 referrals per year where young people are currently in OOA placements. This would typically indicate that a high proportion of these young people would meet the criteria for Complex Care (which often prompts the OOA placement commencing).

Using the above referral information, it is reasonable to expect that up to an additional 8 people per year will have need for Complex Care services.

Estimate of Complex Care need per year:



There are some existing services for Complex Care locally. Natural movement through these services will result in current/future accommodation need by individuals using these services. These numbers are not predictable. By using these existing services, a smaller number of people will need a new service development, however, there is still a clear requirement for new service developments for Complex Care.

## What is the emerging accommodation challenge?

Learning from what works well for Complex Care needs, and using the evidence base available, is important in developing sustainable and robust services.

The profile of need for those with Complex Care requirements is typically:

- Individuals require robustly built environments which support their care needs



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- Individuals require more spacious accommodation with access to outdoor spaces and separate staff welfare areas
- Individuals require their own accommodation without the need to share with others but services to be delivered in a way which does not isolate individuals or staff
- 1 person, ground floor units of accommodation, with additional rooms dedicated to activities
- Maximum of 8 units on one site with additional staff welfare and office space

## What does research say is needed?

At present there are an insufficient number of services/placements locally for people with Complex Care needs. A widely acknowledged issue is for the provision of suitable accommodation for people with Complex Care needs. The built environment affects the way support models can be delivered, and if unsuitable, can lead to challenges in the management of need and communication, often resulting in challenging behaviour.

Research conducted across Health and Social Care Partnerships acknowledges these issues and provides a range of models which are operational for Complex Care or in development. This research also suggests that, while there are a variety of options for building and funding mechanisms for Complex Care; when this is undertaken by a Local Authority (LA), accommodation requirements are built into phases of already existing development programmes. Whilst the specialist features do cost more than general needs housing, those additional costs are aligned to housing development programmes and not to HSCPs. This research indicates that the costs per unit for Complex Care services elsewhere can equate to double the cost of general needs housing, the costs of the Complex Care specification are typically within a range of £180,000 to £250,000 per unit.



Complex Care  
Research.pdf

There are different ways accommodation might be delivered for Complex Care:

- As part of council housing new build development programme with ACC as landlord through the Strategic Housing Investment Plan (SHIP).
- Developed in partnership with RSLs as the landlord through the SHIP.
- Funded and developed by providers (or funding partners) with the providers as landlord or an RSL

Further information on these options can be found in the wider Complex Care Options Appraisal accessible below. However, for the purpose of this document, delivery through council housing new build development programme is its focus.



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Complex Care  
Options Appraisal.pdf

The provision of a property for staff and repair/maintenance costs will require funding of £150,000 to meet running costs.

## Our Funding Options

The Community Living Change Fund has provided ACHSCP with non-recurring funding for use by March 2024. These funds are not sufficient to address the current volume of need.

Fund	Funding in 2022	Funding Timeline	Frequency
Community Living Change Fund	876,523	For use by March 2024	Non-recurring
<b>Total</b>	<b>876,523</b>		<b>Non-recurring</b>

There are funds and subsidy provided for the building of affordable housing by Scottish Government, to LAs, through the Affordable Housing Supply Programme. The Affordable Housing Supply Programme is detailed for Aberdeen City within the [SHIP](#) and could contribute funding of £642,400 or £80,300 per unit.

There are no additional funds provided to specifically cover specialist accommodation needs (previously there was a Special Need Capital Grant linked to hospital resettlement programmes). The funds available for affordable housing have not been increased to meet specialist housing needs (which includes Complex Care and most care needs within the Adult Social Care remit) although have been generally increased.

The funding model below details out the estimated development costs and income which can be used, in part, to fund the model. It should be noted that the CLCF amount of £876,000 is a non-recurring allocation to ACHSCP and not available for additional developments. ACHSCP would look to review the current cost of care and have provided a benchmarked new cost of £3500 per week. It is anticipated some efficiencies can be made, providing resource to fund staff accommodation costs, however not all people with Complex Care needs have a current care package and therefore are a new budget pressure which will not create financial efficiencies. ACHSCP however would commit to funding a set amount of £150,000 per year by way of contribution to cover staff accommodation and a reserve for additional repair costs generally borne by tenants.



