

Cabinet

9 April 2024

Gateway 1 Procurement Commencement: Assessment Bed Service

Portfolio Holder: Councillor Teresa Murray, Deputy Leader of the Council
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Procurement Overview

Total Contract Value (estimated): £1.285M

Regulated Procurement: Yes

Proposed Contract Term: 18 months + option to extend for a further 12 months

Summary

This report seeks permission to commence the procurement of the Assessment Bed Service Contract.

1. Recommendation

1.1. The Cabinet is requested to approve commencement of the procurement of the Assessment Bed Service as per the preferred option identified in paragraph 7.2.1.5 of the report.

2. Suggested reasons for decision

2.1. The procurement of the Assessment Bed Service will deliver a service that will enable the following:
Outcomes Focused Care – To ensure the care received supports the achievement of individual outcomes to maximise independence, wellbeing and choice.

Introduce an Alternative Pathway – Working alongside existing rehabilitation and reablement services, to maximise options in our local health and social care system.

Maximise Independence – For residents, who, following a stay in the service return to their own home; requiring none, or some ongoing

care, or discharged into alternative accommodation in the community e.g. extra care, or residential care.

Digital Innovation/Transformation – To ensure that patients returning home are supported to remain as independent with the use of assistive technology, such as Telecare or Lillie Intelligence.

3. Budget and Policy Framework

- 3.1. Under the Care Act 2014, Medway Council has a statutory duty to provide residential care to its residents.
- 3.2. Medway does not have any community hospitals, commissioned discharge to assess beds, or assessment beds for adults with dementia or with complex and challenging behaviours.
- 3.3. The provision of the Assessment Bed Service for these patients, is key to Medway Council achieving its strategic objective of ensuring adults maintain their independence in the community and live healthy lives.
- 3.4. Discharge to assess refers to when a person who has been in an acute hospital setting is now considered medically stable. They no longer require an acute setting but do require further support and assessment to determine long term needs, or short-term support to return to independence.
 - 3.4.1. Assessments for care and support needs long term should be undertaken in the most appropriate setting and at the right time for the person, which is usually not in hospital. Evidence demonstrates any additional time a person spends in hospital when they no longer require acute care can have a negative impact on the person's wellbeing and on acute provider services.
- 3.5. For older people experiencing complex and challenging behaviours associated with their recent acute stay, planning their discharge into an assessment bed affords a period to settle and achieve an optimal baseline prior to social care assessment(s). Evidence shows that patients receiving a coordinated and personalised approach for a period of up to 6 weeks show improved wellbeing, independence, and more likely to be safely discharged back into their own home (with or without a package of care), or safely accommodated in a standard residential care placement.
- 3.6. A failure to facilitate a supply of assessment beds could result in higher numbers of admissions to residential care, with subsequent high social and financial costs. Having access to assessment beds increases the ability to discharge patients from hospital in a timely manner, avoiding increased length of stays and deconditioning of the patient.
- 3.7. It is the responsibility of Medway Council within the Health and Care Partnership and Kent and Medway Integrated Care System to facilitate timely discharges.

3.8. The Assessment Bed Service will be funded from the Better Care Fund.

4. Background Information and Procurement Deliverables

4.1. This report seeks permission to commence the procurement of an Assessment Bed Service. The Council intends to procure a single provider to deliver this service within Medway.

4.2. Medway Council commissioned 9 assessment beds within a new and confined unit at Victory Care Home from 8 May 2017. The contract ended on 7 May 2021 without being extended as the assessment beds criteria did not meet Discharge to Assess (D2A) or post COVID needs.

4.3. Since the ending of this contract, older people discharged from hospital who may have benefited from a period of assessment have been placed into long-term residential care setting.

4.4. A legacy of the impact of COVID upon hospital discharge routes has led to care homes being at capacity, meaning the Brokerage Team have real difficulties in sourcing placements for Medway residents needing long term care.

4.5. Whilst not a new pressure, Medway Council has difficulty sourcing placements for those with complex needs and or challenging behaviours. This difficulty has been amplified recently by the lack of capacity in the local market.

4.6. