

Report for: Cabinet Member Signing – 10 March 2022

Title: Contract for Nursing Intermediate Care Beds

Report authorised by: Charlotte Pomery, Assistant Director Commissioning

Lead Officer: Anita Marsden, Head of Integrated Care

Ward(s) affected: All

**Report for Key/
Non Key Decision:** Key Decision

1. Describe the issue under consideration

- 1.1 The purpose of this paper is to seek authorisation for a direct contract award under Contract Standing Order 16.02 in line with CSO 9.01.2 (g), negotiation without publication of an advertisement, to Magicare Ltd T/A Priscilla Wakefield House for the provision of 8 Intermediate Care Nursing beds.
- 1.2 This report details the Council's requirement for Nursing Intermediate Care provision and demonstrates that these specialist nursing beds are an essential element of Haringey's intermediate care pathway, which is made up of a range of integrated care services that aim to support residents at risk of an unnecessary hospital admission and to support patients to increase their independence following hospital admission

2. Cabinet Member Introduction

- 2.1 N/A

3. Recommendations

- 3.1 The Cabinet Member is asked:
- 3.1.1 Pursuant to CSOs 9.07.1(d and e) and 16.02, to approve the award of contract to Magicare Ltd for the provision of eight (8) Nursing Intermediate Care Service beds for a period of three (3) years, from 1 April 2022 to 31 March 2025 with the option to extend for up to two (2) years, up to a maximum contract value of £2,288,000.
- 3.1.2 To give delegated authority to the Director of Adults and Health to agree the final sum for the service within the upper limit referred to above.

4. Reasons for decision

- 4.1 Evidence from the 2015 National Audit of Intermediate Care shows that intermediate care services are key to reducing the financial, quality and activity pressures being experienced in secondary care and the social care sector.

- 4.2 There is a very limited market for nursing beds in the local area. Priscilla Wakefield House (PWH), run by Magicare Ltd, is currently the only Care Quality Commission (CQC) registered nursing care home in the borough with a bed base of 117 Nursing beds.
- 4.3 The award of this contract will enhance Haringey's intermediate care pathway by continuing to work with a local provider to deliver a co-ordinated intermediate care nursing bed service in Haringey allowing Haringey residents to remain close to home whilst recovering.
- 4.4 The Joint intermediate care pathway was established in 2016 and is a partnership approach between health and social care to managing hospital discharges for patients requiring short term health and care interventions. The proposed Nursing Intermediate Care Beds will be funded through the Clinical Commissioning Group (CCG) Minimum Allocation for the Better Care Fund (BCF) which will be recharged to the Local Authority by the Clinical Commissioning Group and shall not have a financial implication to the Local Authority.
- 4.5 The Nursing Intermediate Care Beds will provide an alternative nursing care offer for those with ongoing health needs following a hospital discharge. These beds will support patients with high intensity and/or more specialised nursing needs who may require a spell of 'active nursing convalescence' as part of the joint intermediate care pathway to prevent patients needing to go to, or to facilitate their return home from hospital. This time-limited response forms part of the wider intermediate care and community nursing solutions available for Haringey patients.
- 4.6 Traditionally these patients would have been provided care by health partners through spot purchased health step down. It is recognised that patients placed in these provisions frequently deconditioned due to a lack of timely therapeutic input and following period of convalescence had higher than anticipated needs requiring Long Term Care placements funded predominantly by adult social care. It is believed that incorporating these beds into the joint Health and Social Care intermediate care pathway will streamline connections between Intermediate Care Services and Continuing Health Care (CHC) assessments through closer collaboration between the Single Point of Access (SPA), CHC team and Reablement services and will better accommodate and manage this patient group improving patient outcomes and the effectiveness of care.
- 4.7 It is anticipated that the provision of these beds will improve outcomes for patients as a result of the convalesced individuals receiving co-ordinated care from the Nursing Home, Care Homes Assessment Team (CHAT)¹ and Multi-Disciplinary Team (MDT)² who are already providing intermediate care services within Priscilla Wakefield House. This will enable patients to 'step down' to less intensive solutions following their intervention which will be beneficial to health and social care Long Term Care budgets and will reduce the risk of subsequent hospital readmissions.
-

