

REPORT TO CABINET

16 May 2018

Subject:	Capacity Plan – Bed and Community Based Provision
Presenting Cabinet Member:	Councillor Ann Shackleton – Cabinet Member for Social Care
Director:	Executive Director – Adult Social Care, Health and Wellbeing – David Stevens
Contribution towards Vision 2030:	
Key Decision:	Yes
Forward Plan (28 day notice) Reference:	SMBC08/05/2018
Cabinet Member Approval and Date:	Cllr Shackleton
Director Approval:	David Stevens
Reason for Urgency:	Urgency provisions do not apply
Exempt Information Ref:	Exemption provisions do not apply
Ward Councillor (s) Consulted (if applicable):	Ward councillors have not been consulted
Scrutiny Consultation Considered?	Scrutiny have not been consulted
Contact Officer(s):	Daljit Bhangal – Operations Manager daljit_bhangal@sandwell.gov.uk Kay Murphy – Service Manager kay_murphy@sandwell.gov.uk

DECISION RECOMMENDATIONS

That Cabinet:

1. Authorise the procurement of an Early Supported Discharge /Admissions Avoidance block contract.
2. Authorise an exemption to rule 9 of Procurement and Contract Procedure Rules 2016-2017 to allow the Early Supported Discharge/Admissions Avoidance procurement for a short term contract to only be advertised to the existing eight framework providers of domiciliary care.

3. Authorise an exemption to rule 9 of Procurement and Contract Procedure Rules 2016-2017 to allow the award of short term contracts to existing providers for nursing beds at Lyndon Hall, The Gables and Veronica House as described in paragraph 4.2.4
4. Authorise the Executive Director of Adult Social Care, Health and Wellbeing to enter a procurement exercise for the provision of the services identified in paragraphs 1 and 2 above.
5. That following the completion of the procurement process identified in 1 and 2 above, the Cabinet authorise the Executive Director of Adult Social Care, Health and Wellbeing, in consultation with the Cabinet Member for Social Care, to enter into the appropriate contracts with the successful tenderers.
6. Authorise the Executive Director of Adult Social Care, Health and Wellbeing in consultation with the Cabinet Member for Social Care to enter into the appropriate contracts to secure provision of 46 nursing beds across a number of locations following a procurement process that has already commenced.
7. Authorise the Executive Director of Adult Social Care Health and Wellbeing to agree any uplift to the Early Supported Discharge/Admissions Avoidance hourly rate subject to it mirroring the hourly rate for the framework community care contract, as well as the bed rates of the proposed contracts, without requiring further Cabinet approvals.

1 PURPOSE OF THE REPORT

- 1.1 This report requests approval to establish contracts, seek tenders and award of contracts to provide necessary resource to support either admissions avoidance or a timely discharge from hospital of individuals requiring care and support in their own homes or within a nursing home setting.
- 1.2 The proposed contracts are to be procured in two stages, initially establishing short term block contracts for nursing beds with existing providers and completing a procurement for an Early Supported Discharge/Admissions Avoidance service, which will guarantee availability of provision to support hospital discharge or admissions avoidance while tenders are sought to secure longer term contracts.
- 1.3 Funding for these contracts has been approved and will be provided through the (improved) Better Care Fund.

- 1.4 Approval of these contracts will ensure that Adult Social Care (ASC) can assist people to be discharged from hospital to the most appropriate setting as soon as they are medically fit thereby assisting the Council to fulfil its requirements under the Care Act 2014 in relation to hospital discharges. In addition, the contracts will also allow admissions avoidance by providing care and support to individuals thereby ensuring they aren't admitted to hospital in the first place.
- 1.5 The Care Act 2014 updated and re-enacted the provisions of the Community Care (Delayed Discharges) Act 2003, which set out how the NHS and local authorities should work together to minimise delayed discharges of NHS hospital patients from acute care. The NHS are required to notify relevant local authorities of a patient's likely need for care and support where the patient is unlikely to be safely discharged from hospital without arrangements, and to give at least 24 hours' notice of when it intends to discharge the patient. From 1 April 2015, if a local authority has not carried out an assessment or put in place care and support, and that is the sole reason for a patient not being safely discharged, the NHS body has a discretion as to whether to seek reimbursement from the relevant local authority for each day an acute patient's discharge is delayed. This situation is frequently referred to in the media as 'bed-blocking',

2 IMPLICATIONS FOR SANDWELL'S VISION

- 2.1 The proposals contained within this report support the Sandwell Council vision 2030 as stated in Ambition 2, "Sandwell is a place where we live healthy lives and live them for longer, and where those of us who are vulnerable feel respected and cared for.
- 2.2 Sandwell Council, together with its partners is committed to supporting individuals' timely discharge from hospital and enabling them to live independent lives within their own communities. This provision is designed to provide them with timely care and support needed to enable them to return back to their own homes or avoid leaving their own homes for a stay in hospital.

