

Report Title:	<b>Contract for Nursing Care Home Placements</b>
Contains Confidential or Exempt Information?	No - Part I
Member reporting:	Councillor Carroll, Lead Member for Adult Social Care, Children's Services, Health and Mental Health
Meeting and Date:	Cabinet, 27 <sup>th</sup> February 2020
Responsible Officer(s):	Hilary Hall, Director of Adults, Health and Commissioning and Lynne Lidster, Head of Commissioning – People
Wards affected:	All

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Royal Borough of Windsor & Maidenhead

## REPORT SUMMARY

This report seeks approval to award a five year contract to Healthcare Homes Group, owner of Sandown Park Care Home in Windsor that provides 'Outstanding' rated care by the Care Quality Commission (CQC). The contract will secure 20 beds for eligible residents over 65 with nursing and dementia needs to be cared for in the borough. The contract, if approved, will commence 1<sup>st</sup> April 2020.

## 1. DETAILS OF RECOMMENDATION(S)

**RECOMMENDATION:** That Cabinet notes the report and:

- i) **Approves the award of a five year contract to Sandown Park Nursing Care home for twenty block beds commencing on 1<sup>st</sup> April 2020.**

## 2. REASON(S) FOR RECOMMENDATION(S) AND OPTIONS CONSIDERED

### Options

#### 2.1 Table 1: Options arising from this report

Option	Comments
Option 1 Approve the award of a new five year contract for twenty block beds at Sandown Park Nursing Care Home. <b>This is the recommended option</b>	This would ensure certainty of provision and supply and offer good quality, value for money care to meet residents' needs within borough.
Option 2 Do not approve the report to award the contract.	Spot placements would need to be recommissioned for all 20 existing residents in the care home. There is, therefore, no guarantee that residents could remain in home or borough for a placement. The cost of any new placement would be higher than option 1.

### **Commissioning of Care Home Placements**

- 2.2 The Royal Borough of Windsor and Maidenhead commissions care home block bed contracts to support those residents where the local authority:
- i. Has a statutory duty of care to support those with eligible social care needs
  - ii. The resident has been assessed by Optalis as requiring a care home placement
  - iii. The resident has been financially assessed as meeting the savings threshold for local authority funding (Assets below £23,250 in 2019/20).

### **Background**

- 2.3 Sandown Park Nursing Care Home is based in Windsor, specialising in nursing and dementia care for 95 residents. The care home was the borough's first nursing home to be awarded an Outstanding CQC rating in 2016. In November 2018, the care home manager won national recognition being awarded the Care Home Manager of the Year at the National Dementia Care Awards. In November 2019 they were finalists for Best Care Home of the Year at the same awards.
- 2.4 In 2010 the Royal Borough entered into a ten year contract with Sandown Park for 20 block beds, ten nursing and ten nursing dementia beds. Throughout the contract a very good standard of care has been provided for borough residents. The home continues to be very desirable for local residents with a very high occupancy rate of over 90% on the block beds. As at January 2020, the current block beds are all occupied.
- 2.5 The residents and families survey at the care home in October 2019 demonstrated the continued very good level of care and support:
- 95% said the overall quality of care is 'Good' or better
  - 100% said they provide care in a safe environment
  - 97% said the care home was effective in meeting the resident's needs.

### **Options Appraisal**

- 2.6 Cabinet is asked to approve the award of a five year contract for twenty block beds at Sandown Park Nursing Care Home. The proposed negotiated rate provides good value for money as the block bed rate is more competitive than a spot placement rate.
- 2.7 Where a bed is void the council is still responsible for paying the bed rate. This risk is managed through monitoring block bed utilisation on a weekly basis. Utilisation has been consistently high at this care home. There is also the option in the contract to leaseback the bed to other local authorities, the CCG or a self-funder.

### 3. KEY IMPLICATIONS

#### 3.1 Table 2: Key Implications

Outcome	Unmet	Met	Exceeded	Significantly Exceeded	Date of delivery
New Contract awarded and in place.	After 1 <sup>st</sup> April 2020	31 <sup>st</sup> March 2020	Before 31 <sup>st</sup> March 2020	18 <sup>th</sup> March 2020	1 <sup>st</sup> April 2020

### 4. FINANCIAL DETAILS / VALUE FOR MONEY

- 4.1 The 2019/20 budget for this contract is £760,417. The budget for 2020/21 has been increased to £938,571 to cover the new contract weekly rate of £900 per placement. The annual cost over the 5 year contractual period is shown in Table 3. These costs assume an annual inflationary increase of 3% from 2021/22 onwards.

