

Cabinet – 23 October 2019

Nursing Block Contract Award

Portfolio: Councillor Rose Martin – Adult Social Care

Service: Adult Social Care

Wards: All

Key decision: Yes

Forward plan: No

1. Aim

This report seeks Cabinet approval to award a block bed contract to meet the needs of those Service Users who are eligible for 'standard nursing care' and/or 'specialist nursing services where their needs are complex. The Council within its usual rates for standard nursing and EMI nursing will fund these services.

2. Summary

- 2.1 The Adult Social Care Directorate will be achieving economies of scale and value for money by reserving 36 beds from a single home to meet the Borough's demands in the West of the Borough where there is currently no nursing provision.
- 2.2 This is a key decision because it exceeds the threshold for "significant" expenditure of £250,000.
- 2.3 This report should be read in conjunction with the Nursing Block contract Award Private Session Agenda Cabinet Report, to be considered by Cabinet on this Agenda.
- 2.4 This service is seen as a corporate priority as the most vulnerable are protected from avoidable harm, including treating and caring for people in a safe environment.

Table 1 and 2 –Potential contract costs (maximum levels that can be paid)

Table 1 - Year 1 (52 weeks)

Week	Block Beds Purchased	Total costs based on Nursing Care per service user per week rate which is currently set at £535.93 (excluding FNC)	Total costs based on 'Nursing care with specialisms' per service user per week rate which is currently set at £589.52 (excluding FNC)
1	6	3,215.58	3,537.12
2	12	6,431.16	7,074.24
3	18	9,646.74	10,611.36
4	24	12,862.32	14,148.48
5	30	16,077.90	17,685.60
6	36	19,293.48	21,222.72
7 to 52	36	887,500.08	976,245.12
TOTALS		955,027.26	1,050,524.64

Table 2 - Year 2 (26 weeks)

Week	Block Beds Purchased	Total costs based on Nursing Care per service user per week rate which is currently set at £535.93 (excluding FNC)	Total costs based on 'Nursing care with specialisms' per service user per week rate which is currently set at £589.52 (excluding FNC)
1 to 21	36	405,163.08	445,677.12
22	30	16,077.90	17,685.60
23	24	12,862.32	14,148.48
24	18	9,646.74	10,611.36
25	12	6,431.16	7,074.24
26	6	3,215.58	3,537.12
27	0	0.00	0.00
TOTALS		453,396.78	498,733.92

**OVERALL
TOTALS**

1,408,424.04

1,549,258.56

3. Recommendations

- 3.1 That Cabinet approves the award of a block contract for the provision of 36 standard and nursing care with specialisms beds, for period of 18-months period, with a maximum lifetime value in the region of £1,388,402.40 to £1,528,035.84 to MACC CARE (WILLENHALL) LIMITED from 4 November 2019.
- 3.2 The Cabinet delegate authority to the Executive Director Adult Social Care in consultation with the Portfolio Holder for Rose Martin, to enter into the contract for the provision of 36 standard and nursing care with specialisms beds, by using the most appropriate procedures and to subsequently authorise the sealing, signing or variation of any contracts, deeds or other related documents for such services.
- 3.3 That Cabinet delegate authority to the Director of Adult Social Care, in consultation with the Portfolio Holder for Adult Social Care, to authorise any variations to the contract or other related documents for such services should this be required throughout the duration of the contract.

