

Decision Maker: EXECUTIVE

Date: For Pre-Decision Scrutiny by the Care Services Policy Development and Scrutiny Committee on Tuesday 13th June 2017

Decision Type: Non-Urgent Executive Non-Key

Title: CONTRACT AWARD INTERMEDIATE CARE UPDATE PART 1 (PUBLIC) INFORMATION

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Ward: Borough-wide

1. Reason for report

- 1.1 This document is a summary to the Part 2 'Contract Award of Intermediate Care Update' to be considered by the Council's Executive on 20th June 2017 with pre-decision scrutiny by the Care Services Policy and Development Scrutiny Committee on 13th June 2017.
- 1.2 The summary provides an update with regard to the tendering of the Intermediate Care services by Bromley Clinical Commissioning Group (BCCG).

2. RECOMMENDATIONS

- 2.1 The Care Services Policy Development and Scrutiny Committee is asked to note and comment on the contents of this report prior to the Council's Executive being asked to:
 - 1) Note the summary when considering the recommendations in the Part 2 – Appendix Detail report to award the tender; and,
 - 2) Note that formal consultation with staff, trade unions and departmental representatives commenced on 15th May 2017 and ended on 13th June 2017. Meetings were offered to staff affected by these proposals, without prejudice to any subsequent TUPE staff/trade unions consultation in the event of the contract being awarded as per 2.1.i. above. A summary of the main points raised during the consultation will be tabled at the meeting.

Impact on Vulnerable Adults and Children

1. Summary of Impact: The recommendations in the report are aligned with the Care Act and will support Bromley's vulnerable adults by facilitating hospital discharge, supporting better and speedier recovery following a period of hospitalisation, reduce readmission rates and preventing unnecessary hospital admissions.
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Corporate Policy

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

1. Cost of proposal: No additional cost of undertaking this proposal.
 2. Ongoing costs: Recurring Cost: The existing cost of Intermediate Care is £1,259,000 pa (less £150,000pa funded by the Better Care Fund (BCF) from 1 April 2017) which is inclusive of the cost of 6 staff (5.6 FTEs) currently working with Bromley Health Care. The future recurring cost to the Council from 1/12/2017 resulting from the tender of these schemes would be £959,000pa (which includes an additional £150,000 of funding from Bromley CCG and the £150,000pa which is now being met by BCF).
 3. Budget head/performance centre: 755610 3250 (contribution to health) £1,071,000, 833002 **** staffing £188,000
 4. Total current budget for this head: £1,259,000 pa
 5. Source of funding: Contained within existing budget, no additional funding required
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Personnel

1. Number of staff (current and additional): 6 (5.6 FTEs) LBB staff currently working within the Intermediate Care service
 2. If from existing staff resources, number of staff hours: Approximately 5.6 FTE (201.6 hours per week average).
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Legal

1. Legal Requirement: Statutory Requirement:
 2. Call-in: Applicable: This report is for Executive decision.
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Procurement

1. Summary of Procurement Implications: Procurement process undertaken by the CCG.
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Customer Impact

1. Estimated number of users/beneficiaries (current and projected): Average number of assessments completed by Care Managers is approximately 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 A Gateway Report (CS17027) was presented to Executive on 13 September 2016 outlining the arrangements in place with regard to the provision of Intermediate Care (IC). The report explained the ongoing requirement for the service and proposed the commissioning strategy for the tendering which was to be jointly undertaken with Bromley CCG.

3.2 The Executive agreed the following:

- i) continuation of L B Bromley's current funding arrangements for the intermediate care contract from 1st April to 30th September 2017 (six month pro-rata amounts) be agreed at a cost of £535,500 in 2017/18 of which £150k would be recharged to the Better Care Fund;
- ii) the intermediate care service be jointly tendered with the CCG with a new contract commencing on 1st October 2017; and
- iii) a maximum of £1,071k per annum (of which £150k p.a. would be recharged to the Better Care Fund), plus the cost of six FTE care worker posts (£188k p.a.), be contributed to the intermediate care service from October 2017.

The Tender Process:

3.3 In accordance with Bromley CCG's financial and contractual requirements, and following Executive approval on 13 September 2016, the IC contract has been jointly tendered with Bromley CCG with the CCG as the lead commissioner.

3.4 The tender was part of a large community care tender, and was managed in 3 lots:

- Lot 1: Children's Community Services
- Lot 2: Adult Community Based Services
- Lot 3: Integrated Rapid Response and Transfer of Care Services

IC services were included in Lot 3.

3.5 Bidders were asked how they would construct the services to maximise resources, ensure efficiencies across the range of services that were incorporated into Lot 3 and provide a seamless service for residents.

