

Wiltshire Council

Cabinet

8 September 2020

Subject: Short-Term Bed Restructure & Procurement

Cabinet Member: Cllr Simon Jacobs Cabinet Member for Adult Social Care, Public Health and Public Protection

Key Decision: Key

Executive Summary

This report describes a model for restructuring short-term discharge beds that re-purposes existing intermediate care (IC) beds and secures additional capacity to sustain the hospital discharge to assess model introduced in response to COVID-19. This is in line with the anticipated discharge guidance and will provide capacity for winter. The model has been agreed by BSW CCG Executive Board.

The model makes best use of existing capacity and procurement options to deliver a full service. The Wiltshire system pre-COVID had 64 intermediate care beds funded through the Better Care Fund (BCF). Health and care modelling has confirmed this capacity has to increase to 100 beds for intensive rehab (IR) and general discharge to assess (D2A) plus five discrete beds for patients with delirium.

Proposal

Cabinet is asked to:

a) Approve the procurement of 15 intensive rehab beds in the south or west of the County and 5 discrete beds for patients with delirium to deliver sufficient capacity for modelled demand, as further described in the body of this report.

b) Delegate the authority for the entering into and execution of all necessary documents to the Director, Adult Care Commissioning in consultation with the Cabinet Member for Adult Social Care, including the award of the contract for services to the preferred provider/s when identified by the procurement process.

Reason for Proposal

Modelling as part of the COVID recovery process shows that 100 short-term beds are required to meet demand due to reduced capacity in community hospitals and in acute hospitals due to social distancing and anticipated demand during winter. Most of this capacity can be met through re-purposing existing intermediate care (IC) beds and by varying block contract arrangements for residential home beds with the Orders of St John (OSJ). Nevertheless, there is still a shortfall of 15 intensive rehab beds in nursing homes that will need to be procured to meet the modelled demand.

Helen Jones

Director - Commissioning

Wiltshire Council

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Purpose of Report

1. This report describes a model for restructuring short-term discharge beds by re-purposing existing intermediate care (IC) beds and securing additional capacity to sustain the hospital discharge to assess model introduced in response to COVID-19. The model has been agreed by BSW CCG Executive Board.
2. The model makes best use of existing capacity and procurement options to deliver a full service. The Wiltshire system pre-COVID had 64 intermediate care beds funded through the Better Care Fund (BCF). Health and care modelling has confirmed this capacity has to increase to 105 beds for intensive rehab (IR), delirium and general discharge to assess (D2A) in order to meet reduced community and acute beds due to social distancing and anticipated demand during winter.

Relevance to the Council's Business Plan

3. The Wiltshire Council Business Plan 2017-2027 makes a commitment to maximising the number of people able to remain living at home and reducing the number of people who are permanently admitted to a care home. This model supports more people to return home following a period of acute care in a hospital setting.

Background

4. Short-term bed capacity was increased significantly during COVID to meet the surge in demand and the agreement to prioritise discharge from acute hospitals. All IC beds were re-purposed to 'discharge to assess' (D2A) beds and an additional 51 beds were commissioned on a three-month contract to the end of June 2020 to cope with demand. Some were extended to the end of July but all 51 have now been decommissioned.
5. Alongside the D2A beds, 47 Hospital Discharge Support Unit (HDSU) beds for people who were COVID-positive or symptomatic were commissioned between 1 April and 31 July and all of these have also now been decommissioned due to lack of continuing demand.

6. Additionally, three delirium beds were commissioned to 2 August 2020 but have been extended under the agreed contract to the end of September.
7. All the above discharge beds were funded through the NHS discharge monies for COVID.
8. From 3 August, the system has 55 mobilised beds (out of 64) under the IC contract as, for various reasons, not all beds were mobilised during COVID.

