

Forward Plan reference number: FP/534/10/19

Report title: Commissioning of Intermediate Care Beds for West Essex	
Report to: Councillor John Spence - Cabinet Member for Health and Adult Social Care	
Report author: Moira McGrath, Director for Integrated Commissioning & Vulnerable People	
Date: 19 th November 2019	For: Decision
Enquiries to: Lucy Johnson, Procurement Programme Manager – Lucy.Johnson@essex.gov.uk	
County Divisions affected: West Essex	

1. Purpose of Report

To improve the outcomes for Adults in West Essex for a cohort that are unable to return home from hospital and require bed based intermediate care either as a result of an acute episode or because they are in crisis within the community.

2. Recommendations

- 2.1 To agree to jointly commission an intermediate care residential service with West Essex Clinical Commissioning Group (WECCG).
- 2.2 To agree that Essex County Council (The Council) awards a two-year contract to Abbott's Care Centre Limited for the provision of intermediate residential care beds in West Essex on a block purchase basis starting from the 20th January 2020.
- 2.3 To agree to fund the Council's proportion of the intermediate care service (£1.7m) from the Winter Pressure Grant (part of the Better Care Fund which is used for winter and other seasonal pressures throughout the year).
- 2.4 To agree to vary the Winter Pressure Scheme in the current Better Care Fund Section 75 Agreement to enable the necessary funds from the Winter Pressure Grant to fund this service and to formalise the delegation from WECCG to the Council to enable the joint procurement of this service.

3. Summary of issue

Background

- 3.1 One of the Council's strategic priorities is to help people to get the best start and age well. Adult Social Care is seeking to provide a service with WECCG for a cohort of Adults who are either recovering from an acute episode or are in crisis in the community and require intensive residential reablement. The aim of the

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service will be to improve their longer outcomes and enable them to live independently for as long as possible.

- 3.2 Existing pressures within West Essex Hospitals, in particular Princess Alexandra Hospital, has highlighted that there is additional pressure on the hospital due to a lack of intermediate care provision within West Essex. Existing indications also show that Adults being discharged into short-term bedded placements are more likely to remain in 24-hour care due to the lack of therapy/intensive support.
- 3.3 As an interim solution, the council will look to purchase 19 beds to allow the system to improve patient and Adult flow. During this time the Council, WECCG and Princess Alexandra will work to develop and agree the future intermediate care offer, whilst continuing to work with suppliers to increase capacity and workforce capability within West Essex.
- 3.4 The Council is looking to jointly commission with WECCG a residential intermediate care service in West Essex for a cohort of adults that are unable to return home from hospital and require bed based intermediate care either as a result of an acute episode or because they are in crisis within the community. The Council will commission the residential beds and WECCG will commission an intensive therapy service, that will complement the beds, independently of the Council.
- 3.5 This service will be a pilot and a key outcome will be gathering data to better inform the future intermediate care offer. The pilot will be reviewed at key points and the service will be monitored on a quarterly basis to ensure the pilot has embedded appropriately. Funding will also be reviewed at key points to ensure the appropriate amount is apportioned appropriately between the Council and WECCG. In the event that the contract does not meet key deliverables the Council will give providers suitable notice to terminate the contract.
- 3.6 The benefits of this service will be to:
 - Improve outcomes for this Cohort of Adults reducing their longer-term needs and minimising where possible a need for long term residential or nursing placement.
 - Decrease the pressure from Princess Alexandra Hospital with increased service/bed capacity for a cohort of Adults that are unable to be discharged home.
 - Increase patient/Adult flow across health and social care reducing delayed transfers of care (DTOC) for this cohort of Adults that would benefit from this type of service.
- 3.7 This proposal is consistent with the Council's duty under section 2 of the Care Act 2014 and in line with the Statutory Care and Support Guidance (Oct 2018) which states that 'Intermediate care' services are provided to people, (usually older people), after they have left hospital or when they are at risk of being sent to hospital. Intermediate care is a programme of care provided for a limited period of time to assist a person to maintain or regain the ability to live independently – as such they provide a link between places such as hospitals and people's homes, and between different areas of the health and care and support system – community services, hospitals, GPs and care and support'.

- 3.8 NHS legalisation and guidance recognises that there are benefits to adults if they are assessed for eligibility for continuing health care and other healthcare services once they have been stabilised. This service will also support this model and as such WECCG will commission the intensive therapies to be provided to the 19 Adults moving from acute settings at Princess Alexandra Hospital into Intermediate Care from time to time.