4. Report detail - know

Context

- 4.1 The Care Act 2014 sets out the Council's duty to meet the care and support needs of people who are determined to have eligible needs in accordance with the criteria set out within the Act. Local Authorities must promote wellbeing when carrying out care and support and prevent, reduce or delay the onset of need and support the person to be as independent as possible.
- 4.2 The Council commissions care providers to deliver care and support where it has a duty to meet this need. Standard Nursing and Nursing services are one of the many ways that the Council is able to meet its statutory duty. Accommodation and care are provided by one Provider and the service is staffed 24/7. Nursing services are regulated by the Care Quality Commission and the Council and Walsall Clinical Commissioning Group (WCCG) adopts an additional internal quality assurance process.
- 4.3 In March 2018, Cabinet made the decision to offer Out of Borough placements to Walsall funded eligible clients, where it is safe and appropriate to do so and where the Out of Borough placement is more cost effective than in-borough available placements. The award of this contract to MACC CARE (WILLENHALL) LIMITED is additional capacity in the Borough as this is a new development and will allow opportunity for repatriation
- 4.4 Furthermore, the Council has no measure of the amount that is being paid by third parties to Providers. This places significant risk on the Council because when a third party is no longer to continue or refuses to pay towards the placement cost, the Council has a duty to then step in and pay the full cost of the placement.
- 4.5 The proposed block bed contract will meet the needs of complex behaviours of service users within Borough. Adult Social Care Commissioning have engaged with the sector and recognised that the placement requirements of 36 beds can be met within Borough, but would have to be done through a competitive process

- 4.6 The block bed contract will also be utilised to support the discharge to assess beds whereby saving can be made on current rates paid.
- 4.7 The Provider is registered with the Care Quality Commission (CQC) for nursing and nursing with specialisms, i.e. Dementia to meet identified in the West of the Borough where there remains no provision for nursing needs.

Council Corporate Plan priorities

- 4.8 This proposal links to the Council's corporate priority 'Communities are prospering and resilient with all housing needs met in safe and healthy places that build a strong sense of belonging and cohesion'. This service will deliver the following outcomes:

The most vulnerable are protected from avoidable harm, including treating and caring for people in a safe environment through working within the local community.

Risk management

- 4.9 This block beds contract prevent the need to place Service Users out of Borough to meet demands during this financial year and providing Adult Social Care the ability to provide control around market management responsibility regarding quality, gaps and placed in Borough and at usual rates.
- 4.10 The block beds will be utilised to cover short-term placements to reduce delayed transfers of care and to avoid inappropriate hospital admissions. Utilising the block beds for discharge to access beds will save on current rates paid for this service.
- 4.11 To avoid unnecessary void costs associated with the reserved block booking, the contract includes provision for incremental payment at contract start and notice of termination. The service will and is closely managed
- 4.12 In addition to support with void management, the allocation of beds will be through the use of the trusted assessor model, which will speed up the process for placements of those discharged from hospital. If the service provider refuses to accept the placement of a service user when:
- the home has been assessed to be able to meet the service users assessed needs, through a trusted assessor or other appropriate/equivalent assessor;
 - the service user chooses to reside in the home, and;
 - the Council has less service users placed in the home than the number of beds it is currently paying for on the block booking (for the avoidance of doubt this is the number of 'Block Beds Purchased' detailed in the tables one and two).

Financial implications

- 4.13 The estimated cost of the contract is circa £1.5m as set out in tables 1 and 2. The actual cost will be dependent on occupancy rates and the mix of service users between standard need placements and specialist need placements. This cost will be met from within the existing Residential and Nursing care Budget of £26.17m.
- 4.14 The rates payable will be subject to any inflationary uplift agreed by the Council for the nursing sector.

Table 3 – Current average levels of placement costs, made since 1st April 2019

	Usual Rate per week	Average Paid per week Placements after 1st April 2019	Difference per week	Placements made
Nursing	535.93	636.27	100.34	26
Nursing EMI	589.92	725.95	136.03	20

4.15 As a result of procuring these beds at the Council's usual rates there is potential for significant future cost avoidance. Table 4 and 5 below set out the range of potential future costs which will be avoided based upon 100% occupancy. It should be noted if average occupancy levels over the life of the contract are below 80% then no costs avoidance would be achieved.

