

Care, and a community

The Government this week published proposals for funding care for the growing number of elderly people. But Religious are also having to think imaginatively about how they finance the residential care homes they run once they can no longer go it alone

The mother house of the Sisters of St Augustine of the Mercy of Jesus, which doubles as the order's largest care home, sits incongruously in the English countryside. The imposing, turreted, white building betrays the order's origins in Belgium in 1842. There are three more care homes in the grounds of St George's Retreat, West Sussex. The residents are the elderly frail, older people with dementia, people with a history of mental health problems, and a smaller group with learning disabilities.

Nine years ago it became apparent to the order that the cost of improving their homes to meet the new care standards would be too great. The sisters eventually came upon the idea of meeting the cost of replacing the homes at St George's by building a care village, with apartments for sale, on the 250-acre estate (complete with cattle farm) where the retreat is situated. Planning permission was given to build 225 one- and two-bedroom apartments, 80 of which will be in the main house when it is refurbished as the final stage of the work. Each of the four building phases contains some social-housing apartments, so that there will be 10 when the project is completed in two and a half years' time.

At first sight this looks like any other up-market commercial development. The first phase of what is called St George's Park has been completed and sold, and residents have moved in; builders and construction work are seen everywhere; a sales office offers glossy brochures; there's a show flat; and familiar yellow signs for new housing point visitors from nearby towns.

However, the properties can be purchased only by people aged 60 and over. Also, the building of the apartments goes hand in hand, in phases, with the erection of the new care units, the decommissioning of the old ones, and the removal of the residents to the new care units. Thus, the new en-suite, one-person bedrooms for the frail elderly people in the care homes are being funded by the profits from the sale of apartments.

There is much that makes St George's Park self-sufficient: it has its own bus service and a car-pool arrangement, as well as a com-

munity centre and bar, a restaurant, a coffee shop, a gym, a hairdresser's salon, a shop, a library (stocked with books which residents have donated), and a room for beauty treatments and alternative therapies. A swimming pool is planned.

The development is one of several – both within and outside the Church – that look to innovative ways of creating new kinds of care for older people while tackling the many problems that beset residential care homes, especially those run by religious orders. All this relies on imaginative financial and other planning, and a vision of what modern services can be like.

This week the Government launched its public consultation on how care for the elderly should be financed in future. In particular, the Prime Minister, Gordon Brown, said that people should not be obliged to sell their homes to pay for residential care. He proposes a new insurance-based system to replace the current means test. All this is against the background of an elderly population that is growing and living longer so that people enter care later, are older, frailer and more likely to have dementia.

The Government does not address the problems facing the owners of residential homes. In the case of Catholic homes for older people these are considerable. In 2002, the only

research done specifically into these homes showed that they had been provided by 50 of the 238 orders in England. Twenty-nine of those 50 orders had closed homes or had withdrawn from the sector. But nearly a quarter of those who had not done this still said that they were "just surviving", and 55 per cent were concerned about the future. New homes do open but no one knows the rate of growth.

The residential-care sector has come to be dominated more and more by large companies. Residents' fees paid by local authorities have not kept up with costs, and new standards have made many homes uneconomic to run. However, the fall in vocations to the religious life is a particular problem for Catholic homes because it reduces a significant workforce. Catholic homes often take people with little or no support. But in financially

stringent times, while subsidies help they also cause problems: one religious congregation had four residents paying £120 per week, even though each nursing home place costs £459 per week.

There is a particular problem that militates against finding solutions for Catholic homes, and that is that the Church is not structured as a learning organisation, one which facilitates communication, liaison and cooperation. It is organised vertically not horizontally. Bishops have ultimate responsibility for the diocesan agencies, while religious orders look to their superiors. A home in difficulties may not be in touch with a successful home no distance away.

Thus, while Catholic homes and institutions could learn from one another, there is also much they could learn from those outside the



PARISH CATECHISTS

*EQUIP YOURSELF BETTER TO
SERVE THE CHURCH*

CERTIFICATE OF HIGHER EDUCATION

with options to go on to a Diploma in
Higher Education and a B.A. (Hons.) in
Applied Theology

Leading to

Open University Validated Awards

A two-year course through
distance learning

COMMENCING SEPTEMBER 2008

For further details contact:

The Graduate Catechetical Assistant,
Maryvale Institute, Maryvale House,
Old Oscott Hill, Birmingham B44 9AG
Tel: (0121) 360 8118 Fax: (0121) 366 6786

E-mail: baat@maryvale.ac.uk

www.maryvale.ac.uk

MARYVALE INSTITUTE

*International Catholic College
for Philosophy, Theology,
Religious Education and
Catechesis*



Church. The research says that the most successful orders were ones that had found partners, and half of the orders saw partnership with other orders or secular bodies as a way forward. Much is heard today of "faith-based" care and initiatives, but the irony is that it would appear that religious-based care for older people must be subject to the whims of the market.