Working with West Essex CCG & Princess Alexandra Hospital (the “Health Partners”)

- 3.9 This proposal is designed to reach beyond traditional health or care interventions to help people develop or regain the skills of independent living and active involvement in their local community. The Council and Health Partners are committed to ensuring that the Adults benefit from receiving the most appropriate care, in the right settings, at the right time and provided with staff with the right skills and competencies for the Adults to achieve the best outcomes.
- 3.10 This service will only be used for a small cohort of Adults and the primary focus for all stakeholders is to optimise the opportunity for an Adult to return home and receive the appropriate care and support through existing health and social care services.

The Service Offer

- 3.11 It is estimated that adults shall flow into this service from the following Acute Hospitals, in the following volumes:
- 66% from Princess Alexandra Hospital;
 - 9% from Addenbrooke;
 - 6% Broomfield,
 - 9% Whips Cross;
 - 10% other acute trusts in surrounding counties.
- 3.12 The cohort of Adults to which this service will be available is defined by a number of key elements set as part of its provision. This includes:
- The transfer of care pathway from a hospital setting. The Adult will receive a proportionate assessment by the Integrated Discharge Team to establish whether or not the Adult meets the criteria into the service
 - The adult will receive an assessment for eligibility for Continuing Healthcare (CHC) and other healthcare services, if applicable
 - If the adult is not eligible, they will follow an alternative pathway set within the ‘transfer of care model’
 - The Adult within the Service will receive multi-disciplinary support from Health, Social Care and Providers delivering the service
 - The Adult will receive intensive support and therapy for an agreed period to optimise their recovery from crisis. This can involve several treatments, with

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- the potential ramping up or down of support to ensure the Adult is stabilised and fit for a longer-term assessment
 - The GP will be an integral part of the service, assessing the Adult on transfer to manage any medical needs for the duration of the service.
- 3.13 The Council's service provider will be required to admit Adults on the same day as the referral is made, or within 24 hours of referral if it is outside of usual admitting timescales, where there is a vacancy in one of the block beds.
- 3.14 The unit must be designed for reablement/intermediate care services, this includes kitchenette, therapy room and equipment to maximise the opportunity for an adult to be re-abled.
- 3.15 A "Wrap Around Service" is a therapy-lead service with a recovery, recuperation and reablement service delivery. The provider delivering this service will set Goals and Objectives alongside a Multi-Disciplinary Team at the beginning of the service and work alongside the care home provider to support a number of services, these include:
- Reablement on core support tasks
 - Providing equipment to support the reablement of the Adult
 - Supporting sensory care
 - Supporting Adults with Dementia
 - Supporting epilepsy care and Parkinson's disease
- 3.16 The "Wrap Around Service" will be commissioned by WECCG, however the Council and WECCG shall work closely to make sure the Wrap Around Services work in tandem with the provider of the residential bed ensuring that the principles and values of an intermediate care service are consistent for the adult. The service will be monitored and reflected within the Section 75 Agreement for the Winter Pressures Scheme within the Better Care Fund to ensure the balance delegation and risk is managed to reflect Adults' outcomes.
- 3.17 There is a commitment by all the Council, WECCG and Princess Alexandra Hospital to review the outcomes of the Adults within the service, to support annual reviews of the Section 75 agreement for the Winter Pressures Scheme within the Better Care Fund and new provision of services within West Essex in the future.

Procurement Approach

- 3.18 The Council has undertaken an OJEU compliant procurement process and selected Abbott's Care Centre Limited, a Nursing Care provider that is able to accommodate intermediate care (the "Service Provider").
- 3.19 The Council conducted an Open procurement with a reduced timetable and providers were evaluated on Quality and Price (70:30) basis with a minimum quality threshold of at least a "Good" rating from the Care Quality Commission.

