

Health and Sport Committee

Care Home Sustainability

Julie White
Chief Operating Officer/
Chief Officer
Dumfries and Galloway
Royal Infirmary
Bankend Road
DUMFRIES
DG1 4AP



Ref: JW/AM
Date: 17/11/2017

Re: Care Home Sustainability

Question One: What impact does the recent announcement of the closer of 12 residential care homes have on your area?

There is no direct impact from the withdrawal of Bield Housing Association from the residential care sector on care arrangements in Dumfries and Galloway.

Question Two: Are there concerns regarding the sustainability of residential service provision (in your area)?

We are not aware of any imminent risks of potential closure of other care homes in Dumfries & Galloway. We currently have 29 homes. This has reduced from 33 care homes in 2012. Our last care home closure was in Dumfries earlier this year. This was a small 24 bedded care home that had been experiencing some challenges with financial viability and was closed due to the personal circumstances of the proprietor.

Home closures do not appear to be as a result of any single factor. Homes experiencing prolonged periods of reduced occupancy due to quality concerns or unattractive location or premises may be at greatest risk. A number of homes report challenges to their long term financial viability and these issues appear to be getting more critical year-on-year.

Question 3: If so, how could they be addressed?

Discussions with providers have indicated that they believe their sustainability is improved by:

- Increasing the proportion of people who 'self fund'
- Investing in increasing the size of homes to deliver economies of scale
- Moving to a pricing model which reflects the increasing dependency and complex care needs of residents. This is particularly relevant as Dumfries & Galloway is unusual in having under 20% of people placed at the nursing rate. As such, the local market is less able to accommodate more complex needs."

I hope that above is helpful and provides you with the information you need from Dumfries and Galloway. Please do not hesitate to contact me if you require further information

Best Wishes

Yours sincerely

A handwritten signature in black ink that reads "Julie White". The signature is written in a cursive, flowing style.

Julie White
Chief Officer