

Oxfordshire County Council  
New Road  
Oxford  
OX1 1ND

**John Jackson, Director of  
Adult Social Services**

Mr R Townley  
Chipping Norton Hospital Action Group  
c/o 28 Over Norton Road  
Chipping Norton  
OX7 5NR

23<sup>rd</sup> June 2015

Dear Robert,

**Chipping Norton War Memorial Community Hospital**

Thank you for your letter of 15<sup>th</sup> June. I understand the concerns of many in Chipping Norton about the latest developments, but I do not believe that we have any choice.

When we met with you and Clive Hill last year we set out a number of principles that should govern the arrangements that we were trying to put in place. I think it would be useful if I restated them. They were as follows:

1. There should be a partnership arrangement between Oxford Health and the Orders of St. John. Oxford Health would be the provider of the intermediate care beds (and thus the employer of the nurses), but the arrangements would reflect the fact that those beds are located in Henry Cornish House, part of the Chipping Norton War Memorial Hospital, which is operated and managed by the Orders of St. John.
2. The specification needs to be amended to reflect the fact that this is an intermediate care service.
3. The cost of the service must be within the current financial cost of this service (which already reflects the fact that this service is staffed by NHS nurses).
4. The cost of the service needs to reflect the fact that Oxford Health will incur costs employing the nurses and have some management costs as well. On the other hand, the Orders of St. John are operating a relatively small care home (36 beds) and need a contribution from the space occupied by the intermediate care to enable this home to be viable.
5. To help manage the total costs and also to have effective and efficient management arrangements, it makes sense for Oxford Health and the Orders of St. John to agree day to day management arrangements that reflect the fact that Oxford Health need to be satisfied with the clinical standards in the unit, but also the fact that the Orders of St. John will have managers on site 24 hours a day.

6. There are a significant number of details that need to be resolved, especially the financial position for all organisations. These need to be resolved through discussions involving the Orders of St. John, Oxford Health and both the Clinical Commissioning Group and the County Council (as commissioners).

For the last year, Oxford Health and the Orders of St. John have tried to make these arrangements work. However, both organisations have now decided that they are no longer tenable, as we explained in our public statement which you have seen. Oxford Health has stated their intention to withdraw from the arrangements.

You are right that money is an issue. We asked the two organisations earlier this year to cost up making the arrangements permanent. They came up with the following total annual costs of £1,298,000. The breakdown of those costs was as follows:

	£000
Unit Staffing	705
Staff non pay	10
Drugs	60
Unit non pay	50
Legal costs	5
OSJ Charges	350
Indirect and overhead costs	118
<b>TOTAL</b>	<b>1,298</b>

Total costs of £1,298,000 a year work out at £1,777 a week for each bed in contrast to the £823 a week for each intermediate care bed that we purchase from the Orders of St. John in their Isis care home in Oxford.

We haven't gone through these figures in detail, but I would say that the differences relate to the three elements in the table which exceed £100,000 per annum. The staffing costs on their own come to £966/week – £143/week more than the total amount we pay for the beds in Isis. This will reflect a number of issues. The most significant will be the terms and conditions of NHS staff compared with those employed by the Orders of St. John. We also believe that Oxford Health's staffing structures are more reliant on nurses than health care assistants. It is important to note that intermediate care is primarily about reabling and rehabilitating people, which requires personal care and therapy input rather than continuous nursing input.

The other costs relate to the overheads involved with the two organisations. Oxford Health have included costs of £118,000 per annum to reflect the clinical supervision of a unit, which is some distance away from their other activities.

The costs charged by the Orders of St. John are even higher, but it is important that we remember the physical configuration of the site. The 14 beds are accommodated within a care home. Care homes operate at their most efficient if there are at least 50 beds (60 beds may be the ideal). In the case of Henry Cornish House this is a 50 bed home, but 14 of them are used for intermediate care. The Orders of St. John paid for the cost of building the home and have to

pay for costs associated with the building – utility costs, etc. However, the significant cost is they need to get a return on those 14 beds to reflect the total costs of the building as a whole.

I understand many in Chipping Norton are concerned about the quality of care. We monitor carefully both the intermediate care that is provided currently in Chipping Norton and that provided in Isis. Monitoring reports are prepared following those visits. We are clear that the outcomes for patients are no different, although as I have explained above there are differences in the way that the care is provided. Some of the comments that people are making about the Orders of St. John are coming across as criticisms of their standards of care. I have seen no evidence to justify those criticisms. I think the local community need to consider carefully what they are saying about an established care provider in their town. Unjustified criticism is never welcomed by any of us.

In summary, I go back to the principles we discussed with you just over a year ago. The two organisations are agreed that the management arrangements will not work. The costs of trying to make them work are significantly more than we are paying at the moment and even more than the cost of good quality intermediate care provided elsewhere in Oxfordshire by the Orders of St. John. We are still proposing to retain the same number of intermediate care beds (14) in Chipping Norton which will work on the same model, namely that the beds are available for people who are being discharged from hospital or who need short bed based care to avoid them having to go into a hospital. Intermediate care is available to anyone who might benefit. There are no age restrictions, although they tend to be used most by older people who face greater challenges going home. Intermediate care is a combination of personal care, input by therapists with qualified nursing input as necessary at any point in time during the day.

If the Action Group believe that there is an alternative way forward that meets the principles set out above then we would like to hear it. However, simply arguing that Oxford Health must provide the service does not meet the principles.

Yours sincerely,



**John Jackson**  
**Director of Adult Social Services**

**Direct Line: 01865 323574**

**Email: [John.Jackson@Oxfordshire.gov.uk](mailto:John.Jackson@Oxfordshire.gov.uk)**  
**[www.oxfordshire.gov.uk](http://www.oxfordshire.gov.uk)**

**cc.** Joanna Simons CBE Chief Executive OCC  
Yvonne Constance, OBE Chair OJHO&SC  
Rachel Coney, Chief Executive Healthwatch Oxfordshire