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**Decision Maker:** Executive

**For Pre-Decision Scrutiny by the Care Services PDS Committee on:**

**Date:** 13 September 2016

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

**Title:** GATEWAY REVIEW OF INTERMEDIATE CARE

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**Ward:** All Wards

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## 1. Reason for report

- 1.1 Following a Gateway Review Report to Executive on 6<sup>th</sup> February 2013 a joint tender, led by Bromley Clinical Commissioning Group, for Intermediate Care (IC) services, was conducted. For the tender these services were renamed Bromley ReGAIN (Recuperative and Goal focused Assessment and Intermediate Care Service). Executive approved the award of this contract to Bromley Healthcare in October 2013 and the contract commenced in December 2013. For this report the service will be referred to as Intermediate Care (IC).
- 1.2 The current contract arrangements are due to expire in September 2017 and this report sets out recommendations for ensuring service continuity beyond that point. Approval has been granted for London Borough of Bromley's financial contribution to Intermediate Care until 31<sup>st</sup> March 2017. The report also outlines and seeks approval for an extension to the current funding arrangements until 30<sup>th</sup> September 2017 when it is proposed the service is once again jointly commissioned with the CCG, including additional elements set out in the Executive Report on reablement services.

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## 2. RECOMMENDATIONS

- 2.1 To agree the continuation of London Borough of Bromley's current funding arrangements for the intermediate care contract from 1<sup>st</sup> April to 30<sup>th</sup> September 2017 (six month pro-rata amounts) at a cost of £535,500 in 2017/18 of which £150k will be recharged to the Better Care Fund.

- 2.2 To agree to jointly tender the intermediate care service with the CCG with a new contract commencing on 1<sup>st</sup> October 2017.**
- 2.3 To agree to contribute a maximum of £1,071k per annum (of which £150k p.a. will be recharged to the Better Care Fund) plus the cost of 6FTE care worker posts (£188k p.a.) to the intermediate care service from October 2017.**

### Corporate Policy

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

1. Cost of proposal: Estimated cost : £535,600 for six months to 30th September 2016
  2. Ongoing costs: Non-Recurring Cost : Up to £ per annum from 1st October 2017 to 30th September 2017
  3. Budget head/performance centre: 755610 3250 £1,071k (contribution to health), 833002 \*\*\*\* £188k (personal carers)
  4. Total current budget for this head: £1,259k
  5. Source of funding: Care Services Portfolio Budget
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### Staff

1. Number of staff (current and additional): 5.6 6FTE LBB staff working with the IC service (as current)
  2. If from existing staff resources, number of staff hours: n/a
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### Legal

1. Legal Requirement: Non-statutory – Government Guidance
  2. Call-in: Applicable
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### Customer Impact

1. Average number of assessments completed by Care Managers are in the region of 148 per month
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### Ward Councillor Views

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

### 3. COMMENTARY

- 3.1 Intermediate Care Services support Bromley residents by facilitating hospital discharge, supporting better and speedier recovery following a period of hospitalisation, reducing readmission rates and preventing unnecessary hospital admission.
- 3.2 Investing in this type of support can save money in the longer term as people may require less or even no care following a period of intermediate care / rehabilitation. Reabling/ rehabilitation approaches encourage independence and use asset based assessments and support plans which promote support for service users to be able to do things for themselves as opposed to doing things for them.
- 3.3 The intermediate Care service provides both health based therapy services and social care personal care services to patients/ service users who meet the criteria and may be provided in a person's home or in a nursing home bed. People may be provided with the service following a stay in hospital or to avoid a hospital admission.
- 3.4 The majority of people accepted for rehabilitation will either remain in or return to their home within a maximum of six weeks of therapy starting, even if their package of care is significantly different. The whole IC intervention received by service users should not usually exceed six weeks, whichever facets of the service they receive.
- 3.5 The service aspires to increase the individual's functioning (as demonstrated by an agreed assessment tool), and increase the individual's reported quality of life outcome (using a patient reported outcome measure).
- 3.6 The service specification reflects the need to:
- Treat adults of all ages not just older people and include people with dementia or mental health needs.
  - Renew emphasis on those at risk of admission to hospital and residential care.
  - Integrate effectively with mainstream health and social care.
  - Provide timely access to specialist support as needed.
- 3.7 A range of services have been contracted by Bromley Clinical Commissioning Group (BCCG) which the Council contributes to. There is bed based provision delivered by Bromley Healthcare at Lauriston House nursing home and the Community Based Assessment and Rehabilitation Team (CARTS) service which is managed by Bromley Healthcare and which 5.6 FTE LBB direct care staff work within. The service is also supported by 4.25 LBB care management staff who work solely with the IC service and who carry out the social care assessments for referrals to the service.
- 3.8 The contract with Bromley Healthcare is held by the CCG, with the Council contributing funding through an agreement under Section 75 of the NHS Act 2006 with BCCG. The current contract value with Bromley Healthcare is £4.5m per annum. The Local Authority contributes £1,071k per annum towards this, broken down as follows:

£673,500 for 22 Intermediate care beds,  
£397,700 towards the CARTS team

Additionally, the Local Authority provides a non financial contribution of 4.25 FTE Care Manager posts and 6 FTE Personal Carers posts to work alongside the service.