3 BACKGROUND AND MAIN CONSIDERATIONS

- 3.1 The Better Care Fund was announced in 2013 by central government with the aim to support the transformation and integration of health and social care services. It is a pooled budget arrangement intended to benefit Sandwell & West Birmingham CCG (SWBCCG) and Sandwell Council. Strategic decision-making is overseen by the Health and Social Care Integration Board. Through the (Improved) Better Care Fund (BCF), the Council has commissioned a number of services, which are agreed through the Health and Social Care Integration Board.

- 3.2 The contracts proposed within this report support the Council and the Clinical Commissioning Group in securing optimum use of hospital provision by managing the level of Delayed Transfers of Care (DToC) relating to individuals for whom the Council has a statutory duty.
- 3.3 The Care Act and the Care and Support (Discharge of Hospital Patients) Regulations 2014 require Adult Social Care to arrange for the assessment and discharge of individuals fit for discharge within 24 hours of notification. The NHS body has a discretion as to whether to seek reimbursement from the relevant local authority for each day an acute patient's discharge is delayed.
- 3.4 The proposed block contracts would provide immediate access to both assessment by the provider and immediate availability of care and support services to assist the patient to be discharged from hospital thereby minimising delays through days lost trying to secure social care.
- 3.5 The Council secured funding for the provision of additional beds and domiciliary care to support timely hospital discharge for winter 17/18 to respond to expected increases in demand during the winter period. However, there are pressures to the health and social care system throughout the year and not just during the winter and the Council and Sandwell and West Birmingham Clinical Commissioning Group have agreed a joint strategic plan to respond to the perpetual pressure to mitigate the negative impact to the Council's favourable DToC position by the cessation of contracts established for the winter through the withdrawal of additional beds and domiciliary care.
- 3.5.1 The following table illustrates the number of delays the Council has had attributed against it over the last two years, demonstrating that there are pressures all year, and that during winter, the delays are reduced because of additional capacity within the system. In winter 2016/17, additional provision started from January 2017 and in winter 2017/18, it started much earlier in November 2017. The data from January 2017 shows an improved picture more generally from the previous year because there has been additional resource in the hospital social work team and management capacity to facilitate the management of DToC.

Month and Year	Number of Delayed Discharges of Care	NHS England National Targets
April 16	476	
May 16	634	
June 16	680	
July 16	545	
August 16	592	
September 16	696	

Month and Year	Number of Delayed Discharges of Care	NHS England National Targets
October 16	594	
November 16	615	
December 16	626	
January 17	391	
February 17	390	
March 17	Data Unavailable	
April 17	502	
May 17	515	
June 17	378	
July 17	421	486
August 17	367	481
September 17	393	476
October 17	362	451
November 17	276	415
December 17	170	405
January 18	225	405

4 THE CURRENT POSITION

4.1 Early Supported Discharge/Admissions Avoidance

4.1.1 The Council currently has the following block contracts in place for the provision of an early supported discharge / admissions avoidance service.

Provider	No. of packages of care	Contract Start	Contract End	Contract Value
Carewatch	7	19.12.17	18.06.18	204,160.90*
Tipton Homecare	8	19.12.17	18.06.18	233,326.70*
Total	15			£437,487.60

* Contract is paid at 80% on a block guaranteed basis and 20% spot.

4.1.2 The service enables more timely response to referrals, assessment and discharge from hospital or quick intervention to prevent an admission. Given the necessity to establish the block contract quickly to support DToC, it was advertised only to the then framework providers of community care, which was permissible because it was below the relevant threshold of £589,148.