In the nineteenth century, the Church met the needs of children, but that was not only to offer shelter and a better life but to protect children in their faith. We live in a greying society where the wish for Catholic older people, who cannot live in their own homes, is for somewhere where care is complemented by a sacramental life within an ethos they value. Such homes also allow them to maintain their links with parishes and to live with others with whom they share values, experience and outlook.

If Catholic schools faced the kind of peril now facing Catholic care homes the bishops would be banging on the door of 10 Downing Street and making sure that the cameras were there to record it. What does the lack of any collective urgency and action say about the value which the Church places on its oldest and most frail members?

■ Terry Philpot is author of a new report, "The Length of Days: How Can the Church Meet the Challenges of an Ageing Society?", published by Caritas Social Action Network.

ST GEORGE'S VA SCHOOL HARPENDEN

STATE BOARDING
FOR GIRLS AND BOYS AGED 11 – 18
FEES £3,100 PER TERM
"AN OUTSTANDING SCHOOL"
OFSTED 2007



WE HAVE A FEW VACANCIES FOR
SEPTEMBER 2008
ENQUIRIES WELCOME!

ST GEORGE'S SCHOOL
SUN LANE
HARPENDEN, HERTS
AL5 4TD

TEL: 01582 765477
admin@stgeorges.herts.sch.uk
www.stgeorges.herts.sch.uk

Charities that have found a way forward

Methodist Homes for the Aged

This is one of the largest and most successful providers of care services for older people.

It is also one that places great emphasis on the spiritual life of its residents. It does not cater exclusively for Methodists.

The work of MHA Care Group, which embraces a housing association, is funded 70 per cent from borrowing and 30 per cent from reserves. Building for sale also allows surpluses to be reinvested.

Care homes offer Bible study, prayers or worship. Each housing scheme, created by the housing association, and care home has attached to it a Methodist minister or, more commonly these days, an unordained chaplain.

Roger Davies, chief executive of MHA, says that fee levels from local authorities are better now but they started from an inadequate base. This problem can be offset to a certain extent by economies of scale and a "more businesslike



MHA Homes is one of the largest providers of care for the elderly

approach". This has meant the organisation doubling in size in the last four to five years in terms of the number of older people served.

Half the residents are funded by local authorities and half are self-funded. There is no debt on older homes and the group looks for a 15 per cent return overall on care homes.

In the financial year 2005-06, voluntary income was £5 million on a £75 million turnover, or 7 per cent.

Half of the MHA Group's homes have been built in the last 15 years and the other half in the period prior to that going back to 1943. More recent properties have been purpose-built with en-suite facilities.

Building care homes and housing-association properties on the same site allows an easy transition and the chance to stay in a known community for residents if infirmity in later years means that a move to a care home is desirable.

The Hospital Management Trust

This is a unique charity founded in 1985 to help sustain the then dwindling numbers of Catholic and other voluntary hospitals, of which HMT now owns three.

Apart from advice offered to hospitals, HMT has also advised 30-40 care homes run by religious orders and now owns four such homes.

Orders, which formerly owned the homes, provide pastoral care or where they cannot, they seek it from a local church or churches. The orders also meet capital costs. HMT takes a lease on the care home and provides management and staff, and takes the financial risk, and pays a (not fully commercial) rent.

After the deduction of costs, any surplus is divided 50-50 with the order. The level of fees is set by mutual agreement between HMT and the order, and leases are 15-20 years with review clauses and options to renew.

One HMT home is Marie Louise House in Hampshire, created when the Daughters of Wisdom closed a school and sold half the land for residential development, while building on the other half. Another home is Coloma Court in

Kent funded by the Daughters of Mary and Joseph's own financial resources.

HMT is responsible for a total of 220 beds and needs to run at a 95 per cent of occupancy to make the return required. The aim is for a 15 per cent gross annual return to cover least costs, depreciation and a modest reserve. (A commercial return would be something like 25-35 per cent.)

John Randle, executive director, says that "middle England" is the target population.

The organisation, he says, could not afford to run homes in very poor areas because too many people would not have resources for self-funding or to top up local authority fees.

The experience of HMT in dealing with religious orders, says John Randle, is that problems tend to be over the day-to-day financial control: staff paid too much or too little; too much spent on food and not enough on linen; or standards are good but not compliant.

Such orders, he says, tend to lack business acumen and managerial expertise.