

Fears over care home deal

Tycoon in Southern Cross bid amid 'cherry-picking' concern

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AN industry magnate's bid for 11 care homes run by Southern Cross has confirmed fears of "cherry-picking" from the stricken company.

Robert Kilgour, a millionaire who sold his first chain of such homes and moved to the French Riviera, is now looking to buy up part of the group, dismaying those who have called for a staff take-over.

The intervention of one of the early magnates of care homes

will cause concern to unions and Labour, who have called for tight rules to prevent specific homes being "cherry-picked" and are asking the Scottish Government to back a mutualisation model which sees the homes turned into co-ops run by existing staff.

Mr Kilgour, a former Conservative candidate and self-styled "serial entrepreneur", founded Four Seasons Health Care and built it up during the 1990s before selling out more than a decade ago.

That company has recently become part of the care home sector crisis.



ROBERT KILGOUR: Says he has been approached by landlords.

Now Mr Kilgour wants to ramp up his involvement in the sector, saying: "In recent weeks it has become apparent that many landlords do not have the experience and track-record to provide the high quality of care

that residents and their families expect and deserve.

"Word in the industry has obviously spread and we're receiving a steady stream of inquiries from other landlords looking for help in ensuring a smooth transition away from the difficulties experienced by Southern Cross and I expect we'll be making further announcements about additional Scottish homes in the near future."

There have been calls in the past week for the Southern Cross homes to be kept together as a group, perhaps as a co-op run by staff.

However, Mr Kilgour says he has been approached by three landlords to take over 11 Southern Cross homes throughout Scotland involving 500 beds and

800 staff. According to a statement, he has "pledged to ensure the continuity of care for residents and their families and also to provide job security to all the staff."

He currently owns and runs three care homes in Edinburgh and the Lothians under the Renaissance Care brand, consisting of 80 beds and 120 staff, and expects to be operating the Southern Cross facilities by the beginning of October.

Mr Kilgour and the landlords he represents have pledged all 11 homes will remain open and will benefit from a seven-figure capital investment programme.

A Labour spokesman said: "What is of concern is if a situation is arising where the most profitable homes are creamed

off by private providers and it becomes a cherry-picking process. Local authorities will then be left to step in and deal with less profitable ones or ones that need investment. It's simply not good enough for the SNP to step back and leave local authorities to pick up the pieces."

For the Tories, Murdo Fraser said: "This is good news. Robert Kilgour has long experience in the sector. The new deals will provide stability for residents and end the distressing uncertainty that the Southern Cross collapse brought."

Mike Kirby, Unison's Scottish secretary, said: "It remains to be seen whether this model will promote security for residents and maintain a competent, confident and valued workforce."