- 4.1.3 Prior to the contract identified in 4.1.1, while there was provision in place for an early supported discharge service with the Council's framework and some non framework providers, it was on a spot basis with no levels of guaranteed activity. As a result of the lack of guaranteed hours, delays were common, and it could take days and even weeks to arrange packages of care, which was an untenable position given the financial penalties that can be levied on the Council for DToC, as well as the reputational damage.
- 4.1.4 The block contract has worked well and has reduced the number of delays in hospital due to packages of care. Given this, it is proposed to secure a long term contract with two providers for 2 plus 1 year to ensure that the Council is able to meet its obligations around hospital discharge and support admissions avoidance throughout the year.
- 4.1.5 The existing block contract is to deliver 15 packages of care and support a week, however the Council's internal domiciliary care service, STAR has received additional funding to increase its capacity to deliver 40 packages of care a week from the current 25. STAR will be the default provider for packages of care from hospital, however that will mean they will not be able to deliver the 10 (approximate) packages of admissions avoidance cases they typically do each week. The proposed block contract will seek to fill that gap as well as pick up any hospital discharge cases that STAR cannot provide.
- 4.1.6 The procurement of a block contract for an Early Supported Discharge/Admissions Avoidance service will be an extremely time consuming task and will generate significant interest from the market; the recent tender process for a spot framework for homecare took nine months to complete. In order to ensure there is availability of guaranteed provision once the existing block contract ends, and until such time any procurement is completed, it is proposed a short term contract is established with two providers for a total of 10 new packages of care per week for 42 weeks to allow a full open procurement exercise to be completed. The contract will be paid on a 80% block guaranteed basis and 20% spot and will be from 19 June 2018 to 8 April 2019. It is proposed that the short term block contract is only advertised to the existing framework providers of home support given that they have already gone through a very recent robust assessment process when the tender for the framework was originally advertised, and are deemed to be suitably qualified and trained.
- 4.1.7 The hourly rate in the proposed short and long term block contracts will be set at the framework hourly price plus an assessment fee of £100, which is payable for the additional work required to facilitate timely assessment and response.

4.1.8 The proposed short term contract has an estimated value of £497,893, which is below the 'light-touch' threshold of £615,278 of the Public Contracts Regulations 2015 which allows greater flexibility in how a procurement is run.

4.1.9 The proposed long term contract has an estimated value of £1,927,635.60 for 3 years and will be paid on a 80% block guaranteed basis and 20% spot and will be from 9 April 2019 to 8 April 2021 plus the option of a one year extension between 9 April 2021 to 8 April 2022. This estimate is based on an hourly rate that mirrors the current framework hourly rate for domiciliary care. However, given that the contract will not start until after 1st April 2019, an increase to the hourly rate will need to be applied for years one, two and three, but this has not been determined yet, and therefore this report seeks permission to uplift the hourly rate without needing to resubmit a further Cabinet paper subject to agreement by the Executive Director of Adult Social Care, Health and Well-Being in consultation with the Cabinet Member for Social Care. The rate will continue to mirror the framework domiciliary care rate. The £100 assessment fee will remain the same for the duration of the contract.

4.2 Block Contracts for Nursing Beds

4.2.1 The Council currently has the following block contracts for nursing beds to support timely hospital discharge.

Home	No. of beds	Contract Start	Contract End	Rate per Bed	Contract Value
Veronica House	13 (5 CHC)	20.11.2017	30.06.2018	£664	£274970.15
Lyndon Hall	15*	20.11.2017	28.04.2018	£664	£207,721.50
The Gables Nursing Home	4	27.12.2017	30.06.2018	£1200	£125,486.76
Ryland View	18	01.10.2017	30.09.2018	£664	£621,504

*Beds were incrementally started in blocks of 5. 5 beds started on 20.11.17, 5 started on 4.12.17 and 5 on 18.12.17.

4.2.2 The contracts for Veronica House, Lyndon Hall and The Gables were established to support pressures to the system during the winter and the contract for Ryland View supports pressure throughout the year.

4.2.3 To deal with the perpetual pressures and to ensure that the good work done around the management of DToC during winter 17/18 is not lost, it is proposed that a procurement is undertaken to establish contracts for two plus one year. However, it will take some time to complete a procurement exercise, so it is proposed that short term contracts are established with existing providers in the following homes to ensure beds are not lost; Veronica House, The Gables and Lyndon Hall until 30 September 2018. Ryland View's Contract ends on 30 September 2018 and therefore no extension is required.

4.2.4 A review of the beds procured to support winter DToC has been undertaken and the proposals for new contracts are for beds to be procured at utilisation plus 20% contingency, and where there is a difference from what was originally procured, contract levels have been reduced accordingly where this has been necessary.