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- 3.20 The Council will enter into a contract with the Service Provider for the provision of the intermediate care beds, on the following terms:
- Reporting requirements to manage and track bed occupancy through the system's Bed Availability Tool. This will support performance measurements of the beds for the duration of the Contract with the Service Provider.
 - From the 20th January the Service Provider will mobilise 4 beds per week until 19 beds are mobilised. This will be reflected into the payment of the provider from the agreed start date.
 - Once fully mobilised payment shall be on a block basis, therefore the Council shall be obligated to pay for all 19 beds, regardless of whether they are in use. However, in the event the beds are not utilised the Council will reserve the right to terminate the contract with the Service Provider or agree a reduction in the number of beds with the Service Provider.
 - A term of 2 years from the contract commencement 20th January 2020 in order to align with a current transformational intermediate care project, which is set to deliver around April 2021.
- 3.21 WECCG will commission the Wrap Around Therapy Service for the duration of the contract. The service will include a physiotherapist, occupational therapists and a therapy assistant to support the therapist(s). The provider will also link into dietitians, speech and language therapists, tissue viability nurses and mental health practitioners. It is expected that the therapy provider will work closely with Social Workers to support adult outcomes and flow in the service.
- 3.22 The Council, WECCG and Princess Alexandra Hospital are committed to work in partnership with the provider to develop the service to support the future modelling of the intermediate care service.
- 3.23 WECCG will commission a General Practitioner(s) duration of The Council's contract with the service provider. The GP service is vital to the success of the service.
- 3.24 WECCG will vary their existing transportation contract to ensure adults are transferred safely into and out of the service and on to their long-term destination.
- 3.25 The Council issued the tender to the Market and received 2 bids to evaluate. They were evaluated in accordance to the published evaluation criteria. Prior to the end of the evaluation process one of the bidders withdrew their bid.

Mobilisation of the Contract

- 3.26 The contract is due to commence on the 20th January 2020. The provider will be expected to mobilise 4 beds a week from the go live date. This will continue until 19 beds are available for the system be used.
- 3.27 All parties to the service will be working as a Multi-Disciplinary Team to ensure the service is mobilised and managed effectively for the duration of the contract.

4. Options

4.1 The Council alongside WECCG and Princess Alexandra Hospital have considered 2 options for this type of service which included:

- Option 1: Award the contract to the Service Provider
- Option 2: Don't award the contract to the Service Provider

4.2 Option 1: Award the contract to the Service Provider; allowing the system partners to mobilise the service within West Essex.

- This will allow both the Council and WECCG to mobilise an integrated service to ensure Adults receiving the service get the best outcomes.
- All parties can work together as a system to monitor and deliver the service for the duration of the contract.
- It minimises the purchasing of SPOT placements for Adults requiring this type of service.

4.3 Option 2: Do not award the Contract to the Service Provider; leaving the Council and WECCG to commission separately.

- This will result in Adult Social Care commissioning beds on a SPOT basis without health services.
- This will lead to complications and pressure with system partners and may mean all services are commissioned individually now and in the future.
- It would be impossible to have guaranteed wrap around service for adults with this service unless we procured the wrap around service directly. This would cost the Council additional monies.
- It would be unlikely that a GP will be attached to this service without WECCG.
- This may cost WECCG monies as the services may already be commissioned for the service to commence.
- The service will not be in one place and therefore will be challenging to maintain flow and support adults in an intermediate care service.
- There will not be a Multi-Disciplinary Team to support the adult to get the best outcome.

5. Issues for consideration

5.1. Financial implications

5.1.1. The total cost of the Intermediate Care Residential Beds is £2.4m for the two-year contract period, starting in January 2020. The Council's contribution to the cost of the service is £1.7m, to be funded through the Winter Pressures Grant. The remainder will be funded through a contribution from the System Resilience Grant (SRG), which is administered by WECCG. Additional Wrap-Around Services (including intensive therapies) will be simultaneously commissioned by WECCG.

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- 5.1.2. The scheme will be included within the Better Care Fund (BCF) and the funding contribution from both parties will form part of the amended section 75 agreement. This complies with the conditions described in the BCF Planning Requirements 2019/20:

“The Grant Determination for Winter Pressures funding was issued in April 2019. In 2019/20, the Grant Determination sets a condition that this funding must be pooled into BCF plans. The grant conditions also require that the grant is used to support the local health and care system to manage demand pressures on the NHS with particular reference to seasonal winter pressures. This includes interventions that support people to be discharged from hospital, who would otherwise be delayed, with the appropriate social care support in place, and which help promote people’s independence. This funding does not replace, and must not be offset against, the NHS minimum contribution to adult social care.”

