

29 March 2021

Agenda Item: 9

**REPORT OF THE CORPORATE DIRECTOR, ADULT SOCIAL CARE AND
HEALTH**

AGEING WELL CARE HOME CONTRACTS

Purpose of the Report

1. To seek approval to tender and award a Multi Provider Framework Agreement for a period of up to 10 years for Ageing Well Care Home Services.

Information

2. The existing open contract the Council holds with each care home is significantly out of date and requires updating in order to be legally compliant with the Authority's Financial Regulations and the Public Contract Regulations. The tender was due to be issued in April 2020, but due to the pandemic and the impact that this was having on care homes, this was postponed.
3. The Council holds contracts with 165 Ageing Well independent care homes in Nottinghamshire, 70 of which offer nursing care. The homes range from privately owned small homes, often in older buildings, to large, purpose built blocks, often owned by large national organisations. They are located across all areas of Nottinghamshire.
4. Ageing Well Care Homes housing Council contracted individuals at September 2020 are as follows:

District	No. of Residential Homes	No. of Nursing Homes	Total No. of Homes
Ashfield	14	10	24
Bassetlaw	15	11	26
Broxtowe	13	10	23
Gedling	14	13	27
Mansfield	11	8	19
Newark and Sherwood	16	9	25
Rushcliffe	12	9	21
Total	95	70	165

5. Overall the number of care homes in Nottinghamshire has remained fairly static with some care homes exiting the market and other services coming into the market.
6. The pause created by Covid 19 and the learning that has happened during the management of the pandemic has given an opportunity to re-visit the approach that the Council would like to follow.
7. The Adult Social Care and Public Health Strategy with its emphasis on maximising independence and its focus on maintaining people in their own homes calls for a reduction in the use of care home services and this is strongly reflected in the most recent Market Position Statement. Nottinghamshire County Council has been identified as an outlier in the high level of use of residential care, but despite this, there is still an over capacity in the market. This has been further exacerbated by Covid 19 both sadly due to the number of deaths but also to the unwillingness of families to place loved ones in to care settings. Currently there are approximately 4,800 people within care homes within Nottinghamshire, representing 75% of total beds available.
8. Despite all of this, new providers and care home extensions are still a regular occurrence, due to the low land prices in parts of the County and the perception that good profits can be made.
9. Covid 19 has highlighted the current fragility of the care home market. Some homes have had to close and many others have raised concerns about their long term sustainability. A key learning has been around the configuration of homes so that they can safely manage different cohorts of people and which support infection control. Alternative models of care homes are emerging, which have a stronger focus on promoting independence. Other homes have strong links with their communities with alliances with other facilities within the community.
10. There is a definite need to make the care home services offer more agile and fit for purpose for Nottinghamshire's ageing community, with more emphasis on care home provision being for shorter periods and focused at increasing independence. High quality care homes are needed that can support those with extreme frailty and/or dementia.
11. Going forward, the model for care homes needs to reflect the strategic vision around promoting independence and to drive quality over quantity. However, given all of the ongoing challenges faced by care homes in managing Covid 19, there is not sufficient capacity to work with the market at this point to introduce significant changes. The immediate priority is the need to stabilise the market and to consolidate the quality expectations. Any substantial changes to the commissioning of care home provision will take some time to implement; a considerable proportion of the buildings in use are in need of updating to meet current and future demands, such as en-suite facilities for all rooms, small units that can be more easily controlled when infections arise, designated visiting areas etc.
12. It is therefore proposed to issue the current tender as soon as possible, with sufficient flexibility to support a more aspirational approach to the delivery of residential care.
13. This will enable a process to be implemented that is compliant with the authority's Financial Regulations and the Public Contract Regulations and which will ensure that all placements

are properly contracted for. All providers on the Framework will be subject to the same terms and conditions and will have been through a due diligence process before the agreement is entered into.

14. A common end date for the Framework agreement will ensure that the Council takes action at the relevant time e.g. extension of the agreement. The Framework will be initially for five years with an option to extend for a further five years. However, in the lifetime of the contract the Council will work with the providers to develop a 'fit for purpose' market strategy for the care home market.
15. If the recommendation is agreed, the timeline for issuing the tender will be agreed as soon as the care home market has stabilised from the effects of the Covid pandemic. It is anticipated that providers will be added to the new Framework approximately five months from the date that the tender is issued.

Other Options Considered

16. This was the only viable option following advice from the Council's Quality and Market Management Team, Integrated Strategic Commissioning, Corporate Procurement and Legal Departments, although the two following options were given due consideration and discounted for the above reasons:
 - to do nothing – this is not viable due to the risks outlined above
 - to undertake transformational change – this would further delay the tender exercise with the risks associated outlined above. There is a real need to stabilise the market as such a delay would not facilitate this.

Reason/s for Recommendation/s

17. Authorising the tender and award of a Multi Provider Framework will enable a process to be implemented that is compliant with the Authority's Financial Regulations and the Public Contract Regulations and which will ensure that all placements are properly contracted. All providers on the Framework will be subject to the same terms and conditions and will have been through a due diligence process before the agreement is entered into.
18. The tender reflects the aspirations and direction of travel as identified above. In addition, the tender will also give opportunity to set out an updated specification.

Statutory and Policy Implications

19. This report has been compiled after consideration of implications in respect of crime and disorder, data protection and information governance finance, human resources, human rights, the NHS Constitution (public health services), the public sector equality duty, safeguarding of children and adults at risk, service users, smarter working, sustainability and the environment and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

Financial Implications

20. The tender and award process will not deal with any changes to existing pricing structure, and thus there will be no financial implications in this regard as a result of this exercise. The projected budget for 2021/22 for Ageing Well care home spend is c£86.4m.

Implications for Service Users

21. The Council has a statutory duty to manage the care market and to ensure that provision is flexible and responsive, supports individual choice and promotes independence. It is also required to ensure that the market is sustainable and able to meet current and future needs.

RECOMMENDATION/S

- 1) That Committee gives approval to tender and award a Multi Provider Framework Agreement for a period of up to 10 years for Ageing Well Care Home Services.

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Constitutional Comments (LW 04/03/21)

22. Adult Social care and Public Health Committee is the appropriate body to consider the content of the report.

Financial Comments (DG 02/03/21)

23. There are no direct financial implications arising from this report.

Background Papers and Published Documents

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

None.

Electoral Division(s) and Member(s) Affected

All.

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