4.2.5 The proposed short term contracts for Veronica House, The Gables and Lyndon Hall, with an uplift to the bed rate, are as follows.

Home	No. of beds	Contract Start	Contract End	Weeks	Rate per Bed	Contract Value
Veronica House	10	01.07.2018	30.09.2018	13	£675	£88,714
Lyndon Hall	12	22.05.2018*	30.09.2018	18.5	£675	£152,743
Gables Nursing Home	5**	01.07.2018	30.09.2018	13	£1250	£82,143
					Total	£323,600

*This is the first available date that the Lyndon Hall contract can start in the event that Cabinet agree to the recommendation

** 4 beds will be block purchased and 1 on a spot basis

4.2.6 The proposed long term contracts are as follows:

Provision	No. of beds	Contract Start	Contract End	Weeks	Rate per Bed	Contract Value
EAB Nursing	40* across a number	01.10.2018	30.09.2020 plus 1 year	157	£675	£4,227,429

Provision	No. of beds	Contract Start	Contract End	Weeks	Rate per Bed	Contract Value
	r of locations		extension to 30.09.2021			
Complex Dementia Beds	6	01.10.2018	30.09.2020 plus 1 year extension to 30.09.2021	157	£1250	£1,174,286
					Total	£5,401,714

* To be split in blocks of 18, 12 and 10 beds

4.2.7 The rate per bed identified in 4.2.5 is set in the first year and may be subject to an uplift for years two and three. This report seeks permission to uplift the bed rate for years two and three without needing to resubmit a further Cabinet paper seeking approval for the uplift subject to agreement by the Executive Director of Adult Social Care, Health and Well-Being in consultation with Cabinet Member for Social Care.

4.2.8 Both the Early Supported Discharge/Admissions Avoidance and Nursing beds services would be provided as intermediate care. The Department of Health has set out a standard definition of intermediate care. That is services which:

- are targeted at people who would otherwise face unnecessarily prolonged hospital stays or inappropriate admissions to acute in-patient care, long term residential care, or continuing NHS in-patient care
- are provided based on comprehensive assessment, resulting in a structured individual care plan that involves active therapy, treatment or opportunity for recovery
- have a planned outcome of maximising independence and typically enabling individuals to resume living at home
- are time limited to no longer than six weeks
- involve cross-professional integrated working

4.3 The benefits for Sandwell Council of these proposals are:

- Reduction in Delayed Transfers of Care (DToC)
- A co-ordinated response with health partners in relation to timely and effective hospital discharges.
- Mitigating the potential imposition of fines by Acute Trusts for DToC.

4.4 The benefits for service users and carers would be:

- Timely hospital discharge
- Avoiding hospital admissions

5 **CONSULTATION (CUSTOMERS AND OTHER STAKEHOLDERS)**

5.1 Commissioners have consulted with stakeholders across Sandwell Better Care Fund, the Acute Hospital Trust and the hospital social work team for their view on the provision.

6 **ALTERNATIVE OPTIONS**

6.1 Without the provision of these contracts, there will be increased DToC from hospitals and more admissions which will leave the Council in a vulnerable position around their inability to effectively respond to their obligations. There are no alternative options to maintain the required patient flow.

6.2 The corporate risk management strategy has been complied with to identify and assess the risks associated with the decisions being sought. The assessment has identified that there are no significant risks associated with the approach. Where risks have been identified, suitable measures are in place to mitigate these risks.

6.3 If the recommendation to approve these tenders and award of contracts to the winning bidders is not approved, risks would include:

- Increased delayed transfers of care from hospital
- Increase on delays regarding family choice
- Increase in admissions
- Undermining delivery of enablement and independence

6.4 The recommendations if approved therefore would contribute significantly to the mitigation of the strategic risk SRR 049 in respect of Delayed Transfers of Care, which is currently assessed as red.

7 STRATEGIC RESOURCE IMPLICATIONS

7.1 The projected impact of the proposals are summarised in the following table:

	2018/19	2019/20	2020/21	2021/22	Total
	£'000	£'000	£'000	£'000	£'000
<u>Short Term Proposals</u>					
Bed Based Contracts	324	0	0	0	324
ESD Contracts	498	0	0	0	498
Total - Short Term	822	0	0	0	822
<u>Long Term Proposals</u>					
Bed Based Contracts	897	1,804	1,799	902	5,402
ESD Contracts	0	643	643	643	1,929
Total - Long Term	897	2,447	2,442	1,545	7,331
Total Proposal	1,719	2,447	2,442	1,545	8,153

7.2 The projected costs will be funded from the Better Care Fund / Improved Better Care Fund and the allocation of the required resources were agreed at the Joint Partnership Board of 23 March 2018.