Table 4 - Year 1 (52 weeks) - based on placements made after 1st April 2019

Week	Block Beds Purchased	Total cost avoidance based on Nursing care	Total cost avoidance based on Nursing care with specialisms
1	6	602.05	816.19
2	12	1,204.10	1,632.38
3	18	1,806.15	2,448.57
4	24	2,408.21	3,264.76
5	30	3,010.26	4,080.95
6	36	3,612.31	4,897.14
7 to 52	36	166,166.25	225,268.29
TOTALS		178,809.33	242,408.27

Table 5 - Year 2 (26 weeks) - based on placements made after 1st April 2019

Week	Block Beds Purchased	Total cost avoidance based on Nursing care	Total cost avoidance based on Nursing care with specialisms
1 to 21	36	75,858.50	102,839.87
22	30	3,010.26	4,080.95
23	24	2,408.21	3,264.76
24	18	1,806.15	2,448.57
25	12	1,204.10	1,632.38
26	6	602.05	816.19
27	0	0.00	0.00
TOTALS		84,889.28	115,082.72

**OVERALL
TOTALS**

263,698.61

357,490.99

Legal implications

- 4.16 The Council will be enter into a contract with the successful bidder in a form approved by Legal Services.

Procurement /Social Value

- 4.17 The procurement process has been conducted in accordance with the Public Contract Regulations 2015, the Council's Contract Rules and Social Value Policy.
- 4.18 Procurement input has ensured the conduct of compliant procurement process.
- 4.19 Tenders were sought in accordance with the PCR using a competitive open procurement process, in line with the PCR regulations 74 -77 for 'Social and Other Specific Services'. The Council published this opportunity on 19th September 2019, with a return date of 7th October 2019. A Contract Notice was published via the Official Journal the European Union ('OJEU') and was posted to the Council's E-Tendering portal, In-tend, to alert the market to the tender, in accordance with the PCR and the Council's Contract Rules.
- 4.20 Tenders were opened on 7th October by Paula Furnival in the role of Executive Director and Susan Wilson, Senior Procurement Officer, using a formal opening ceremony on the In- tend e-tendering portal. The Council received (to be completed) tenders as set out below:

Bidder No.	Bidder Name
1	MACC CARE (WILLENHALL) LIMITED

4.21 Tender Evaluation Process

- 4.22 The tenders were evaluated by a panel of (to be completed) officers in accordance with the criteria published in the ITT as shown in Table 6 below:

4.23 Weighted Non – Price Criteria:

Table 6

Non Price Criteria	Percentage weighting for each question
Criteria 1 – Social Value	5%
Criteria 2 – Development of Building and Environment	15%
Criteria 3 – Innovation	10%
Criteria 4 – Dementia care	10%
Criteria 5 – Employment and training opportunities	10%
Criteria 6 – Reviewing, correcting improving quality after a complaint.	25%
Criteria 7 – Working with the Council to support Service Users	25%
Total	100%

As bidders were required to commit to providing the services at the usual rates, non - price criteria represented 100% of the total weighting.

- 4.24 Following the completion of due diligence and assessment of mandatory requirements of the bids were deemed compliant.
- 4.25 A moderation meeting was held to agree a moderated final score for each tender and to determine the top scoring compliant.

Tender Outcome

- 4.26 MACC CARE (WILLENHALL) LIMITED achieved the highest scores overall deeming them to be the most economically advantageous provider.
- 4.27 Given the specific commercially sensitive data of the tender evaluation information, a report detailing the evaluation criteria and the outcome of the evaluation appears in the Private Session Agenda Cabinet Report.
- 4.28 Social Value is an integral part of this contract and all tenders have been evaluated based on their ability to bring value including employment and volunteering opportunities as part of their delivery to Walsall.
- 4.29 Steps have been taken to minimise procurement – related risk. However, there will always remain an inherent risk of legal challenge associated with any procurement undertaken by the Council.

5. Property implications

- 5.1 There are no property implications arising out of this report.

