

**Decision Maker:** Care Services Policy Development and Scrutiny Committee for pre-decision scrutiny and Care Services Portfolio Holder for decision

**Date:** 19<sup>th</sup> June 2012

**Decision Type:** Non-Urgent Executive Key

**Title:** CARE HOME RESPITE FOR OLDER PEOPLE – CONTRACT AWARD AND NEXT STEPS

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**Chief Officer:** Lorna Blackwood, Assistant Director (ECS Commissioning)

**Ward:** Borough wide

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## 1. Reason for report

Following the closure of the Kingswood care home respite care facility a tender has been undertaken to seek alternative care home provision. This report sets out the results of the tender process for the Care Home Respite contract and makes recommendations for award of the contract and next steps. The financial implications are set out in the report on Part 2 of this agenda.

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## 2. RECOMMENDATION(S)

- 2.1. That a contract for provision of one residential Care Home Respite bed for physically frail (PF) and for residential Elderly Mentally Infirm (EMI) be awarded to The Heathers residential care home for a period of 2 years from 1<sup>st</sup> July 2012 with an option to extend for up to 1 year followed by a further period of up to 1 year.
- 2.2. That delegated authority be given to the Assistant Director of Commissioning in consultation with the Care Services Portfolio Holder to negotiate up to four additional care home respite places, three residential and one Nursing EMI, in order to meet the demand for planned care home respite, at a cost not to exceed 10% above the Council's ceiling rate.

### Corporate Policy

1. Policy Status: Existing Policy
  2. BBB Priority: Supporting Independence
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### Financial

1. Cost of proposal: Estimated Cost
  2. Ongoing costs: Recurring Cost
  3. Budget head/performance centre: 8249003821; 8249003603 OP Residential and Nursing home budgets
  4. Total current budget for this head: £705,050 and £276,980
  5. Source of funding: Education and Care Services Approved 2012/13 Revenue Budget
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### Staff

1. Number of staff (current and additional): N/A
  2. If from existing staff resources, number of staff hours:
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### Legal

1. Legal Requirement: Statutory – National Assistance Act 1948
  2. Call-in: Applicable
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### Customer Impact

1. Estimated number of users/beneficiaries (current and projected): Approximately 200 individuals aged over 65 accessed care home respite in 2011
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### Ward Councillor Views

1. Have Ward Councillors been asked for comments? Not Applicable
2. Summary of Ward Councillors comments:

### **3. COMMENTARY**

#### Background

- 3.1 A Gateway report setting out the future approach to the provision of residential and nursing home respite care for older people and recommending the procurement strategy for care home based respite was considered by Members in September 2011.
- 3.2 The approved approach was to establish block contract arrangements through competitive tendering for a total of 9 respite care beds in Bromley homes within the following three categories:
- Residential for physically frail - 4 places
  - Residential elderly mentally infirm - 4 places
  - Nursing elderly mentally infirm - 1 place
- 3.3 Although there is a large care home market in Bromley much of it comprises small providers who are not familiar with competitive tendering as a means to establish business; most placements are made through spot purchase arrangements and through individual negotiation.
- 3.4 The care home respite care market in Bromley is also largely undeveloped, with most providers only offering beds for respite care if they have a vacant long term bed. As a consequence some preliminary work was undertaken through the Care Homes Forum (a regular quarterly gathering of care home proprietors and managers) to promote the business potential of respite care, inform providers of the impending opportunity and to develop their awareness and knowledge of the tendering process, including registration on the Council's tendering system.

#### **3.5 The Tender**

- 3.5.1 In spite of the preliminary preparation of local providers only 6 tender submissions were received. Of these, 3 were from homes located outside the Borough of Bromley, even though there was a clear statement in the Invitation To Tender (ITT) that homes should be located within the borough which was further confirmed in a response to a provider question. The bids from the 3 homes located outside the borough were non-compliant and therefore not valid for consideration.
- 3.5.2 The evaluation panel comprised Commissioning Manager from Adult Services (lead commissioner); Operational Manager for Care Services; Respite Care Manager from Carers Bromley; Contract Officer (procurement and financial lead).
- 3.5.3 The tender process was managed using ProContract, the Council's electronic tendering system. The evaluation was based on 60% financial submission and 40% quality. The quality evaluation was in 2 parts; the first sought evidence of the potential Contractor's suitability to perform the services in terms of economic and professional capability. This covered equal opportunities, criminal offence, misconduct or insolvency, assessment of ability, technical resources, workforce and quality assurance systems. In order for the bid to progress they had to pass the equal opportunities, criminal offence, misconduct or insolvency questions. The second covered key areas of knowledge, expertise and ability.
- 3.5.4 The price of the tender submissions in each category were each scored using the CIPFA evaluation methodology.