- 4.8 Purchase of these eight beds will support Haringey's intermediate care pathway by mitigating the significant risk that beds will otherwise not be available when needed. This will result in delayed transfers of care for Haringey patients and increased risk that patients will be placed in out of borough spot purchase arrangements with no access to multi-disciplinary input to support the patients recovery which potentially lead to irreversible deconditioning increasing probability of requirement for long term nursing placement. The CCG has recently reinforced its commitment to these Integrated Care Beds by agreeing to increase its funding of the contract from six beds to eight beds.
- 4.9 Should need or demand for these beds change during the course of this contract, the Council will retain the right to use the beds flexibly, including for general nursing, but with the prior notification to the provider.
- 4.10 The Nursing Intermediate care beds are part of Haringey's wider intermediate care provision. As noted, the beds are supported by a dedicated community health multidisciplinary team (MDT). The MDT is critical for ensuring efficient bed flow and therapy input to achieve better outcomes for individuals and reduce long term care costs.
- 4.11 Haringey's MDT Service is comprised of a part time GP, Social Worker, Physiotherapist, Occupational Therapist, Rehab Technician and Pharmacist all working holistically with the service user to maximise their independence. The MDT service is funded through the Boroughs Better Care Fund and covers other intermediate care services within the borough, providing continuity of care for patients transferring between establishments. The Team are also able to access additional support from other community health providers such as District Nursing and Rapid Response within borough. However, it should be noted that the funding and contracting of the MDT is under a separate element of the Section 75 Agreement between the Council and the CCG, and are not included in the contract under discussion in this paper. If as an alternative, we utilised a nursing home outside of the borough for these intermediate care beds, this would result in no MDT input. In-borough delivery of this service and MDT is in the patients' and families, and Council's overall interest.

5. Alternative options considered

- 5.1 Do nothing – this would result in Haringey CCG being solely reliant on spot purchasing for the provision of these beds. Due to the limited availability of nursing bed provision within the borough this would likely lead to out of borough provision, delays to discharge and the loss of the benefits of rehabilitative input from the MDT and CHAT.
- 5.2 Go out to tender – The Council and CCG could have undertaken a competitive tender process in line with Contract Standing Orders. However, as Priscilla Wakefield House is the only nursing home in the borough it would have been necessary to obtain bids from nursing homes outside the borough. Due to the multi-disciplinary support already in place at PWH out of borough provision would result in the loss of the benefits of rehabilitative input from the MDT and CHAT and diminish the effectiveness and value of the service.

5.3 Across the North Central London footprint there is limited provision of nursing care. Currently there are approximately 2500 nursing home beds within the five partner boroughs. It is Haringey's policy to place residents only in homes which are rated 'Good' and 'Outstanding' by CQC and 28% of beds within the North Central London footprint are in establishments rated 'requires improvement' which further limits the number of available supply.

6. Background information

6.1 NICE Guidance [NG74] Published in 2017 defines Intermediate Care as a multidisciplinary service that helps people to be as independent as possible. It provides support and rehabilitation to people at risk of hospital admission or who have been in hospital. It aims to ensure people transfer from hospital to the community in a timely way and to prevent unnecessary admissions to hospitals and residential care.

6.2 Evidence from the 2015 National Audit of Intermediate Care shows that intermediate care services are key to reducing the financial, quality and activity pressures being experienced in secondary care and the social care service sector. Intermediate care services are also critical to improving outcomes for residents and enabling them to live independently for longer in their own homes, especially where they have had a period in hospital.

6.3 In January 2019 the NHS released the Long Term Plan which outlines 'Over the next five years all parts of the country will be asked to increase the capacity and responsiveness of community and intermediate care services to those who are clinically judged to benefit most.' There is an expectation that local areas will be expected to accommodate service users into bed based intermediate care provisions within 2 days of a patient being identified as medically fit as defined in NICE guidance.

