

NEWS AND INTELLIGENCE FOR CARE HOME OWNERS AND OPERATIONS DIRECTORS

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SAYS THAT WHILE OTHERS MAY GO BY THE
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HERE TO STAY

MANAGING DIRECTOR LOGAN LOGESWARAN SAYS THAT WHILE SOME CARE HOME OPERATORS WILL GO BY THE WAYSIDE IN THE DIFFICULT YEARS AHEAD RUNWOOD HOMES IS HERE TO STAY.

Care Home Professional: Can you tell us about your background and how you joined Runwood Homes?

Logan Logeswaran: I am a qualified mental health practitioner. I also have a degree in Business Administration. I trained at Shenley Hospital in Hertfordshire and I have worked in a number of different hospitals in the NHS, including the A&E departments. I gradually moved onto the care of older people, managing NHS mental health assessment wards. I then became a community based psychiatric nurse. About 20 years ago I had the opportunity to work as a care home manager for the first time in the private sector, with one of the leading healthcare providers in the UK. I worked there for six years. Within 18 months I was promoted to regional manager. I came to Runwood Homes about 14 years ago and joined the company as care director. After 18 months I had the opportunity to become managing director.

CHP: You must have seen a lot of changes during your career?

LL: Dependency levels of older people in residential care have definitely increased. If you were to go to any care home 15 years ago the majority of residents would be able to have a conversation with you. You would probably only find around 10% able to do this now. A lot of care now is palliative, end of life care. Residential homes have transformed into taking a lot of dependent people away from the NHS. Unfortunately, funding has not kept up with increasing dependency levels with the skills required to look after these people.

CHP: Do you think increasing the social care precept would be an effective way of creating more money for the sector?



LL: We have seen a lot of different changes put forward by the government over the years. The previous government put forward ring fencing for health and social care but we have not noticed any changes in terms of additional funding. Increasing the social care precept would be a very positive development but it remains to be seen how much more funding will be created for providers. We need to work out the details.

We need clearer guidance from central government on this issue. It should not be left to local authorities. We need a direct approach from the government. We have had direct leadership in terms of tuition fees to pay for university education but there has been nothing in social care. We can't have a postcode lottery on how funding is distributed.

CHP: Do you set a minimum fee that you require when you take on local authority funded fee payers?

LL: We are working very closely in partnership with local authorities. We offer a good service at a competitive rate. There needs to be a level of funding so we can meet regulations, support greater dependency levels and meet our rising staff costs, pension provision and the National Living Wage.

“WE CAN'T HAVE A POSTCODE LOTTERY ON HOW FUNDING IS DISTRIBUTED”

CHP: Have you had to turn any local authority funders away because their fees have been inadequate?



LL: We haven't. We have had to adapt because the majority of our homes are transferred from the local authority. We have a contract and we work with them. We are being squeezed more and more.

About 65% of our homes are former local authority. We also build our own as well as rebuilding the local authority homes we acquire to meet current standards. We have a subsidiary company Lassertons who undertake our building work. For sites further away we employ a contractor. All our new homes are purpose built.

We have 70 homes in total. Our biggest home is 138 beds and our smallest is 25 beds. Our home size average is around 65-70 beds. Around 65-75 beds is the most efficient size.

We have been increasing our homes in Northern Ireland and have a new one due for completion in the new year. We have taken over local authority homes in Doncaster which require a lot of investment and we want to increase these from 30 to 65-70 beds. We also have a new care home build in Solihull which will complete in the new year.

CHP: Is there any particular reason you are investing in Northern Ireland? We have seen Four Seasons close down its homes there.

LL: We already have a few homes in Northern Ireland and there are a



number of homes that require upgrading. Most of our homes are newly built - we have a good team there and a good relationship with the banks - as you mentioned some of the bigger providers are coming out and therefore this is a good opportunity.

CHP: Are you targeting expansion in any other parts of the country?

LL: We are always very careful when thinking where we want to expand. The majority of our homes are in Essex. We don't go out and hunt for opportunities we wait for the opportunities that come by direct approach to us.

CHP: What are the most important factors for you when considering a new site?

LL: Land price is very important, the build cost, local demand and level of returns. This year we took over three care homes run by another group in Northern Ireland. We look at acquisition opportunities and do our best to turn them around. All of the homes we took over had some quality, environmental or financial issues. We have a good track record of turning around homes.



CHP: How long does it take to turn-around a home?

LL: It depends on the issue. Each provider has their own rules and culture so it takes time to introduce our way of doing things. Six to 12 months would be the typical turnaround period, although it can take up to 18 months.

CHP: There must be a wide variety of fees you are being offered by local authorities across the country. Is this a particular problem in certain areas?

LL: We have homes in Doncaster, Warwickshire, Nottinghamshire, Essex, Hertfordshire, Bedfordshire, Norfolk, Suffolk and Northern Ireland. Food and staff costs do not change much. We have more problems in recruiting staff in highly populated areas such as the south east where we have to compete

with all the other employers and also in very remote villages.

CHP: Brexit will obviously increase your recruitment challenges.