- 5.1.3. Funding for the period January to March 2020 has been allocated from the Winter Pressures funding for West Essex. The Spending Round 2019 announced the continuation of existing social care grants for the 2020/21 financial year; the service is affordable provided the West Quadrant is given the same allocation of Winter Pressures funding for 2020/21 as it was in 2019/20. There is a risk that funding streams will not be allocated for 2021/22; the period of the contract with the funding risk is therefore April 2021 to January 2022. However, this can be mitigated through the activation of a break clause to be built into the contract at 12 months. The break clause will be activated if the service is not deemed to be delivering its outcomes.
- 5.1.4. The funding split, taking into consideration the mobilisation period explained in paragraphs 3.26 and 3.27, for the contract period (2 years) is as follows:

Service Element	2019/20 £000	2020/21 £000	2021/22 £000	Total £000
Intermediate Care Beds	188	1,186	998	2,372
Wrap-Around Services	63	323	260	646
Total	250	1,509	1,258	3,017

Funding Source	2019/20 £000	2020/21 £000	2021/22 £000	Total £000	Split
ECC - Winter Pressures*	250	800	667	1,717	56.9%
WECCG - SRG	-	709	591	1,300	43.1%
Total	250	1,509	1,258	3,017	

**Not yet confirmed for 2021/22*

Due to rounding, numbers presented do not add up precisely to the totals indicated.

- 5.1.5. The expected average length of stay in this unit is 5 weeks per Adult and beds are assumed to operate at 92% capacity, so approximately 182 adults per year will be placed in the 19 beds. The outcomes for those adults will be regularly monitored in order to establish whether the service is achieving its intended impact; i.e. whether the need for longer term services from either health or

social care have been reduced or removed due to the intervention. If successful the cost of the scheme, in the longer term, would be offset by the saving in care packages. The lack of facilities to support pathways out of hospital is an avoidable pressure on residential budgets, which we are looking to address in this decision.

- 5.1.6. The average net cost of a new social care nursing placement in West Essex is £23,000 per year, compared to £15,000 for a social care residential placement. The payback period (length of successful step down in care) required to cover the investment of a 5-week length of stay in the proposed service is approximately 7 months if an improved outcome results in a step down from what would have been nursing care to residential care instead. This could lead to a potential annual saving to the system (after the payback period) of between £1m and £1.9m annually; once the true impact of the service is evaluated, savings specific to the Council will be captured.
- 5.1.7. In practice, the likely outcome is that adults receiving the intervention will have a mix of ongoing health and social care packages, therefore it is critical that data for the scheme is analysed and evaluated to help inform the balance of funding for the service in future.

5.2. Legal implications

- 5.2.1 This service is for adults to whom the Council has a statutory duty to provide social care under the Care Act 2014 and for adults to whom the CCG has a statutory duty to provide healthcare under the NHS Act 2006.
- 5.2.2 Under s2 of the Care Act 2014 and the Care and Support (Preventing Needs for Care and Support) Regulations 2014, it is the Council's duty to have an intermediate care offer for adults in its area to prevent, reduce and delay an adult's needs for care and support. This service cannot be charged to the adult for the first 6 weeks.
- 5.2.3 The Council are a contracting authority for the purposes of the Public Contracts Regulations 2015. The Council has run a joint public procurement process on behalf of The Council and WECCG under the Light Touch regime to commission the Intermediate Care Contract.
- 5.2.4 The necessary delegation of functions and pooling of funds will be formalised in the Winter Pressures Scheme within the BCF Section 75 Agreement being varied to include the Intermediate Care Service.
- 5.2.5 The existing BCF section 75 agreement will be amended by a deed of variation. All of the terms and safeguards for The Council included in the BCF Section 75 agreement will remain in force and will apply to this Intermediate Care Service, in terms of commissioning arrangements, governance, risk sharing and management of the pooled fund by The Council.

6. Equality and Diversity implications

6.1 The Public Sector Equality Duty applies to the Council when it makes decisions. The duty requires us to have regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other behaviour prohibited by the Act. In summary, the Act makes discrimination etc. on the grounds of a protected characteristic unlawful
- Advance equality of opportunity between people who share a protected characteristic and those who do not.
- Foster good relations between people who share a protected characteristic and those who do not including tackling prejudice and promoting understanding.

6.2 The protected characteristics are age, disability, gender reassignment, pregnancy and maternity, marriage and civil partnership, race, religion or belief, gender, and sexual orientation. The Act states that 'marriage and civil partnership' is not a relevant protected characteristic.

6.3 The equality impact assessment indicates that the proposals in this report will not have a disproportionately adverse impact on any people with a characteristic.

7. List of appendices

- Equality Impact Assessment

8. List of Background papers

- IBCF Section 75 Agreement

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I approve the above recommendations set out above for the reasons set out in the report.	Date
Councillor John Spence, Cabinet Member for Health and Social Care	28.11.19

In consultation with:

Role	Date
Nick Presmeg, Executive Director for Adult Social Care	27.11.19
Executive Director for Corporate and Customer Services (S151 Officer)	26.11.19
Margaret Lee	
Laura Edwards, Legal Services Manager on behalf of the Monitoring Officer	21.11.2019