3.6 The tender process was led by Bromley CCG and was undertaken in accordance with Bromley CCG's financial and procurement processes which are compliant with legislation.

3.7 The result of the evaluation process is shown in the Part 2 paper. Council Officers were included in the evaluation of the relevant sections of the tender, including finance officers.

3.8 Bromley CCG have extended the award date of the contract by 2 months to 1 December 2017 to ensure adequate time for tendering and for the process of informing and consulting staff and trade unions about TUPE if applicable.

3.9 The recommended provider demonstrated a good level of quality, including an integrated approach to working across the various hospital discharge pathways and working with the Council's care management teams. The Provider is experienced at providing rehabilitation and therapy services. The Provider demonstrated within their tender a commitment to work with service users to enable them to retain and/or regain as much independence as possible.

3.10 The overall health and social care outcomes that are sought through the Intermediate Care service and were demonstrated through the recommended provider's bid 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
- Improved satisfaction of service users and their carers
- 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.

3.11 The contract will be monitored by the CCG who have agreed a payment condition of 60% on core service delivery, 20% on reaching activity volumes, and 20% on achieving agreed outcomes. The Council will receive monitoring data and work closely with the CCG on contract monitoring.

4. IMPACT ON VULNERABLE ADULTS AND CHILDREN

4.1 The recommendations in the report are aligned with the Care Act and will support Bromley's vulnerable adults by facilitating hospital discharge, supporting better and speedier recovery following a period of hospitalisation, reduce readmission rates and preventing unnecessary hospital admissions.

5. POLICY IMPLICATIONS

5.1 The Intermediate Care service is designed to meet the Council's objectives within 'Building a Better Bromley' to support independence within the community, particularly for vulnerable people.

6. FINANCIAL IMPLICATIONS

6.1 The financial implications of awarding the Contract are included within the Part 2 Appendix Paper.

7. PERSONNEL IMPLICATIONS

7.1 Engagement with staff and their representatives commenced on 13 July 2016 with a letter outlining the proposed process.

7.2 Formal consultation with staff, trade unions and departmental representatives commenced on 15 May 2017 and ended on 13 June 2017. Meetings have been offered to staff affected by these proposals as well as their staff representatives, without prejudice to any subsequent TUPE staff/trade unions consultation in the event of the contracts being awarded as per 2.1 ii) above. A summary of the responses received during consultation are attached at Part 2 report - Appendix 2, comments received after the publication of this report will be tabled at the meeting.

- 7.3. There are 6 staff, 5.6. FTEs employed by Bromley Council working within the Community Based Assessment and Rehabilitation Team (CARTS) service (see Part 2 report - Appendix 1). Any staffing implications arising from these proposals or potential award will need to be carefully planned for and managed in accordance with Council policies and procedures and with due regard for the existing framework of employment law. The Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE) as amended (2014) will apply to these proposals and any legal and financial implications arising from this.
- 7.4. If the Bromley Clinical Commissioning Group (BCCG) agree to award a contract then subject to Members agreeing to the recommendations set out in the Part 2 report then the staff working in the posts set out in Appendix 1 would transfer to the commissioned providers. The bid also includes ongoing pension liabilities associated with staff who it is proposed would transfer to the new provider in accordance with the Council's Pension Statement in Part 2 report - Appendix 3.
- 7.5. If awarded the final contract award is subject to due diligence and the provider becoming an admitted body into the Council's Pension scheme.
- 7.6. Should the proposed contract award be agreed then a further period of consultation on the detailed transfer proposals would take place with staff and their trade union representatives in accordance with employment legislation and the Council's Managing Change procedures. This will enable staff to explore in more detail the impact of the transfer on their employment situation. If Members agree to the recommendations in this report, staff and their representatives will be updated as appropriate.

8. LEGAL IMPLICATIONS

- 8.1 The service has been tendered by BCCG and the BCCG will enter into contract with Bromley Health Care. The Council contributes to the cost of the service under a Section 75 Agreement under the NHS Act 2006 with the BCCG.
- 8.2 As Council staff are likely to transfer to Bromley Health Care the Council should ensure that the BCCG's contract with the provider includes appropriate provisions to deal with TUPE and pensions liabilities. The Council needs to ensure compliance with its statutory duty under section 101 and 102 of the Local Government Act 2003 to secure pension protection for staff.

9. PROCUREMENT IMPLICATIONS

- 9.1 The tender has been undertaken as part of a wider procurement exercise by Bromley CCG. The Tender process is in accordance with Bromley CCG's Financial Regulations and Contract Procedure Rules and is compliant with all relevant legislation.

Non-Applicable Sections:	N/A
Background Documents: (Access via Contact Officer)	[Title of document and date]