- 3.9 The contract with Bromley Healthcare ends on 30<sup>th</sup> September 2017. It is proposed that the current funding arrangements are extended until then, and that joint work begins between the Council and the CCG to retender intermediate care services as one contract, held by the CCG. The intention is to retender these services as part of the CCGs wider Community Health Contract.
- 3.10 The specification for the new service will be jointly developed to ensure it meets the needs of all Bromley residents. There will be some alterations to the current specification if the proposal to include the Council's reablement service (covered in a separate report on this agenda) is approved. The inclusion of the reablement services provides opportunities for efficiencies in the way in which the social care element of the IC service and the reablement is delivered. In practice the care workers in the IC service are providing reablement – the difference between IC and the in house reablement service is simply that the IC service works alongside health based therapists.
- 3.11 The new contract will be held by Bromley CCG with the Council making a financial contribution of up to £1,259k per annum through an agreement under section 75 of the NHS Act 2006 with BCCG. The tender evaluation panel will include representatives from both health and social care, including representation from LBB Finance team. The contract award report will come to Executive for approval once the tender process is complete.
- 3.12 The total amount the CCG commits to intermediate care is £3,430k, the Local Authority contributes £1,520k including the personal care staff and the care managers. The apportionment of any reduction in cost to the Council accruing from this bid will be predicated on this same basis as the percentage split of total funding.

#### **4. SERVICE PROFILE / DATA ANALYSIS**

- 4.1 The overall health and social care outcomes that are sought through the Intermediate Care service are:
- Reduction of time spent in acute settings through early facilitated discharge;
  - Avoidance of re-admission within 6 weeks of discharge;
  - Avoidance of residential and nursing care
  - Reduced reliance on ongoing social care support
  - Improved health of service users;
  - Improved emotional and social well-being through reduction of stress during periods of illness;
  - Improved self-care skills by service users; and
  - Improved satisfaction of service users and their carers.
- 4.2 The joint service contributes to :
- Reduction in demand for acute hospital beds;
  - Reduced length of stay in hospital;
  - Improved co-ordination of all intermediate care services;
  - Improved efficiency of services; and
  - Identification of trends and improvement in knowledge of service use/demand.

#### **5 CUSTOMER PROFILE**

- 5.1 To be considered for intermediate care a referred person:
- must be over the age of 18
  - must live in the London Borough of Bromley, and/or have a Bromley GP

- suitable for IC, i.e. do not require emergency medical treatment to be undertaken in an acute setting and has potential for rehabilitation
- should benefit from assessment/interventions from more than one discipline
- should require rehabilitation input and may additionally require low-tech medical or nursing
- will not require immediate use of hospital specialist medical or surgical services. The patient should not meet the Royal College of Physicians criteria for appropriateness for acute hospital admission (AEP)
- must therefore be medically stable and should not require extensive clinical investigations that cannot be managed on an outpatient basis
- will have consented to accept the service
- If unable to consent then a capacity assessment to be completed prior to acceptance.

5.2 The service is expected to offer equal access to all patients on the basis of their clinical need and fit within the catchment area of the service.

## **6. MARKET CONSIDERATIONS**

6.1 It can be expected that there will be reasonable competition for the award of any new contract. When the contract was tendered in 2013 there were three reference bids and two variant bids submitted by providers who have experience of delivering similar provisions both within and outside of the Bromley area.

6.2 Market engagement has been built into the procurement timetable to ensure providers are briefed on the purpose of the service and the forthcoming opportunity to tender.

## **7. STAKEHOLDER CONSULTATION**

7.1 Public/patient engagement and market engagement have been built into the CCGs procurement plan.

## **8. SUSTAINABILITY / IMPACT ASSESSMENTS**

8.1 As part of tender evaluation questions, providers will be asked to demonstrate their understanding of the Social Value Act and plans for compliance as part of their bids.

8.2 The service will particularly benefit people over the age of 18 who would benefit from a period of intermediate care in order to achieve longer term independence.

## **9. OUTLINE PROCUREMENT STRATEGY & CONTRACTING PROPOSALS**

9.1 The CCG will lead on the procurement of this contract as one lot within the tendering of the CCGs Community Health Contract. LBB Officers will jointly develop the service specification and participate in the tender evaluation.

9.2 Bids will be evaluated against measures in the following key measures or similar: Local Integration, Clinical, Workforce, Information Management and Technology, Infrastructure, Equipment, Financial / Commercial competency, Contract Management.

