

HAMPSHIRE COUNTY COUNCIL**Decision Report**

Decision Maker:	Executive Member for Adult Social Care
Date of Decision:	28 October 2011
Decision Title:	Permission to seek Executive Member approval to tender for Re-ablement beds
Decision Reference:	3197
Report From:	Director of Adult Services

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1. Executive Summary

- 1.1. There are currently 9 separate providers based within the County who have block contracts in place to provide reablement beds (Time to Think beds) The total number of places provided through the current contractual arrangements are 46.
- 1.2. These contracts have recently been extended by Legal Services and the Director of Adult Services through a Single Tender approval process as provided for in Contract Standing Orders. The contracts have been extended until September 2012, to enable a full countywide review and tender of re-ablement beds (See confidential Appendix 1).
- 1.3 There is a need to commission a further 15 beds from the independent sector in the following areas, to supplement existing provision:
 - Basingstoke 13 beds
 - Winchester 2 beds

The annual cost of these additional beds will be approximately £446,000.

1.4 The report therefore seeks approval to:

- go out to tender to replace the contracts that expire in September 2012 (see confidential Appendix 1), with an annual contract value of £1.369m.
- To include in this tender a further 15 re-ablement beds, with an annual contract value of £446,000 to meet the increase in demand for this service.

A tender would be an opportunity to 'test' the market in order to ensure that Hampshire County Council obtains best value in the way it spends public money.

By undertaking a tender exercise, it will determine whether services are providing the best value solution in terms of price and the model of care.

2. Contextual Information

- 2.1 The re-ablement beds initiative falls under the strategy of Free Crisis Care as part of the Hampshire Model, offering free crisis care to service users who are being discharged from hospital. The focus is consistent with the recommendations of *Getting Personal: a fair deal for better care and support* (2008), with an emphasis on re-ablement to enable service users to return home, with an appropriate package of care where needed.
- 2.2 There is also a requirement for social care to achieve significant efficiency savings that are delivered in a fair and equitable way. The Government have concluded that these efficiency savings can be met by helping people stay independent for as long as possible through re-ablement schemes which reduce the need for long term or inappropriate care.
- 2.3 The model recognises that more often than not patients at the point of discharge are having to make long term decisions at the wrong time and the wrong place leading to avoidable long term residential placements. The introduction of re-ablement care beds will provide the opportunity of a longer period of recovery and re-ablement, following their discharge from hospital, with the aim of maximising the individuals potential and increased opportunity to return to their own home.
- 2.4 The development of re-ablement in Hampshire followed the success of a series of bed based re-ablement projects in south east Hampshire. The pilots found that 65-70% of service users returned to their homes after a 6 week period of re-ablement following an acute hospital episode, rather than accessing long term nursing or residential care.
- 2.5 There are currently 98 re-ablement beds available across the county, 46 of those beds are commissioned from the independent sector, the remaining 52 are provided by in house residential or nursing care services. There are a set number of beds that are based in different locations throughout the county serving each of our 5 acute hospitals:
 - Portsmouth (19 beds)
 - Winchester/Southampton (39 beds)
 - Basingstoke (30 beds)
 - Frimley (10 beds)
- 2.6 In addition there is a need to commission a further 15 beds from the independent sector in the following areas, to supplement existing provision:
 - Basingstoke 13 beds
 - Winchester 2 beds
- 2.7 This project will provide an opportunity for older people to return home rather than moving directly to full time residential care, following a stay in hospital. The services will be provided in a residential setting where there is a

commissioned ethos and culture of actively maximising people's independence.

- 2.8 There will be an overall re-ablement period within a structured, timed and agreed programme which is coordinated in a care setting, with a primary aim to assist the person to return to their own home within a 6 week period.
- 2.9 The model is a social care led partnership, recognising the contribution of all partners to ensure success. This will include the person and their family support alongside the care home staff and other professionals from health and social care.

3. National Context

- 3.1 Hampshire County Council Adult Services have taken an incremental approach to developing/commissioning bed based Re-ablement within a model that ensures that an appropriate number of beds are "clustered" around each of our acute hospitals sites, namely;
 - Portsmouth
 - Southampton
 - Winchester
 - Basingstoke
 - Frimley
- 3.2 The incremental approach taken, has been driven by availability of beds, the price of the beds and funding made available by Hampshire Primary Care Trust (PCT).
- 3.3 In late Autumn 2010, the Department of Health (DOH) produced a policy as part of the new operating framework for the National Health Service (NHS), stating very clearly its expectation that local NHS organisations and their partnering local authorities would develop re-ablement services that support recovery and independence and reduce unnecessary readmissions.
- 3.4 At the request of the PCT and with the agreement of Hampshire County Council Adult Services Departmental Management Team it was agreed to extend the number of re-ablement beds supporting Winchester , Basingstoke, Frimley, Southampton and Portsmouth Hospitals. The funding for this was provided via one-off investment in reablement from the DOH.
- 3.5 This funding has now been extended for a minimum of 2 years (2012/13) and is a component of the full £12.63m funding available to Adult Services for the commissioning of re-ablement services within Hampshire confirming re-ablement as a core service provision in partnership with NHS.
- 3.6 There is a section 256 agreement between Hampshire County Council and the PCT which follows the clear expectation that the funding be invested immediately in vital social care services which also benefit the NHS.
- 3.7 As there is a recognised need for these beds and allocated funding available, Adult Services wishes to seek permission from the Executive Member for Adult Social Care to develop a contracting strategy to competitively tender for re-ablement beds.

4. Legal Implications

- 4.1 Tendering arrangements will need to comply with European Union requirements and Council Standing Orders.

