

Cabinet – 20 October 2021

Intermediate Care Service (ICS): To receive the outcome of the review and approve the extension of the existing Transitional Bed contract

Portfolio: Councillor Rose Martin, Adult Social Care

Related portfolios:

Service: Adult Social Care

Wards: All

Key decision: Yes

Forward plan: Yes

1. Aim

- 1.1. The aim of this report is to seek approval for the Council to extend existing transitional beds in order to provide continuity of service in advance of new commissioned services following a review of the Intermediate Care Service (ICS) and associated commissioned services.
- 1.2. The report also includes background papers one of which is the ICS review report which includes six recommendations made following the conclusion of the ICS review. These recommendations link to workforce planning, budget management and operational management as part of the overarching service specification for ICS.

2. Summary

- 2.1. The transitional (rehabilitation) block contracted care home beds form part of Walsall’s Intermediate Care offer in line with hospital discharge and community response guidance issued by the Department of Health and Social Care (DHSC) in March 2020.

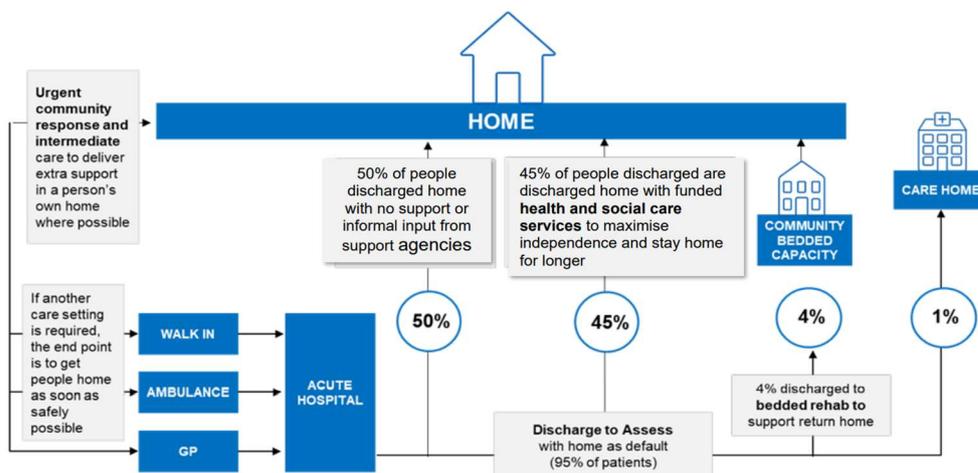


Table A: Discharge to assess process (Hospital Discharge and Community Support: Policy and Operating Models)

- 2.2. Future commissioning arrangements for the bedded provision which is expected to be required for around 5% of older people (without existing care packages or placements) discharged from hospital has formed part of the ICS review which concluded in September 2021. This review recommended future commissioning arrangements for both Pathway 2 (care home rehabilitation) and Pathway 3 (complex care home placements) hospital discharges which are currently subject to spot purchasing arrangements as the Council has no contract on place for this pathway.

3. Recommendations

- 3.1. It is recommended that Cabinet delegates authority to the Executive Director of Adult Social Care following consultation with the Portfolio Holder for Adult Social Care to approve a modification of the existing contracts under Regulation 72 of the Public Contracts Regulations 2015, to by extending their contractual term for the shortest possible period of 6 months from 1st November 2021 – 30th April 2022 (with the option to extend for up to a further 6 months, if required at an increased rate of £792.59 per bed, per week) to enable the contracts to be replaced via compliant procurement.
- 3.2. That Cabinet delegates authority to accept tenders and award contracts for the provision of Pathway 2 and Pathway 3 beds, for a period of three years, with the option to extend on an annual basis for a further period of up to two years, to the Executive Director of Adult Social Care, in consultation with the Portfolio Holder for Adult Social Care following completion of the tender.
- 3.3. That Cabinet delegates authority to the Executive Director of Adult Social Care in consultation with the Portfolio Holder for Adult Social Care to enter into contracts for the provision of Pathway 2 and Pathway 3 beds and to subsequently authorise the sealing of any deeds, contracts or other related documents for such services.
- 3.4. That Cabinet delegate authority to the Executive Director of Adult Social Care in consultation with the Executive Director of Children's Services and the Portfolio Holders for Adult Social Care and Children's Services, to authorise any variations to the contractual arrangements or other related documents for such services should this be required throughout the duration of the term of any contracts and provided they are in line with the Council's Contract Rules and any relevant legislation, including Public Contract Regulations 2015.
- 3.5. That Cabinet note the outcomes of the ICS review including future re-commissioning arrangements required in order to futureproof the Intermediate Care Service.

