# **AGENDA ITEM NO 6**

## **REPORT NO 439/15**

#### ANGUS COUNCIL

#### SOCIAL WORK AND HEALTH COMMITTEE – 10 NOVEMBER 2015

# CONTRACT FOR THE PROVISION OF AN INDEPENDENT INTERMEDIATE CARE SERVICE

#### **REPORT BY MARGO WILLIAMSON, STRATEGIC DIRECTOR - PEOPLE**

#### ABSTRACT

This report seeks approval to extend the contract designed to facilitate the discharge of older people from hospital through 'step-down' care and to prevent hospital admissions through 'step-up' care.

#### 1. **RECOMMENDATION(S)**

It is recommended that the Social Work and Health Committee:

- notes that as part of Health and Social Care Integration and Delayed Discharge improvement planning, a review of this model of service provision is currently underway and that this review will determine if the Independent Intermediate Care service will be required in the longer term and if so whether a competitive tendering exercise needs to be carried out;
- (ii) approves an exemption from the requirement to seek tenders in terms of Financial Regulations 16.24.10(g) to allow the current contract to be extended until 31 March 2016 to allow the review to be concluded; and
- (iii) agrees that if a competitive tendering exercise is to be undertaken, the current contract can be extended until 31 March 2017 to allow time for this exercise to be completed.

## 2. ALIGNMENT TO THE ANGUS COMMUNITY PLAN/SINGLE OUTCOME AGREEMENT/CORPORATE PLAN

This report contributes to the following local outcome(s) contained within the Angus Community Plan and Single Outcome Agreement 2013-2016:

- We have a sustainable economy with good employment opportunities.
- We have improved the health and wellbeing of our people and inequalities are reduced.
- Individuals are supported in their own communities with good quality services.

#### 3. BACKGROUND

The Independent Intermediate Care service is designed to facilitate the discharge of older people from hospital by providing a care home service for them until they are ready to return to their own homes (step-down care), or to prevent hospital admissions by providing a 24-hour nursing service without the need for medical intervention (step-up care). Reference is made to Item 6 of the minute of meeting of the Social Work and Health Committee of 12 August 2014. This report recommended the extension of this contract until 30 June 2015 to allow a review of the service to be undertaken and to determine its necessity going forward, and the contract has since been extended to 31 December 2015 in line with the Committee's decision.

## 4. CURRENT POSITION

- 4.1 The contract for the Independent Intermediate Care service has been in place with HC-One Limited at Cairnie Lodge, Arbroath since 1 February 2007. The service is commissioned by way of a block purchase of 6 beds.
- 4.2 The service is currently undergoing a review in the context of Health and Social Care Integration and within the Delayed Discharge planning group. The outcome of this review will determine future requirements.

# 5. PROPOSALS

- 5.1 Following the service review, should the recommendation be that the service is no longer required, it is proposed to extend the current contract until 31 March 2016. This allows time to complete the review and for a 6 month period of notice to the current provider.
- 5.2 If, however, the recommendation is that the service is required then it is proposed to extend the contract until 31 March 2017 to allow time for a competitive tendering exercise to be completed.
- 5.3 The Council's Exemption Co-ordinator has been consulted and considers that subject to committee approval, the proposed extension is appropriate in terms of Financial Regulation 16.24.10(g). This allows time for the completion of the service review which will either recommend the termination of the service or that a full competitive tendering exercise has to be undertaken for the provision of the service to obtain best value for the Council. He notes that either a report to advise of termination of the service or a procurement authority report will be presented to the Social Work and Health Committee in due course.

# 6. FINANCIAL IMPLICATIONS

- 6.1 The annual value of the contract is £202,185. This is based on the 2015/16 rate of £648.03 per bed per week (based on the provision of 6 beds at all times).
- 6.2 The cost for this contract will be met from the Third Party Payments budget within the Older People's Residential and Nursing budget.

## 7. OTHER IMPLICATIONS (IF APPLICABLE)

## 7.1 Risks

- 7.1.1 If the proposal contained within this report to extend the existing contract is not approved by Committee then the Independent Intermediate Care service will end on 31 December 2015. The impact of this is that there will be no contract for provision of this service until such time as a decision has been made following completion of the service review.
- 7.1.2 Undertaking a competitive tendering exercise for this service before the service review is concluded could potentially mean that resources are being expended on a service which may no longer be appropriate or required.
- **NOTE:** The background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) which were relied on to any material extent in preparing the above report are:

Item 6 of the minute of meeting of the Social Work and Health Committee of 12 August 2014

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List of Appendices: none.