Complex Care  
Funding Model.pdf



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## COMPLEX CARE

1 Build Costs		
No. of Units	8	(inc 1 Staff Unit)
Cost per Unit	1,000,000	<sup>a</sup>
Unit Cost	8,000,000	
Optimism Bias	40%	3,200,000
Inflation / Risk	10%	800,000
<b>TOTAL COST</b>	<b>12,000,000</b>	

2 Available Funds		
Grants	80,300	876,000
SHIP per Unit		642,400
CT Second Homes		-
Developer Obligations		-
		1,518,400
<b>CAPITAL COST TO BE FUNDED</b>	<b>10,481,600</b>	

3 Financing Cost		
Asset Write-off Period	30 Years	
To fund each year		349,387
Borrowing Percentage	4.25%	<sup>b</sup> 14,849
<b>TOTAL FINANCING COST</b>	<b>364,236</b>	

Funding Model, Complex Care

4 Annual Revenue Cost	
<u>Costs</u>	
Financing	364,236
Running Costs	150,000
Rental Income	120 £/wk (43,680)
<b>Total Revenue Cost</b>	<b>470,556</b>

5 To be funded by:-	
Current Care Packages (avg)	1,413,550
New Care Packages (avg)	1,274,000
Saving on Care Packages	139,550
<b>Additional Revenue Pressure</b>	<b>331,006</b>

### Notes

<sup>a</sup> Costs based on a recent development facilitated by HUB. Cost will increase as a result of new standards being introduced December 2022

<sup>b</sup> Estimates based on current PWLB rates, will be subject to fluctuations

<sup>c</sup> Includes the Staff Costs and Running Costs of the new Units

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## 1.1 Recommendation

Based on the information provided on financing of Complex Care accommodation it is recommended that:

1. ACHSCP contribute £876,000 (Community Living Change Funding) as a one-off contribution to capital developments costs by way of transfer to ACC
2. ACHSCP also contribute £150,000 per year to cover the cost of Staff accommodation resources which are not payable by housing benefit in addition to providing a budget for increased/multiple repair work which might otherwise be payable by a tenant. This will be funded by any efficiencies made by new care packages compared to the current cost of care (see Funding Model spreadsheet)
3. The remaining additional revenue pressure estimated at £331,006 per year for 30 years (consisting primarily of capital financing costs) requires confirmation of assurance on the model being proposed and agreement as to how this will be financed.

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## 2. Benefits

### 2.1 User Benefits

Benefit	Measures	Source	Baseline	Expected Benefit	Expected Date	Measure Frequency
People live locally in the community	Number of people living out of area inappropriately	Dynamic Support Register/Social Work Data	Current	Decreased number of people living OOA inappropriately	1/4/2024	Every 6 months
	Number of People in delayed in hospital	Dynamic Support Register/Social Work Data	Current	Decreased number of people delayed in hospital	1/4/2024	Every 6 months
People live in more suitable environments	Number of interventions required	Service Provider	Current	Reduction in the % of interventions and intensity	1/4/2024	Quarterly
	Reduced Staff Turnover	Service Provider	Current	Reduction in the % of interventions and intensity  Reduction in the % of incidents towards staff	1/4/2024	Quarterly
	Number of incidents	Service Provider	Current	Reduction in the % of incidents and intensity	1/4/2024	Quarterly
	Use of medication	Service Provider	Current	Reduction in PRN medication required	1/4/2024	Quarterly

### 2.2 Resources Benefits (financial)

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Benefit	Measures	Source	Capital or Revenue?	Baseline (£'000)	Saving (£'000)	Expected Date	Measure Frequency
Effective use of resources	Number of people living out of area inappropriately	Contracts	Revenue	TBC	TBC	1/4/2022	Quarterly
	Rental costs aligned to LHA	Housing/Landlords	Revenue	TBC	TBC	1/4/2022	Quarterly
	Decrease in housing repairs	Housing/Landlords	Revenue	TBC	TBC	1/4/2022	Quarterly

2.3 Organisational Benefits							
Benefit	Measures	Source	Capital or Revenue?	Baseline (£'000)	Saving (£'000)	Expected Date	Measure Frequency
Effective use of resources	Number of people awaiting services	Dynamic Support Register/Social Work Data	Revenue	TBC	TBC	1/4/2022	Quarterly
	Programme of Services developed	Service/Contracts	Capital and Revenue	TBC	TBC	TBC	Annually