5. Financial Implications

- 5.1 There are risks associated with funding for re-ablement services, mainly the uncertainty of Government beyond 2012/13 and the vulnerability of health funding provided by Government. Whilst a prudent assessment has been made regarding the aspects of Government funding, there is a significant degree of uncertainty regarding the outcome of the Local Government Resource Review and the Health review and any significant changes arising from these will require the assumptions in the Medium Term Strategy to be reviewed. The contracts will include suitable break clauses to manage the risk.
- 5.2 By tendering for block contracts it is anticipated that the average cost of a residential or a nursing bed can be negotiated down to or near the Hampshire rates

6. Performance Implications

- 6.1 Nationally there is one main performance indicator that is used by the DOH and Care Quality Commission (CQC) for monitoring reablement. The indicator (NI 125) measures the percentage of clients that are still living at home 91 days following a period of reablement after being discharged from hospital.
- 6.2 To be classed as still living at home the client must not be in permanent residential or nursing care or back in hospital 91 days (3 months) after starting their reablement. The department uses this as one measure for monitoring the performance of all our post hospital reablement services, including the reablement beds.
- 6.3 In addition to NI 125 Time To Think (TTT) bed performance is also monitored in relation to occupancy levels, length of stay, reason for admission and the outcome for the client once their reablement ended. Since April 2011 250 clients have used or are currently using a re-ablement bed.

7. Equality Impact Assessment

- 7.1 In preparing this report, account has been taken of the requirements of the Corporate Equalities Plan and Race Scheme. The service specification for re-ablement services, will enable a comprehensive evaluation of any future tenders that will ensure that the service provider will not unlawfully discriminate against individuals who receive the service by virtue of age, race, gender, religion, disability, sexual orientation or because of transgender issues.
- 7.2 In summary the development of re-ablement in Hampshire followed the success of a series of bed based re-ablement projects in south east Hampshire. The pilots found that 65-70% of service users returned to their

homes after a 6 week period of re-ablement following an acute hospital episode, rather than accessing long term nursing or residential care.

- 7.3 It is believed that by contracting for beds on a county wide basis it will secure the appropriate level of resources to ensure that there is always availability of re-ablement beds to meet existing and future demand.
- 7.4 The drafting of a new specification will also ensure that the needs and aspirations of service users are fully met in line with the Personalisation agenda.

8. Outline of Options

- 8.1 A tender would be an opportunity to test the market in order to ensure that the County Council obtains best value in the way it spends public money. By undertaking a tender exercise it could be determined whether service providers are providing the best value solution for the provision and price of nursing care.
- 8.2 This tender process will enable a review of current re-ablement arrangements which will inform the commissioning plans of the Department and will establish a developmental relationship with providers in the way that services can be developed and delivered to meet the outcomes for service users.
- 8.3 The total maximum value of the contract (s) over a 5 year period would be £9.075m. Clauses within the contract will ensure that there is flexibility should there be policy changes at a national level to change the model to long term care. Any contracts will need to factor in the anticipated capacity to come on stream in 2014 for the Havant area.
- 8.4 A tender would be an opportunity to 'test' the market in order to ensure that Hampshire County Council obtains best value in the way it spends public money.

9. Recommendations

- 9.1 The report therefore seeks Executive Member approval to go out to tender, to establish contracts of up to 5 years, with an annual contract value of £1.815m and a total contract value of up to £9,075m which replaces existing contracts due to expire at the latest September 2012 (see confidential Appendix 1) and an additional 15 re-ablement beds.

CORPORATE OR LEGAL INFORMATION:**Links to the Corporate Strategy**

Hampshire safer and more secure for all:	yes
Corporate Improvement plan link number (if appropriate):	
Maximising well-being:	yes
Corporate Improvement plan link number (if appropriate):	
Enhancing our quality of place:	yes
Corporate Improvement plan link number (if appropriate):	

Section 100 D - Local Government Act 1972 - background documents

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

DocumentLocation

None

IMPACT ASSESSMENTS:

1. Equalities Impact Assessment:

- 1.1 In summary the development of re-ablement in Hampshire followed the success of a series of bed based re-ablement projects in south east Hampshire. The pilots found that 65-70% of service users returned to their homes after a 6 week period of re-ablement following an acute hospital episode, rather than accessing long term nursing or residential care.
- 1.2 It is believed that by contracting for beds on a county wide basis it will secure, the appropriate level of resources to ensure that there is always availability of re-ablement beds to meet existing and future demand.
- 1.3 The drafting of a new specification will also ensure that the needs and aspirations of service users are fully met in line with the Personalisation agenda.

2. Impact on Crime and Disorder:

- 2.1. There is no impact on Crime and Disorder

3. Climate Change:

- a) How does what is being proposed impact on our carbon footprint / energy consumption?

It is anticipated that the re-ablement beds will be clustered in geographical areas to support the local hospitals, thereby reducing the need for transportation across the county.

- b) How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts?

Reduction in fuel consumption

Re-ablement Bed Schedule

The proposal is that the Appendix of the report is Exempt for the following reason:

This Appendix is not for publication as it contains exempt information within Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972, being information relating to the financial or business affairs of any particular person. Further, it is considered that, in all the circumstances, the public interest in maintaining this exemption outweighs the public interest in disclosing this information. While there may be a public interest in disclosing this information, namely promoting accountability in decision making on public expenditure, it is felt that, on balance, this is outweighed by other factors in favour of maintaining the exemption, namely the commercially sensitive nature of tendering and the need to ensure the confidentiality of bids in order to achieve best value.