4. Report detail - know

- 4.1. The original contract duration was from 1st October 2016 to 30th September 2017 with options to extend by 3 consecutive one year period(s).
- 4.2. During the term of the contract there have been a number of variations to increase and decrease the number of beds required, outlined below:
- 4.3. Due to the closure of Hollybank (a 20 bedded in house unit) on 30th June 2018 there was an urgent short term requirement to modify the Transitional Beds Contract, increasing the

number of beds by nine within the block provisions. The additional beds were awarded at a rate of £745.00 per week to:

- Charmend Ltd t/a Aldridge Court Nursing Home (NH) increased from 6 to 12 block beds
- Arboretum NH, increased from 5 to 8 block beds.
- Redhouse NH continued to provide 6 beds.

4.4. As a result of the closure of Redhouse NH in 2019, the number of beds subsequently reduced from 26 to 20 split between the two remaining suppliers. Charmend Ltd t/a Aldridge Court NH x 12 beds and Arboretum NH x 8 beds per week.

4.5. In September 2020 the contract was extended for another year from 1st October 2020 until 30th September 2021 under Regulation 72.

4.6. In October 2021, the contract was extended by 1 month, from 1st October 2021 to 31 October 2021 pursuant to Regulation 72 of the Public Contracts Regulations 2015 (PCR) to ensure that the Council has a contract in place pending Cabinet approval to extend.

4.7. Due to changes in demand for Transitional Beds as a result of the implementation of a designated care home setting (for individuals who were Covid-19+ upon hospital discharge) a further contract variation was raised to reduce the number of beds, as outlined below:-

- October 2020 - Arboretum NH, decreased from 6 to 4 block beds
- March 2021 - Charmend Ltd T/A Aldridge Court NH decreased from 12 to 10 block beds

4.8. The Council has considered the enclosed options for Pathway 2:-

Option 1 - Do nothing and allow the contracts to expire. The Council has a statutory duty to provide transitional beds (now known as Pathway 2) to Walsall people who are discharged from hospital and are not able to return home for their rehabilitative service.

This is not recommended.

Option 2 – Spot purchase for Pathway 2 beds. Although this is feasible spot purchasing is undertaken on an offer and acceptance basis ie the care provider is not obligated to accept individuals who are referred and they can also negotiate the rate on a case by case basis.

The estimated cost of this option would be £294,840 for a six month period based on estimated spot purchase rates.

This is not recommended.

Option 3 – Extend the existing transitional bed contracts for the shortest possible period of 6 months (until 30th April 2022) with an option to extend by up to a further 6 months at an increased rate which is in line with the standard rate for nursing home placements as the existing fee rate has not been increased since contract award in 2016.

The associated cost of this option would be £288,502 over 6 months representing a £17,369.39 increase in funding as a result of the recommended increase in bed rate from £745.00 to £792.59. This increased rate is calculated by adding the current financial year

WMBC nursing rate of £604.99 to the 21/22 Funded Nursing Care rate of £187.60 which is £792.59 in total.

This would provide the ICS with a continued block contract option with dedicated beds which cannot be used for any other purpose.

This option is recommended.

- 4.9. Following the conclusion of the ICS review six recommendations were detailed within the final ICS review report that is a background paper for this report.

Council Corporate Plan priorities

- 4.10. People have increased independence, improved health and can positively contribute to their communities
- P1 - Enhancing the quality of life for people with care and support needs and those with long-term conditions.
 - P2 - Delaying and reducing the need the need for care and support
 - P3 - People recover from episodes of health or injury
 - P4 - The most vulnerable are protected from avoidable harm, including treating and caring for people in a safe environment.
- 4.11. All of the above corporate priorities are supported by this approach.