### 3. Costs

3.1 Project Capital Expenditure & Income				
Build Costs	Available Funds	Financing Cost	Annual Revenue Cost	To be funded by:-

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No. of Units	8 (inc. 1 staff unit)	Grants	876,000	Asset Write-off Period (Years)	30	Financing	364,236	Current Care Packages (avg)	1,413,550
Cost per Unit	1,000,000	SHIP per Unit	80,300	To fund each year	349,387	Running Costs	150,000	New Care Packages (avg)	1,274,000,
Unit Cost	8,000,000	CT Second Homes	-	Borrowing Percentage	14,849	Rental Income	43,680	Saving on Care Packages	139,550
Optimism Bias	3,200,000	Developer Obligations	-						
Inflation / Risk	800,000		-						
<b>Total Cost</b>	<b>12,000,000</b>	<b>Capital Cost to be Funded</b>	<b>10,481,600</b>	<b>Total Financing Cost</b>	<b>364,236</b>	<b>Total Revenue Cost</b>	<b>470,556</b>	<b>Additional Revenue Pressure</b>	<b>331,006</b>

- Costs based on a recent development facilitated by HUB. Cost will increase as a result of new standards being introduced December 2022
- Estimates based on current PWLB rates, will be subject to fluctuations
- Includes the Staff Costs and Running Costs of the new Units



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## 4. Commissioning Approach

This project may involve the procurement of goods or services and advice would be taken from Legal and Contracts services on any matters relating to this. The commissioning of any building related works will sit within the parent organisations of ACHSCP, either ACC or NHS Grampian. Each organisation will have their own processes and governance arrangements in place regarding procurement activity.

## 5. State Aid Implications

There do not appear to be any state aid implications, any award of business would adhere to standing orders and procurement legislation governing the relevant area of work. Advice would be taken from Legal and Contracts services in the delivery of any business opportunity from this business case.

## 6. Health Inequalities Impact Assessment

A Health Inequalities Impact Assessment (HIIA) has been developed for this project.



Stage 3 - HIIA  
Analysis of Findings F

## 7. Key ACHSCP Risks

All risks can be view in the Risk Log below:



8.%20Complex%20Care%20RAID%20Log.:

## 8. Time

### 8.1 Time Constraints & Aspirations

- Governance requirements and timeline to be decided.
- Inclusion of Complex Care needs within New Build Programme.
- Adherence to Scottish Government strategic timeline: March 2024, this is aspirational to greatly reduce current inappropriate OOA placements and hospital stays.
- Capacity to continue the level of activity currently undertaken: a review of activity and involvement will be required in conjunction with other service pressures to



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create a sustainable model of support and capacity for the programme of work to be achieved over identified timelines

## 9. Governance

Terms of Reference have been developed with the key ownership and governance mechanisms for the programme of work identified, and can be accessed below:



7. Complex Care  
Terms of Reference.pc

## 10. Resources

Task	Responsible Service/Team	Start Date	End Date
Financial Information	CFO, ACHSCP and CFO/Accounting, ACC	15/08/2022	11/11/22
Housing Information	Housing Services, ACC	15/08/2022	11/11/22
Programme Management Support	MHLD Programme Team, ACHSCP	22/07/2022	11/11/22
Legal and Contractual Information	Legal Services, ACC and Commercial and Procurement Team, ACC	15/08/2022	11/11/22

## 11. Environmental Management

There will be environmental impacts in the development of local services/accommodation which are equivalent to existing general needs housing provision (scale dependant). Assessment of such impacts will require to be undertaken based on the progressed option(s) and by the teams/services involved in the design and development work associated with these option(s).

## 12. Assumptions

### Current and Future Need

It is assumed that current and future need will be of approximately of the levels expressed in this document however it is possible that greater numbers of people are identified, for instance linked to children transitioning to adult services.

### Appetite to provide local services



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It is assumed that there is an appetite and vision to provide local services for Complex Care as part of the ACHSCP Strategic Plan

### Funding

Funding availability, from the CLCF, has only be given on a non-recurring basis. It is assumed that this position will not change from engagement with Scottish Government however there are clear funding issues in relation to Complex Care which the funding has not resolved. There is also the assumption that IJB funding will not be enhanced to deliver housing services for this group by way of capital budgets and at present the IJB cannot own property but there are proposed changes to this in the development of the National Care Service, however further details are required.