9.3 The proposed contract period will be 5 years with an option to extend for a further 2 years. .

- 9.4 The contract will be managed by the CCG with monitoring requirements linked to the outcome measures set out in the service specification which will include patient satisfaction and attainment of individual identified goals, reducing long term care packages through the reablement element and supporting hospital discharge. There will also be a reporting line into Council commissioners.

## **10. POLICY CONSIDERATIONS**

- 10.1 This builds on existing policy to support the Councils priority of supporting independence.

## **11. COMMISSIONING & PROCUREMENT CONSIDERATIONS**

- 11.1 The anticipated timescale for the procurement is outlined below.

July 2016	Commissioner Workshops
August 2016	Public/Patient Engagement
September 2016	Market Engagement
October 2016	Finalise Requirement and Documentation
November 2016	Start of Procurement
January 2016	Evaluation
March 2017	Contact Award
April – September 2017	Mobilisation

- 11.2 Joint discussions have already begun on the content of a new service specification; a workshop was recently held with key officers from LBB and the CCG. The intention is to retender these services as part of the CCGs Community Health Contract with a proposed award date of March 2017. The CCG will lead on the procurement with input from LBB on the service specification and tender evaluation.

## **12. FINANCIAL CONSIDERATIONS**

- 12.1 The Council's contribution to the Intermediate Care Service provided by Bromley Healthcare currently totals £1,071k per annum comprising:

- £673k for Intermediate care beds,
- £398k towards community team costs recharged to LBB under the Section 75 agreement .

Additionally the Council funds 4.25 Care Manager posts and 6 Personal Carers posts which work with the CARTS service.

- 12.2 It is proposed that from 2017/18 the Council will contribute a maximum of £1,071k per annum (of which £150k will be recharged to the Better Care Fund and £150k reduction should be achieved through efficiencies as a result of the retender) to the IC service plus the cost of the 6FTE care worker posts (currently £188k per annum). The £261k for Care Managers will remain in house and would not form part of the new contract
- 12.3 It should be noted that in 2016/17 £300k of the cost to the Council is being funded through the Better Care Fund. This continues in 2017/18 for a further six months (to end of September 2017). From October 2017/18 it has been agreed with the CCG that £150k of this will continue to be charged to the Better Care Fund and that it is expected that the retender will produce at least £150k efficiency in the new contract. Any additional efficiencies gained will be allocated

to the Council and the CCG in accordance with their respective percentage contributions to the overall service.

12.4 The cost to the Council of the Intermediate Care service is outlined below

<b>Intermediate Care</b>				
		<b><u>Apr to Sep</u></b>	<b><u>Oct to Mar</u></b>	
	<b><u>2016/17</u></b>	<b><u>2017/18</u></b>	<b><u>2017/18</u></b>	<b><u>FYE 2019/20</u></b>
	<b><u>£'000</u></b>	<b><u>£'000</u></b>	<b><u>£'000</u></b>	<b><u>£'000</u></b>
Care Beds	673	337	336	673
Contribution to CARTS Team	398	199	199	398
Cost of Personal Carers	188	94	94	188
Cost of Care Managers	261	130	131	261
BCF Contribution	- 300	- 150	- 75	- 150
Estimated savings from retender	-	-	- 75	- 150
Cost to the Council	<b>1,220</b>	<b>610</b>	<b>610</b>	<b>1,220</b>

### 13. PERSONNEL CONSIDERATIONS

13.1 Council staff currently working with Bromley Healthcare in the CARTS service will continue to work with the Bromley Healthcare service until 30<sup>th</sup> September 2017. Engagement with staff and their representatives has taken place as proposals have been developed. In the event that a decision is made to retender the service then staff and their representative will continue to be fully informed on the staffing implications.

13.2. As more detailed proposals are developed these would be the subject of formal consultation in accordance with Council policies and procedures and with due regard for the existing framework of employment laws. The procurement process would consider whether or not the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE) as amended by the Collective Redundancies and Transfer of Undertakings (Protection of Employment) (Amendment) Regulations 2014 would apply.

### 14. LEGAL CONSIDERATIONS

14.1 Under Section 75 of the NHS Act 2006, the Council can enter into an agreement with an NHS organisation to jointly fund health and social care services. These services will be tendered by BCCG.

<b>Non-Applicable Sections:</b>	
Background Documents: (Access via Contact Officer)	<p>PROPOSED DEVELOPMENTS IN INTERMEDIATE CARE SERVICES – Report to Adult and Community PDS and Portfolio Holder 2nd November 2010</p> <p>CONTRACT FOR INTERMEDIATE CARE - Report to Adult and Community PDS 13th December 2011</p> <p>RESIDENTIAL INTERMEDIATE CARE SERVICES - CONTRACT EXTENSION – Report to Executive 1st February 2012</p> <p>GATEWAY REVIEW OF INTERMEDIATE CARE – Report to Executive 6<sup>th</sup> February 2013</p> <p>Intermediate Care Contract award report 16<sup>th</sup> October 2013</p>