

New care model

Delivering cost savings and new homes



Karen Knight, Managing Director

Background

- Company established in April 2011 as a wholly owned subsidiary of Norfolk County Council and part of the Norse Group
- The company took over the operation of all care services previously provided directly by the council in 14 Housing with Care facilities and 26 Residential care schemes, for 1,400 residents and tenants
- TUPE transfer of 1,700 staff on Local Authority Terms & Conditions
- Contract with NCC based on a 15 year transformation programme, building new specialist Dementia and HWC settings and decommissioning older stock
- Transformation programme to be funded by operational efficiencies and growth of private sector business

Performance to date

- Complete operational review has resulted in a new care philosophy and model being delivered, in a far more efficient way
- We have developed a thriving private sector business from scratch, with income now sitting at circa £2.7m per annum
- Operational efficiencies and growth of private sector business have led to £5.6m rebate to our client in the first 5 years of operation and in addition, have funded the borrowing costs associated with our two new build projects
- At the same time, we have managed to **increase** quality significantly;
 - Norsecare currently has a CQC compliance rate of 95% against an industry average of 69% and compliance wise, we have been in the UK top 5 large residential care providers* throughout 2015/16
 - We've won a number of prestigious care awards including 'Best Care Home Provider' at the Laing Buisson Independent Specialist Care Awards in 2015 and Care Home Group of the Year at the National Care Awards sponsored by Caring Times in November 2016

* *Providers with 500 or more beds*

Our Transformation Projects – Lydia Eva



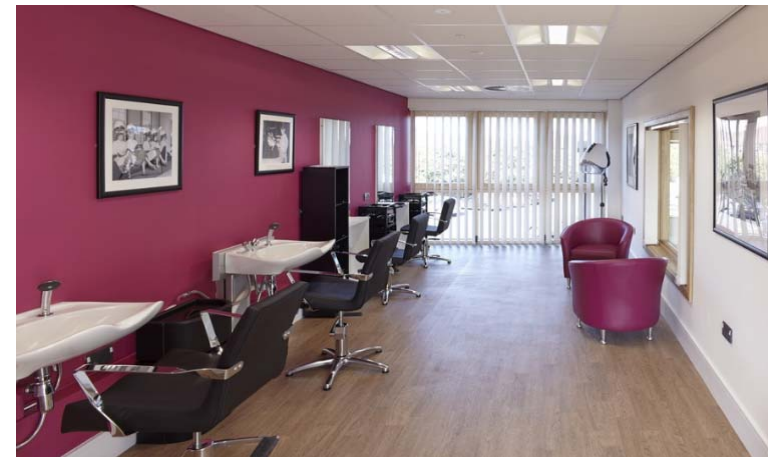
‘An Exemplar Dementia
Care Facility in the East
of England’



Our Transformation Projects – Lydia Eva

- An 89 bed (14 of which are NC private), new build specialist dementia home situated in Gorleston, on the east coast of Norfolk
- Overall Project cost of £9.6m, supported by a £5.8m commercial loan
- All professional services provided by NPS Group
- Our design team worked with Sterling University's world leading Dementia Services Centre to create a truly inspirational environment tailored specifically for those living with dementia
- Replaced 3 Care Homes previously owned by the LA
- “Future” proofed dementia care capacity on this region

Our Transformation Projects – Lydia Eva



Our Transformation Projects – Bowthorpe Care Village



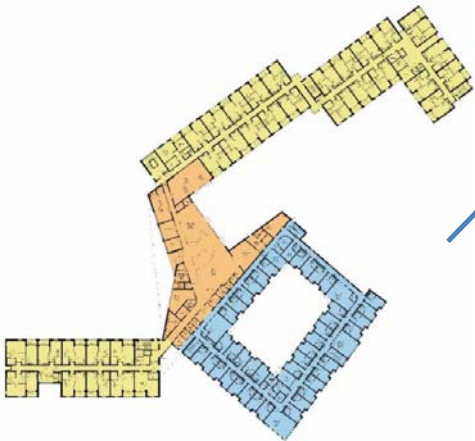
Our Transformation Projects – Bowthorpe Care Village

- Situated in Norwich, an 80 bed new build specialist dementia home (12 of which are NC private) and 92 flat Extra Care scheme with an integrated community hub joining the facilities together
- A significant partnership project bringing together NorseCare, the HCA, NCC, Norwich City Council and Saffron Housing Association, drawn together and driven by NorseCare
- All Extra Care apartments are provided at affordable rent
- Overall Project cost of £18m, supported by a LA contribution of £3m and a HCA grant of £4.2m, secured by NorseCare and transferred to our RSL partner Saffron Housing Association
- Project supported by a £5.6m commercial loan
- 3 Older care homes replaced
- 2 homes retained - private dementia homes – Generating Income for LA

Our Transformation Projects – Bowthorpe Care Village



- The project is the first major development of a significant portion of land owned by Norwich City Council, unlocking the next phases of development
- Norwich City Building Affordable and Private Sale Homes



Ground Floor Plan

Our Transformation Projects – Bowthorpe Care Village



- The central hub provides resident and community facilities including a bar, café, hairdressers and shop
- Operationally the Extra Care and Dementia schemes are managed separately but teams integrate and work closely together
- We employ an activities coordinator who is also responsible for volunteering opportunities which bring in the community and help create a truly vibrant scheme
- The extra care scheme includes 6 bariatric flats and 9 extra care flats developed for specialist dementia care provision
- Providing excellent learning and development opportunities to our staff is an essential part of our ethos and the training suite at the care village enables training to be delivered on site



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Income from Private rooms

	2013/14	2014/15	2015/16	2016/17
Number of private rooms developed	8	26	14	36
Total number of private rooms	8	34	48	84
Income generated	£118,931	£632,863	£1,589,108	£2,300,000

Challenges for Local Authorities

- Jaws Of Doom
- Decreasing Budgets – £85m
- Increasing Demand
- Falling Placements for LA – 6,000 placements at risk
- Provider's Market
- Commercial Expertise
- Political Environment
- Crisis Management



Escaping the Jaws of Doom

- Imperative to do things differently
- Develop a joint venture care company
- Land – Buildings
- Access to competitive capital
- Managing care market
- Ability to sell to private market
- One public estate – partnership network
- Build – Location – Market – Quality – Value Base
- Generate a revenue profit
- Capacity and quality control



NorseCare's Key Strengths

- Our care philosophy is proven and can be successfully applied even in challenging industry conditions
- We have demonstrated that we are able to transform services and build up a commercial business whilst actually improving the quality of care provided, our CQC record is exceptional
- Excellent feedback from existing customer and their relatives
- We have developed a strong and growing private sector business, both in our sector leading new builds but also in our existing estate where we have an additional 55 private rooms
- We have a proven track record of working in partnerships, transformation and raising capital.
- Our commercial success can generate very real tangible benefits for our JV partners via rebates and profit share

Contact

- **Karen Knight**
- **Email: karen.knight@norsecare.co.uk**