6. Health and wellbeing implications

- 6.1 Continuing to commission Standard Nursing and Nursing with specialism placements will enable the Council to promote independence choice and control for adults and their families. It also links and contributes to the Council's corporate priorities referred to in this report at section 4.
- 6.2 The principles and actions contained within this report are in full accordance with the Marmot objectives as clients will have increased independence, improved health and can positively contribute to their communities in a safe and healthy way.

7. Staffing implications

- 7.1 There are no staffing implications arising out of this report.

8. Reducing Inequalities

- 8.1 Following completion of an Equality Impact Assessment (EqAI), it is considered that this service provision to the Council will not have any inequality issues.

9 Consultation

- 9.1 As there is no current nursing provision in the West of the Borough, there was no need to undertake a public consultation.

10 Decide

- 10.1 Cabinet is requested to consider the content of this report and to agree the recommendations as outline in section 3.

11. Respond

- 11.1 Subject to Cabinet approval of the recommendations, Adults Social Care will work with corporate colleagues to:
- (a) Progress the contract award
 - (b) Develop a mobilisation plan for safe transition up to and down from 36 residents over the 18 month contract period; and
 - (c) Implement robust financial management to ensure value for money is achieved throughout the block period.

12. Review

- 12.1 Once awarded and fully commissioned, this will be reviewed in line with our contract management and individual support plan review process

Background papers

None

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Paula Furnival
Executive Director

15 October 2019



Councillor Martin
Portfolio holder

15 October 2019

Equality Impact Assessment (EqIA) for Policies, Procedures and Services

Proposal name	Nursing Block Contract		
Directorate	Adult Social Care		
Service	Adult Social Care Commissioning		
Responsible Officer	Paula Furnival		
Proposal planning start	March 2018	Proposal start date (due or actual date)	November 2019
1	What is the purpose of the proposal?	Yes / No	New / revision
	Show which category the proposal is and whether it is new or a revision.		
	Policy	N	
	Procedure	N	
	Guidance	N	
	Is this a service to customers/staff/public?	Y	New
	If yes, is it contracted or commissioned?	Commissioned	
	Other - give details		
2	<p>To commission, through a procurement process, a 36-block bed contract, to meet the needs of those eligible for a service due to their nursing needs, which are complex, and those who also are eligible for Standard Nursing and Nursing EMI support. To meet the demands in the West of the borough where there is currently no nursing provision, which are complex and funded by the local authority within its usual nursing and EMI nursing rates.</p> <p>In March 2018, Cabinet made the decision to offer Out of Borough placements to Walsall funded eligible clients, where it is safe and appropriate to do so and where the out of borough placement is more cost effective than in-borough available placements. Furthermore, the Council has no measure of the amount that is being paid by third parties to Service Providers'. This places significant risk to the Council, as when the third party is no longer able to continue or refuses to pay towards the placement cost, the Council has to then step in and pay the full cost of the placement. This makes budget forecasting very difficult and we capture no data on the actual cost of care within the Borough, with a significant growth in the over 65+ category against the directorate requiring us to make savings of £123.4m over the next three years to 2021/22 along with improved assurances around budget management.</p> <p>The Directorate will be achieving economies of scale and value for money by purchasing 36 beds from a single provider to meet the Borough's demands in the West of the Borough where there is currently no nursing provision.</p> <p>This service is seen as a corporate priority as the most vulnerable are protected from avoidable harm, including treating and caring for people in a safe environment.</p>		