7.3 As the award of these contracts is to meet partnership priorities around delayed transfer of care arrangements and admissions avoidance, services will be provided through external organisations resulting in no impact on the Council's workforce.

8 LEGAL AND GOVERNANCE CONSIDERATIONS

8.1 The procurement of these services will be conducted in accordance with the Public Contracts Regulations 2015 and Sandwell's Procurement and Contract Procedure Rules.

8.2 The procurement of the Early Supported Discharge/Admissions Avoidance Contract for 42 weeks will also require the authorisation of an exemption to rule 9 of Procurement and Contract Procedure Rules 2016-2017 to allow the procurement to be advertised only to the council's current framework 8 providers of domiciliary care given the need to continue to have the availability of block provision while a longer term contract is procured. The continued need for block provision was not known at the time of the establishment of the existing block contract because STAR was to be the default option, providing 45 packages of care each week, however the optimum capacity for STAR has been reduced to 40 packages.

All 8 providers have recently been through a competitive tender process and are deemed suitably competent and qualified to deliver the service, but mobilisation capability will need to be assessed. If agreed, a procurement process will be undertaken with all framework providers to assess their ability to deliver the service and contracts will be awarded to two providers subject to the bids being deemed satisfactory.

- 8.3 The award to existing providers of the short term nursing bed contracts will require an exemption to rule 9 of Procurement and Contract Procedure Rules 2016-2017. The Council undertakes a weekly capacity survey of older people nursing and residential homes and no other homes in Sandwell have availability of 10 and 12 beds respectively. A procurement for complex dementia beds was undertaken three times prior to the award of contract to The Gables nursing home, no viable bid was received.
- 8.4 Both the proposed short term contracts for nursing beds and an Early Supported Discharge/Admissions Avoidance service fall under the light touch regime, Regulations 74-77, of the Public Contract Regulations 2015 which allows for greater flexibility in how a procurement is run. That notwithstanding, contracts subject to light touch regime must be advertised where the value exceeds the relevant threshold regardless of provisions of the council's Procurement and Contract Procedure Rules. Where the value is below this threshold (£615,278), which for both contracts it is, there is no need (under the public procurement rules) to advertise unless there are indications of cross border interest, which in this case there is not for either service. The aggregated value of the existing and proposed short term contracts for provision at Lyndon Hall, The Gables and Veronica House remains below the threshold.
- 8.5 The longer term contracts for nursing beds and an Early Supported Discharge/Admissions Avoidance service will be procured via the Council's in-tend electronic tendering portal.

9 EQUALITY IMPACT ASSESSMENT

- 9.1 An Equality Impact Assessment has been undertaken, there are no negative or adverse impacts on any protected groups.
- 9.2 There are no significant equality issues arising from this report. The commissioning of block contracts will ensure that vulnerable people in need of care including protected groups will benefit from the provision of support for hospital discharge.

10 DATA PROTECTION IMPACT ASSESSMENT

10.1 Data protection is addressed within the Councils contract for the service.

11 CRIME AND DISORDER AND RISK ASSESSMENT

11.1 There are no implications from this proposal on crime and disorder.

12 SUSTAINABILITY OF PROPOSALS.

12.1 It has been agreed that the funding for these contracts will be through the (i)BCF.

13 HEALTH AND WELLBEING IMPLICATIONS (INCLUDING SOCIAL VALUE)).

13.1 The DToC figures indicate that additional capacity is required to assist people to leave hospital within the agreed timescales throughout the year and not during the winter and the proposals contained within this report will support these needs.

14 IMPACT ON ANY COUNCIL MANAGED PROPERTY OR LAND

14.1 There are no implications from this proposal on the Council's managed property or land.

15 CONCLUSIONS AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS

15.1 Agreement to award the block contracts aligns with the focus of both the Council and Sandwell and West Birmingham Clinical Commissioning Group to support the reduction of DToC and admissions avoidance and will support the continued flow of patients from hospital back to their communities.

16 BACKGROUND PAPERS

16.1 Nil

17 APPENDICES:

Nil

David Stevens

Executive Director – Adult Social Care, Health and Wellbeing