Risk management

- 4.12. Approving this contract extension will formally vary the contract to ensure that the Council has contractual arrangements in place whilst Pathway 2 and 3 beds are re-procured, to reflect current delivery and allow the Council to use public resources more effectively.

Financial implications

- 4.13. The report recommends that £288,502 is made available to extend the contract for a total of six months until 30th April 2022 with the option of a further extension of up to six months (£577,005).
- 4.14. The service is funded through the Better Care Fund and the fee increase to existing transitional bed providers will be covered by the existing budget. Furthermore, the recommissioning of pathway 2 and 3 beds will be undertaken in line with associated budgets.

Legal implications

- 4.15. Legal and procurement advice was sought as to the best approach to maintaining contractual arrangements with the two current service providers in order to meet associated statutory obligations and thereby meet the needs of the vulnerable adults who access the Transitional Beds provision. Legal Services have advised that these arrangements can be put in place via regulation 72(5) of the Public Contracts regulations 2015. Using this option under regulation 72 will also minimise the risk of any third party legal challenge, albeit that the risk of any credible challenge is considered to be low in any event.

- 4.16. Procurement have advised that a contract variation to extend the contracts for one month should be put in place pursuant to Regulation 72 of the Public Contracts Regulations 2015 to ensure continuity of service pending Cabinet approval on 20th October 2021 for a further and longer extension of contracts as detailed above.

Procurement Implications/Social Value

- 4.17. Adult Social Care have engaged with procurement colleagues to ensure any changes are both contractually and legally compliant.
- 4.18. Walsall Council's Social Value Charter sets out clear principles for how the Council will work with Partners to improve economic, social, and environmental wellbeing and maximise social value benefits for people and communities in Walsall. Council officers will seek to take greater advantage of the Social Value offers being made to the Council, to help benefit vulnerable people living in Walsall.

Property implications

- 4.19. No Council property assets are implicated by the proposals in the report.

Health and wellbeing implications

- 4.20. Continuing to provide both community and bedded reablement which enables Walsall people to return home will ultimately enable the Council to promote independence, choice and control for adults who live in the community. It also links and contributes to the Council's corporate priority 'Lifelong health, wealth and happiness'.

Staffing Implications

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

Reducing Inequalities

- 4.22. An EQIA will not be required for the contract extension, as there are no changes to the service provision and no impact on people with protected characteristics. However, an EQIA will be completed for the associated future re-commissioning arrangements.

Climate Change

- 4.23. By developing commissioning arrangements which requires the use of Technology Enabled Care (TEC) care provider(s) will be able to reduce the use of manual files and thereby reduce paper use within back office function. Electronic care monitoring (ECM) systems will be used to hold information about Walsall people and social work reviews and inspections will be undertaken through interrogation of ECMs rather than paper files. These ECMs also utilise GPS linked call rostering software which calculates the shortest route thereby minimising pollution.

Consultation

- 4.24. This is a continuation of service following integration of the associated functions in 2017. The ICS review was undertaken in conjunction with key stakeholders including dedicated sub-group sessions with key partners. Future consultation exercises with users and

carers to ensure that the views and ideas of experts by experience are captured and incorporated into commissioned services.

5. Decide

Cabinet is requested to consider the content of this report and to approve the recommendations outlined in section 4.

6. Respond

Subject to Cabinet approval of the recommendations, Adult Social Care will work with corporate colleagues to complete this contract extension and then undertake the re-procurement of Pathway 2 and 3.

7. Review

This contract will continue to be monitored in accordance with the established ICS monitoring arrangements with monthly updates to Joint Commissioning Committee for ongoing review of progress against the agreed recommendations.

Background papers

Final version of Intermediate Care Service review and associated appendices.

Intermediate Care Service review – final report
Appendix 1 - Current ICS staffing structure
Appendix 2 - Schedule of ICS workshops and attendees
Appendix 3 - ICS Transition Plan

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20 October 2021



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