Main Considerations for the Council

9. A central principle of the new model is that more beds should be concentrated in fewer care homes. Ideally, each service (D2A & IR) should be delivered in no more than three homes across Wiltshire and an optimum number of beds in each location is 15. The reasons for this are:
 - A reduction in the risk of cross-infection between homes due to peripatetic staff travelling between sites
 - A reduction in the COVID testing burden on peripatetic staff
 - Increased efficiency of staff who can spend less time travelling and more time interacting with residents in homes
10. The system requires 105 beds in the agreed, new model, as follows:
 - 60 Intensive Rehab Beds.
 - 40 D2A Beds.
 - 5 Delirium Beds.
11. Procurement regulations mostly preclude further variation and extension of existing contract terms, which have been relied on to date to meet some of the emergency requirements of the COVID situation. While some contract variation is permitted under regulations, the contract value and therefore the bed base in existing contracted homes can only be increased by up to 50%. This restriction, together with the need to concentrate more beds in fewer homes, means that some procurement will be required.
12. As a formal procurement is needed to meet a proportion of the required capacity, an interim arrangement has been put in place between August and October 2020 because the value of the contract is at such a level that a full procurement will be required. Subject to a successful procurement, a final model will replace the interim model with effect from 1 November 2020.
13. The contracted IC bed base at Wessex Care will be for ten IR beds in the interim period to meet demand in the south of the county for hospital discharge. This will be reviewed following the outcome of the procurement exercise.
14. Delirium beds within the interim position are delivered by contract extension but will be tendered separately for the longer term.

Interim Position – August to October 2020

15. The bed capacity set out in Table 1 at the end of this report can be repurposed from the existing IC beds contract, including, where allowable and desirable under procurement regulations, contract variations.
16. This model delivers the following during the interim period:
 - 45 out of 60 intensive rehab beds.
 - 25 out of 40 D2A beds (includes the 5 beds at Harnham Croft for their notice period)
17. The following should be noted regarding the interim arrangement:
 - Market Lavington is below the optimum capacity level of 15 as only 10 beds have been mobilised to date as there have been concerns about the effectiveness of the service at this home. Service quality will be monitored during the interim period. If service levels do not improve, consideration will be given to terminating this contract and re-tendering for this service.
 - The five IC beds at Harnham Croft are not sufficient to meet the optimum capacity level and regrettably notice has been given to the provider of this contract, as capacity at this location cannot be increased to meet the required level.
18. In order to meet the capacity gap of 15 IR beds and 15 D2A beds, the following short-term measures will be implemented:
 - The contract for the HDSU facility with Wessex Care has the facility to extend this provision for 16 weeks. This will be repurposed to provide the additional 15 IR beds during the interim period at a likely cost of up to £245,548.
 - 16 block beds from the OSJCT's block contract will be re-purposed as D2A beds using existing residential capacity and off-setting the void costs against the cost of providing the D2A service. Additional costs will be up to £125,856 for the three-month period.
19. The additional interim capacity will be funded by the NHS Phase 3 funding which will fund placements for a maximum of six weeks after discharge (this is well within the expected length of stay of these beds of 20 days).
20. This provides the agreed number of IR and D2A beds for the period August to October at a net additional cost of £371,404, which can be funded as outlined above. A more detailed summary of indicative interim costs for IR beds is provided in Table 2 in Appendix 'A' to this report and for D2A in Table 3.

Long-Term Solution – November 2020 to March 2023

21. The existing IC beds contract, which is a 3+1+1-year model, will cease on March 31st 2023. The re-purposed IC beds set out in Table 1 providing 45 IR and 20 D2A beds would continue. (Harnham Croft contract will end on 31/10/2020 and a decision will be taken on Wessex Care).
22. Remodelled beds within the OSJ contract will align with the existing OSJ contract that has an end date in 2025.
23. Any remaining beds to be tendered will have an initial term of two years with a break clause at 12 months at the end of the first year period. This will allow flexibility to adjust to the needs of any future remodelling and enable the Council and CCG to terminate should additional NHS funding for discharge not be extended beyond Phase 3. An extension will be available to be coterminous with the existing contracts.
24. A procurement exercise will commence as soon as possible with the objective of mobilising the additional 15 IR and 15 re-purposed D2A beds from 1 November 2020.
25. A summary of indicative long-term annual costs for IR beds is provided in Table 4 in Appendix 'A' to this report and for D2A beds in Table 5.
26. The long-term solution will see an additional cost of £1,367,900 pa. It is hoped to decrease this through the tender process. Funding will be either through the NHS Phase 3 COVID funding or through the BCF underspend on the IC beds.

Overview and Scrutiny Engagement

27. A briefing is being arranged for the Chair and Vice Chair of the Health Scrutiny Committee.

Safeguarding Implications

28. Providers will be expected to fully comply with all legislative and best practice requirements around Safeguarding Adults for the term of the contract. This will include training staff in adult safeguarding and complying with policies and procedures as set by the Wiltshire Safeguarding Adults Board.