**Table 3: Financial Impact of report's recommendations**

REVENUE COSTS	2020/21	2021/22	2022/23	2023/24	2024/25
Revenue Cost	£ 938,571	£ 966,728	£ 995,730	£1,025,602	£1,056,370
Additional total	£176,571	£28,157	£29,001	£29,871	£30,768
Reduction	£0	£0	£0	£0	£0
Net Impact	£176,571	£28,157	£29,001	£29,871	£30,768

- 4.2 The negotiated weekly cost from 1st April 2020 is £900 per bed inclusive of Funded Nursing Care (FNC). FNC is the contribution made by the NHS to the cost of nursing care placements, currently set at £165.56 per week. This has been benchmarked against the current nursing spot market and existing block costs as shown in Table 4. The proposed cost is very competitive and below the current nursing prices which demonstrates value for money. This price will be held for 12 months and then annually increased thereafter based on inflation indices linked to 40% Retail Price Index and 60% Average Weekly Earnings.

**Table 4: Benchmarking of Nursing/Dementia Placement Weekly Costs in RBWM**

Sample of Weekly Cost per nursing/dementia bed	2019/20 Weekly Cost (Including FNC)
Care home 1 (block contract)	£ 906
Care home 2 (block contract)	£ 1,000
Care home 3 (block contract)	£ 1,069
Care home 4 (highest spot contract rate)	£ 1,392
Care Home 5 (spot contract rate)	£ 1,141
Average cost of all placements (spot and block contracts) agreed in 19/20	£ 1,076

## 5. LEGAL IMPLICATIONS

5.1 Legal Service are supporting the drafting of the care services contract.

## 6. RISK MANAGEMENT

### 6.1 Table 5: Impact of risk and mitigation

Risks	Uncontrolled risk	Controls	Controlled risk
Block beds have a low occupancy utilisation.	Low	The commissioning team monitor bed utilisation on a weekly basis. There is an option to leaseback beds to the care home to offset any under occupancy.	Low
CQC rating decrease to requires improvements	Low	The commissioning team hold quarterly monitoring meetings and receive performance reports. The care quality assurance is provided by Optalis.	Low

## 7. POTENTIAL IMPACTS

### 7.1 Equalities.

This contract will have a positive impact on residents, the service will provide care and support to meet the individual's support plan and tailored activities. A full EQIA is not required.

### 7.2 Climate change/sustainability.

There are no direct climate change/sustainability impacts of the recommendations in this report. Healthcare Homes Limited has an Environment and Sustainability Strategy and associated action plan across the group of care homes.

### 7.3 Data Protection/GDPR.

The Care Service Contract is compliant with the Data Protection Act 2018 and the General Data Protection Regulation.

## 8. CONSULTATION

8.1 All relevant officers and Members have been consulted on this paper as detailed in section 12.

## 9. TIMETABLE FOR IMPLEMENTATION

9.1 Implementation date if not called in: 1<sup>st</sup> April 2020. The full implementation stages are set out in table 6.

**Table 6: Implementation timetable**

<b>Date</b>	<b>Details</b>
10/03/2020	Contract drafted
20/03/2020	Contract signed
01/4/2020	New Contract Commencement Date

**10. APPENDICES**

10.1 None.

**11. BACKGROUND DOCUMENTS**

11.1 This report is supported by no background documents.

**12. CONSULTATION (MANDATORY)**

<b>Name of consultee</b>	<b>Post held</b>	<b>Date sent</b>	<b>Date returned</b>
Cllr Carroll	Lead Member for Adult Social Care, Children's Services, Health and Mental Health	30/01/20	30/01/20
Duncan Sharkey	Managing Director	30/01/20	30/01/20
Russell O'Keefe	Executive Director	20/01/20	
Terry Neave / Alan Abrahamson	S151 officer	17/01/20	30/01/20
Elaine Browne	Head of Law	14/01/20	30/01/20
Mary Severin / Elaine Brown	Monitoring Officer	30/01/20	30/01/20
Nikki Craig	Head of HR, Corporate Projects and ICT	30/01/20	30/01/20
Louisa Dean	Communications	30/01/20	30/01/20
Kevin McDaniel	Director of Children's Services	30/01/20	30/01/20
Hilary Hall	Director Adults, Commissioning and Health	30/01/20	30/01/20
Karen Shepherd	Head of Governance	30/01/20	30/01/20
Lynne Lidster	Head of Commissioning - People	30/01/20	30/01/20

**REPORT HISTORY**

<b>Decision type:</b> Key decision requested on 2 <sup>nd</sup> December 2019	<b>Urgency item?</b> No	<b>To Follow item?</b> None
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