#### **3.6 Results**

- 3.6.1 All 3 Bromley homes scored above the 60% threshold against the criteria for Stage 1 which enabled them to progress to Stage 2 of the evaluation. Of the three homes:
- one indicated that they wished to be considered for Nursing EMI only,
  - one indicated that they wished to be considered for both Residential PF and Residential EMI

- the third that they wished to be considered for all categories.
- 3.6.2 At the interviews for Stage 2 it emerged that the home which had expressed an interest in all three categories was only registered for Nursing for Physically Frail, not one of the categories for the tender, and was therefore non-compliant. This meant that only one tender in each category was valid.
- 3.6.3 The home that was considered for the residential EMI and PF categories was within the Bromley ceiling rate and was evaluated as being of suitable quality against the Stage 2 criteria.
- 3.6.4 The home that was considered for Nursing EMI submitted a price that was 33% above the Bromley ceiling rate and scored poorly on quality against the Stage 2 criteria and is therefore considered unsuitable for further consideration for this contract.
- 3.6.5 The overall result of the evaluation process is in the Part 2 report on this agenda.

### **3.7 Next steps**

- 3.7.1 Kingswood House, which formerly provided all residential respite, closed on 31<sup>st</sup> March 2012 and 4 beds have been secured at Bellegrave until the end of July to ensure continued availability pending completion of this tender. A significant number of former users of Kingswood are receiving alternative types of respite through respite at home services, through spot purchase arrangements with other care homes and through use of Direct Payments.
- 3.7.2 Analysis of the demand at Bellegrave for residential respite indicates that the demand could be accommodated within 4 beds, significantly fewer than the 8 originally envisaged for this contract. The majority of the demand is from people who are elderly mentally infirm.
- 3.7.3 In the medium term the development of other types of respite care, further expansion of the use of Direct Payments for respite and the development by Care UK of a new care home at Green Street Green will all serve to change the type of respite that people use and the way in which it is accessed. However, the one bed that has currently been secured under this tender will be inadequate to meet the needs of carers in the shorter term
- 3.7.4 There are care homes within the borough that did not submit a tender for this contract with whom the Council has other contractual relationships and which may be open to an approach to provide respite care beds on a negotiated basis to meet the current gap. It is therefore proposed that up to an additional 3 residential respite beds be secured through negotiation with local care homes; if possible those beds to be for residential EMI.
- 3.7.5 As part of the approach to local care homes it is proposed to continue to try to seek a single Nursing EMI bed.

## **4. POLICY IMPLICATIONS**

- 4.1 The proposal meets the Council's priority to support independence by providing respite breaks for carers, thereby helping them to continue in their caring role, enabling vulnerable people to remain in the community and in their own homes.

## **5. FINANCIAL IMPLICATIONS**

- 5.1 The financial information is in the Part 2 report on this agenda.

## 6. LEGAL IMPLICATIONS

- 6.1. The Council has a duty to provide respite services to elderly clients pursuant to ss 21 and 229 National Assistance Act 1948 where this is not otherwise available to them. This means that having assessed that a client requires respite care the Council needs to consider whether or not they have sufficient resources and capacity to arrange for this themselves. If they don't then the Council should arrange it.
- 6.2. Normally the value of the services required would dictate that the award should be made via a competitive tendering process but as set out above this has produced only a limited response. Under contract procurement rules 13.1 it is open to the Portfolio holder to agree to the waiver of the need for any further retendering and to agree to officers seeking to use other means in order to secure sufficient respite places on suitable terms. The Director of Resources and Finance Director support this approach.

<b>Non-Applicable Sections:</b>	Personnel implications
Background Documents: (Access via Contact Officer)	Report to Adult and Community Portfolio Holder and PDS, 27 <sup>th</sup> September 2011; GATEWAY REVIEW AND PROCUREMENT STRATEGY – RESIDENTIAL AND NURSING HOME RESPITE FOR OLDER PEOPLE