6.4 Haringey Council, CCG and local providers (including clinicians, service managers and representatives from the voluntary sector) began to develop a new pathway for intermediate care in the London Borough of Haringey in 2016. The group recommended that a multidisciplinary team (MDT) be established to support the provision of bed based intermediate care. The aim of the service was to provide step down care and avoid hospital admissions. Over the past four years the Council and CCG have continued to jointly develop and their intermediate care provision.

6.5 The service provides a time limited episode of intermediate care commissioned and supported by a MDT. These beds will be used flexibly to support the development of discharge to assess continuing healthcare pathway as well as general step down beds (transfer from acute hospital for further period of assessment and rehabilitation) and as step up beds (admitted from home for assessment and rehabilitation as an alternative to acute hospital admission). The aims of the service are to:

- Support more people to remain as independent as possible after a stay in hospital
- Facilitate earlier discharge and avoid preventable hospital admissions
- Improve health and social care outcomes for service users

- Prevent people from moving into long term provisions of care unnecessarily with a reduction in permanent admissions to nursing and residential care homes.
- Reduction in dependence on statutory social care services

6.6 Intermediate Care delivers savings to the health economy with more effective discharges being facilitated earlier with reduced length of stays and a reduction in unavoidable admissions or readmissions. Local modelling undertaken in March 2020 estimates that this contract and the MDT save £1.33 for every £1 spent in CCG and Council in terms of reducing long-term care needs and hospital re-admission.

6.7 Savings to Adult Social Care are realised through less reliance on long term care services following an intensive period of reablement in a 24 hour setting supported by a multidisciplinary team approach. Intermediate Care contributes significantly to the MTFs savings attributed to preventative savings as a result of the health and social care system operating more effectively. Delayed discharges cost the Council £155 per day.

Pricing details

*Contract value assumes that eight beds are made available for the provision of this care from 1st April 2022 – 31st March 2025, plus up to a two year extension.

6.8 The standard unit cost per bed per week £1,100. However, where the assessed needs are much higher than assumed then the rate can be increased for individual cases where agreed by the Head of Integrated Care.

Contract Management

6.9 Key Performance Indicators and methods of measurement are integrated within the service specification and will be monitored through contract monitoring meetings and reports.

7. Contribution to strategic outcomes

7.1 The Borough plan 2019-2023, sets out the vision and priorities for the Council over three years. The development of Haringey's Intermediate Care provision contributes to Priority 2: *People, Our vision is a Haringey where strong families, strong networks and strong communities nurture all residents to live well and achieve their potential.* Bed based intermediate care links directly with Outcome 7: *All adults are able to live healthy and fulfilling lives, with dignity, staying active, safe and connected in their communities*

7.2 *Objective 7b: People will be supported to live independently at home for longer.*

Increased reablement provision will enable more people to regain the skills and confidence they require to live independently in the community and will deliver the following outcomes for residents:

- More people are supported to avoid going into hospital unnecessarily
- More people are supported to remain as independent as possible after a stay in hospital
- More people are prevented from moving into residential care unnecessarily

7.3 *Objective 7d: Adults with multiple and complex needs will be supported to achieve improved outcomes through a coordinated partnership approach.*

Provision of the bed based intermediate care within Haringey allows residents access a multi-disciplinary community service who provide coordinated rehabilitation and intermediate care for residents with complex needs across health and social care.

7.4 This work is also aligned to the Better Care Fund plan, whose aim is for people in Haringey to be healthier and have a higher quality of life for longer. It aims to give people more control over the health and social care they receive, for it to be centred on their needs, support their independence and be provided locally wherever possible.

8. Statutory Officers comments (Director of Finance (including procurement), Head of Legal and Governance, Equalities)

8.1 Finance

8.1.1 The proposal is to award contract for a period of three (3) years from 1 April 2022 to 31 March 2025 at a cost of £457,600 per annum with the option to extend for up to two (2) years, up to a maximum contract value of £2,288,000.