LL: Yes that is another challenge. We have 4,700 staff with roughly a similar number of beds. We have about 700 staff from Eastern Europe.

CHP: What distinguishes you from your competitors in terms of your values?

LL: Our ethos is quality so we invest a lot in training. Our staff retention is good. Our staff turnover is below the national care sector average. We have an appetite for steady but not aggressive growth. We value our staff because they are key to running the service. We have always paid above the National Living Wage.

We invest in our facilities. We believe in providing a homely environment

with high standards of care. We are very proactive in care, leadership and management training. We are not a high end provider. We are driven by our high levels of efficiency. We are proud to be able to provide services for the local community.

CHP: In what ways are you innovating in dementia care?

LL: Our regional directors and Financial, Clinical, Training, IT and Construction services teams provide a strong support structure for our home managers. Each of our regions has a dementia service manager who works very closely with a number of homes. They provide staff training and stay on top of new ideas in dementia care research in terms of creating comfortable environments. We have dementia champions in each of our homes who lead training. We also have dignity

champions. All of our staff, including our maintenance and laundry staff, go through dementia training and develop a dementia friendly approach.

CHP: What is your mix between local authority and self funding fee payers?

LL: Our self funders are currently around 20%. We want to increase our percentage of self funders.

CHP: Do you have any plans to go into the luxury end of the market?

LL: We haven't actively looked at that. Traditionally, we have worked with local authority care homes. There is no reason we can't and shouldn't but we are not looking at this currently.

CHP: How are you working with local hospitals to ease bed blocking issues?

LL: We operate with a number of CCGs and local authorities. Overall our

occupancy rate is around 94% so we have spare bed capacity. Some areas have 100% occupancy, some have around 70%. We provide re-enablement care. We offer short term and respite care and long term care. We offer respite care in around 15% of our beds. We are able to be flexible to meet demand. However, there is no long-term commitment or plan from the NHS or CCG or local authorities. They tend to think in 12 month cycles. We need to know how we are going to do things in the longer term. It would benefit all to have a ten-year plan.

“ WE HAVE AN APPETITE FOR STEADY BUT NOT AGGRESSIVE GROWTH”

CHP: How useful is new technology in helping you deliver best practice?

LL: We have launched a quality assurance programme in recent months which helps us identify which homes



may have issues. We will consider anything that is practically possible and helps our staff to deliver better care. We are still paper based in terms of our care management documentation. Changing the mindset of our staff was an issue, although our staff are becoming more familiar with new technology. We want to improve in these areas.

CHP: Are you happy with the current regulation system? Do you think the CQC is biased towards smaller homes?

LL: The regulatory system has improved over the years. They are very clear in the standards they expect.

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Update

ESSENTIAL NEWS FOR CARE HOME PROFESSIONALS

Mixed response to social care precept changes

Stakeholders have given a mixed initial response to the government's announcement that it is bringing forward spending through the social care precept over the next two years.

Communities Secretary Sajid Javid said local authorities would be permitted to increase council tax by up to 6% over the next two years for ring-fenced social care spending.

Mr Javid said an extra £900m was being provided when this was combined with £240m from the New Homes Bonus, which is being made available next year.

Andrea Sutcliffe, CQC's chief inspector of adult social care, said the sector was now getting the attention it deserved.

Andrea said: "The financial pressures are real but the priority has to be on how we use available resources to deliver good quality care and make a difference for people using services, their families and carers. This is what CQC will continue to focus on, by setting clear expectations, encouraging improvement and holding providers to account.

"The public need to know that even when money is tight, we will not accept second-best or providers cutting corners. We will take notice and when necessary take action."

Janet Morrison, chief executive of Independent Age, said the move would do "little to paper over the cracks in the social care system" and



represented a "missed opportunity to set out a long-term strategy on sustainable social care funding".

Dave Lock, managing director of Adept Care Homes, said the move was "too little too late" adding it would be interesting to see how much local authorities gave to care homes.

Johanna Fitzgerald, Runwood Homes director of operations - South, said: "I believe the 2% increase to assist with long term spending on social care will be advantageous to the social care sector with spiralling costs which

providers are being hard hit to meet with limited fee increases and rising costs in the running of care homes. Although at a cost to people through council tax charges it is a necessary investment to meet demands of not only an ageing population but systematic strain on social care resources."

Andrew Long, managing director of Oakdale Care Group, told us: "Unless there are statutory directives that prove the additional money raised goes directly into each local authorities social care budget then there is no guarantee it will get used as intended."

Chris Padgham, chair of Independent Care Group, which represents independent care providers in York and North Yorkshire said increasing council tax was "merely a sticking plaster, rather than a long-term cure".

Ray James, immediate past president of the Association of Directors of Adult Social Services, said the amount brought forward was over £1bn less than what was needed next year alone and would raise less in areas of greatest need.

Local Government Association chairman Lord Porter said an "urgent injection of genuinely new additional government funding" was needed, while Max Weidl, director in Christie & Co's Care Consultancy team, said the government needed to develop a care funding solution "independent of local funding constraints".