Public Health Implications

29. The aim of the service is to improve opportunities for people to remain independent and to live in their own homes for as long as possible. Extended stays in hospital lead to people experiencing a reduction in independence and requiring increased support on discharge or long-term placement. The proposal takes into account Government and public health guidance for infection prevention and control.

Procurement Implications

30. The procurement takes advantage of the flexibilities given in Section 7 of the Public Contracts Regulations (2015) allowing the Council deviate from the standard procurement procedures allowing a more rapid process. The tender will follow a compliant 'light-touch' procurement process. The following timescale is proposed:

Tender issued	4 th September 2020
Evaluation of submissions	1 st October 2020
Selection of preferred provider/s	9 th October 2020
Contract Start	1 st November 2020

Equalities Impact of the Proposal

31. An equalities impact assessment will be carried out as part of the commissioning process before the procurement process starts.
32. The specification for the service will state that providers must demonstrate use of local resources and provision of services which take account of customers' religion and culture.
33. The procurement process ensures that organisations entering into a contract with the Council must have their own policies and procedures in place to comply with the Equality Act 2010.

Environmental and Climate Change Considerations

34. There are no specific environmental or climate change considerations.

Risks that may arise if the proposed decision and related work is not taken

35. There are no specific risks attached to this report but, if Cabinet does not agree to commence a procurement process, the system will not have sufficient capacity to meet modelled demand in time for winter, as it will not be possible to vary existing contracts to meet demand.

Risks that may arise if the proposed decision is taken and actions that will be taken to manage these risks

36. It is possible that suitable providers will not bid for the contract, although market testing has taken place and commissioners are confident that there are sufficient providers interested in bidding for the contract to make this procurement viable and successful.

Financial Implications

37. The estimated costs of these proposals have been referenced throughout the report and are detailed in the tables in Appendix A. In summary, they are:

- For the short-term solution, August to October, a total cost of £371,404 which will be met from NHS funding for hospital discharges, known as NHS Phase 3 COVID funding. This does not therefore represent a cost to the Council.
- For the long-term solution, 3 years from November 1 2020, there is a total additional cost (above the cost of beds already purchased and which will continue) of £1,367,900 per annum. This will be initially met from either NHS funding for hospital discharges, NHS Phase 3 COVID funding or from the one-off underspend that has arisen in the Better Care Fund due to existing contracts being paid for from earlier phases of COVID funding. This does not therefore represent a cost to the Council.
- There is a risk that funding will not be available in the future, and as such there are break clauses in the contract allowing the Council to withdraw should there be a risk of a cost burden transferring to it.

Legal Implications

38. Local authorities must meet their duty of care to identify, assess and support people. The council must ensure that our population is provided with the most appropriate services which provide effective, efficient support.
39. The Council will achieve this through the Procurement Regulation compliant process described herein which will also satisfy the Council's duty to secure "best value" under the Local Government Act 1999.

Workforce Implications

40. There are no workforce implications for Wiltshire Council.

Options Considered

41. The following options have been considered:
 - To vary existing contracts to increase the number of beds available from existing providers. This is not a viable option due to the need restrictions on the value of contract variation under Procurement Regulations.
 - To re-purpose beds within existing block contracts with nursing homes to deliver intensive rehab beds. This is not a viable option due to the need to maintain existing levels of capacity in block contracts.
 - To spread capacity among more homes. This is not a viable option due to the need to concentrate more beds in fewer homes to reduce risk of cross-infection and to maximise service delivery to customers.
 - To procure 15 additional IR beds to meet the additional capacity required by the modelling. This is a viable option, as it meets the need to concentrate more beds in fewer locations.

Conclusions

It is recommended that Cabinet approves the procurement of an additional block of 15 intensive rehab beds on an initial term of two years with a break clause at 12 months at the end of the first year period.

Cabinet is requested to approve delegated authority for the Director, Adult Care Commissioning in consultation with the Cabinet Member for Adult Social Care, to award a contract to the preferred provider/s identified as a result of the tender process

Helen Jones (Director - Commissioning)

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Appendices

Appendix 'A' – tables.

Background Papers - None