	<p>This contract will offer assurance around budget management, during winter pressures, whilst meeting the needs of complex behaviours of service users within the Borough. Commissioning have engaged with the sector and recognise the placement requirements of 36 beds can be met within the Borough but this will need to be done through a competitive process.</p> <p>One of our corporate priorities is to ensure that the most vulnerable are protected from avoidable harm, including treating and caring for people in a safe environment and this service will deliver the following outcomes:</p> <ul style="list-style-type: none"> • The most vulnerable are protected from avoidable harm, including treating and caring for people in a safe environment through working within the local community. • Provide nursing needs in the West of the borough where currently there is no provision. • Enhancing quality of life for people with care and support needs and those with long-term conditions 		
3	Who is the proposal likely to affect?		
	People in Walsall	Yes / No	Detail
	All	N	The proposal will affect vulnerable older people over the age of 65+ living in Walsall, who have complex needs and are eligible for Standard Nursing and Nursing EMI support.
	Specific group/s	Y	
	Council employees	N	
Other (identify)	Y		
4	<p>Please provide service data relating to this proposal on your customer's protected characteristics.</p> <p>Mosaic was used to provide data of the number of service users that we currently have placed in and out of the Borough who are residing in a nursing and EMI nursing home. The data showed that out of the 350 service users the majority are predominately British and predominately female with various long-term health conditions, including users with a physical and learning disability.</p>		
5	<p>Please provide details of all engagement and consultation undertaken for this proposal. (Please use a separate box for each engagement/consultation)</p> <p>Adult Social Care Commissioning have engaged with the sector and recognise that the placement requirements of 36 beds can be met within the Borough but this will need to be done through a competitive tendering process.</p>		

	Consultation Activity			
	Type of engagement/consultation		Date	
	Who attended/participated?			
	Protected characteristics of participants			
	Feedback			
	<p>A new care home development has been built in Short Heath, Walsall, which was visited by stakeholders from Walsall Council and the CCG as part of a constructive engagement during the build. In-depth discussions on the historical aspect of Walsall resulted in a desire to keep the name and the local connection in place. Councillors were excited about the development, which they felt will be a fantastic asset for the local community.</p>			
6	Concise overview of all evidence, engagement and consultation			
7	How may the proposal affect each protected characteristic or group? The effect may be positive, negative, neutral or not known. Give reasons and if action is needed.			
	Characteristic	Affect	Reason	Action needed Yes / No
	Age	Positive- the majority of service users will be over the age of 65+. No action needed		
	Disability	Neutral - As some service users may have a disability with most of them having some form of vulnerability. Action required, Yes		
	Gender reassignment	Neutral, No action needed.		
	Marriage and civil partnership	Neutral, No action needed		
	Pregnancy and maternity	Neutral - Service users are over the age of 65+. No action needed.		
	Race	Negative – Majority of Service users are white British. Yes- Action needed		
	Religion or belief	Not known – Yes action needed		
	Sex	The majority of service users Not known – Action needed.		
	Sexual orientation	Not known- Action required, Yes		

	Other (give detail)	<p>The block beds tender would have a positive impact on the community in the west of the Borough by providing standard and EMI nursing for local service users and others across the Borough.</p>
	Further information	
8	Does your proposal link with other proposals to have a cumulative effect on particular equality groups? If yes, give details.	(Delete one) Yes
	<p>This proposal links to Walsall Council's corporate priority 'Communities are prospering and resilient with all housing needs met in safe and healthy places that build a strong sense of belonging and cohesion'. This service will deliver the following outcomes:</p> <p>The most vulnerable are protected from avoidable harm, including treating and caring for people in a safe environment through working within the local community.</p>	
9	Which justifiable action does the evidence, engagement and consultation feedback suggest you take?	
	A	No major change required. Unknown at present until we know more about data and consultation with individual service users who will be placed in the home.
	B	Adjustments needed to remove barriers or to better promote equality
	C	Continue despite possible adverse impact
	D	Stop and rethink your proposal.

Action and monitoring plan				
Action Date	Action	Responsibility	Outcome Date	Outcome
November 2019	Regular contract monitoring through the Adult Social Care's Contract Management framework.	Older People & Vulnerable Adults Commissioning	April 2020	The provider will be compliant and be able to demonstrate with evidence that they are meeting the service needs for all service users in the home.
Ongoing	Obtain data information on the race, sex, disability and age of the service users who will be accessing the service	Older People & Vulnerable Adults Commissioning	April 2020	The service will promote wellbeing and deliver positive outcomes for service users.

Update to EqIA	
Date	Detail