## 13. Dependencies

### Housing Strategy/Building Programmes

The strategic direction within housing services may not be align to the work undertaken for Complex Care. Other priorities may emerge which affect work undertaken to date (e.g. Ukrainian Refugee housing needs). Building Programmes may take longer to be delivered that initially planned which could link to issues such as consultation views, planning consents, procurement, budget availability, cost of materials and availability of workforce, all of which can present as a risk to the project delivery.

### Cost of Living

The cost of living will influence the cost of goods and services linked to accommodation development. These costs may be passed on to organisations such as ACC but where providers or investment financing are used these costs may be passed onto ACHSCP or people within services in the form of increased rent or service charges. Whilst every attempt will be made to operate affordable systems, the definition of affordability is changing. There also needs to be consideration of costs within accommodation services such as utilities and how these can be better planned for and minimised, with the use of insulation, technology and innovative methods where possible to reduce end user costs.

### Scottish Government Strategic Direction

There is the potential of change in strategic direction in addition to the issuing of new guidance or requirements to HSCPs. The move to establish the National Care Service (NCS) may also impact upon the delivery of accommodation. There is uncertainty as to the detailed implementation of the NCS at this point and as such requires to be considered.

## 14. Constraints

### Finance

Funding for accommodation is a significant constraint. There is insufficient money within the CLCF and other funding available to ACHSCP to contribute to a long-term programme of accommodation development. It is unclear what the additional costs of Complex Care



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accommodation might be at this stage. There does not appear to be enough funding available within the Affordable Housing Supply Programme, or funding is not available to be directed to meet more specialist needs such as Complex Care. The Scottish Government 'Coming Home' SWLG heard from *"housing specialists who suggested access to capital funding should not be a major issue."* However, this does not reflect ACHSCP's experience. The SWLG also suggested *"there could be greater joined up working and longer-term planning between Integration Authorities and Local Authority Housing Departments and registered social landlords"* to address such issues. Disinvestment is promoted within the Coming Home report, however as disinvestment only releases resource when people stop using services (such as OOA placements) this money cannot be used to fund capital projects or top up to provide specialist features. it could be used to provide for costs which do not attract \*Housing Benefit such as staff spaces/running costs.

### Time

There is an ambition from Scottish Government to see inappropriate OOA placements and hospital stays greatly reduced by March 2024. In many of the options explored the delivery timescales are not sufficiently defined and will not be until the questions regarding funding can be answered. To even deliver small scale local services by March 2024 is likely unrealistic and that sustained change will require long term planning and resourcing.

### Capacity

Capacity of staff within the Learning Disability service, Programme Management Team, and associated teams such as Building Services, Housing, Contracts, Finance, Legal are all required to deliver the types of options detailed. There is a lack of capacity in certain key services such as Health and Social Work and in other services Complex Care may not be a priority area. Unlocking capacity will be required to ensure immediate work is progressed as well as long term planning.

### Building programmes

There are constraints within existing building programmes to essentially add Complex Care into their process of addressing local housing need. These programmes need to be aware of these types of needs and to ensure that work to deliver affordable housing is expanded beyond the current disability related provision of wheel-chair accessible accommodation. They also need to understand that the specification of accommodation is different from traditional general needs accommodation and that these specifications are developed to ensure needs are met and are essential. This will also support the greater sustainability of housing provision as people's needs change.

## 15. Infrastructure

Infrastructure	Approval Required?	Date Approval Received
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To be determined based on option(s) endorsed

Yes

### 16. Support Services Consulted

Service	Name	Sections Checked / Contributed	Their Comments	Date
Legal	Jessica Anderson	All		
Housing	Mel Booth/Dorothy Askew	Housing Information		
Commercial and Procurement	Catherine King/Shona Omand-Smith	Contractual and Commissioning information		06/09/2022
Learning Disability	Katharine Paton/Kevin Dawson	All		15/08/2022
Finance	Paul Mitchell	Financial Information		
Revenue & Benefits	Lisa Stewart/Wayne Connell	Housing Benefit	Terminology and guidance clarified and incorporated	06/09/2022
Planning & Build Standards	Colin Doig	Environmental Needs/ Building Costs		

### 17. Document Revision History

Version	Reason	By	Date
0.1	Documentation Creation	K Craik	09/11/2022
0.2	Document amended to reflect ACC New Build	J Rae	09/11/2022
0.3	Document finalised	K Craik	10/11/2022