-	<u>2022/23</u> £'000s	<u>2023/24</u> £'000s	<u>2024/25</u> £'000s	<u>2025/26</u> £'000s	<u>2026/27</u> £'000s	<u>Total</u> £'000s
<u>Total budget</u>	457	457	457	457	457	2,288
<u>Total expenditure</u>	457	457	457	457	457	2,288

8.1.2 Funding will be met from the Better Care Fund (BCF). There is sufficient budget to meet the allocated expenditure over the lifetime of contract.

8.2 Procurement

- 8.2.1 Intermediate nursing care provision is within scope of the Light Touch Regime of the Public Contracts Regulations 2015. As the value of the contract is above threshold it would normally require an advertisement via Find a Tender Service. However, under Regulation 32 of the Public Contracts Regulations 2015, it is permissible to let a negotiated contract without the requisite advertisement if there are cogent reasons including the absence of competition for technical reasons.
- 8.2.2 As noted in 4 above, Magicare Ltd Priscilla Wakefield House is not only the sole nursing provision in borough but a singular provision with Multi-disciplinary team (MDT) input. The MDT is a joint venture between LBH, Whittington Health Trust, and North Central London Clinical Commissioning Group (NCL CCG), which can only work with the Haringey clients registered with a Haringey GP; should clients be placed out of the borough they would not be entitled to MDT input which is imperative to realise improved rehabilitative outcomes for intermediate care patients. As such there are no reasonable alternatives or substitutes for this provision hence, an absence of competition, which is not due to the artificial narrowing of the parameters of procurement.
- 8.2.3 The contract award is in line with CSOs 9.01.2g, and 16.02 and will provide best value for the Council given the impact of this provision on preventative savings for the Council and the CCG on the cost of funding long term care or hospital readmissions. This provision will be fully funded by the CCG
- 8.2.4 Commissioning will monitor the contract throughout its duration to ensure key performance indicators and contract outcomes are met.

8.3 Legal

- 8.3.1 The Head of Legal and Governance (Monitoring Officer) has been consulted in the preparation of this report.
- 8.3.2 The services which are the subject of this report are governed by Chapter 3, Section 7 and Schedule 3 (Social and other Specific Services) of the Public Contracts Regulations 2015 (the Regulations). Where the value of the contract is over the threshold for social and other services (currently £663,540.00), a procurement needs to be carried out in accordance with the process set out in Chapter 3, Section 7 of the Regulations
- 8.3.3 The Regulations provide that the procurement requirements set out in Section 7 shall not apply where a negotiated procedure without publication of a notice has been used in accordance with Regulation 32.
- 8.3.4 Regulation 32 (use of negotiated procedure without prior publication of a notice) may be used in certain specified circumstances. One of these is where competition is absent for technical reasons as set out in the body of this report.

8.3.5 The award of the contract is a Key Decision as it is over £500,000. The Council must therefore comply with its governance processes in respect of Key Decisions including publication of the contract in the Forward Plan.

8.3.6 Approval of contracts of £500,000 or more would usually be made by the Cabinet. In-between meetings of the Cabinet, the Leader may take the decision or delegate this to the Cabinet Member with the relevant portfolio (CSO 16.02).

8.3.7 The Head of Legal and Governance (Monitoring Officer) sees no legal reasons preventing the Cabinet Member for Health, Social Care and Wellbeing from approving the recommendations in this report.

8.4 Equality

8.4.1 The council has a Public Sector Equality Duty under the Equality Act (2010) to have due regard to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act
- Advance equality of opportunity between people who share protected characteristics and people who do not
- Foster good relations between people who share those characteristics and people who do not

8.4.2 The three parts of the duty apply to the following protected characteristics: age, disability, gender reassignment, pregnancy/maternity, race, religion/faith, sex and sexual orientation. Marriage and civil partnership status applies to the first part of the duty.

8.4.3 Although it is not enforced in legislation as a protected characteristic, Haringey Council treats socioeconomic status as a local protected characteristic.

8.4.4 The continuation of this service supports older and disabled people to benefit from dedicated, specialist intervention to enable them to regain mobility, independence and quality of life following a hospital stay. The service promotes a local offer which provides equality of opportunity for local residents to access the services they need.

9. Use of Appendices

N/A

10. Local Government (Access to Information) Act 1985

N/A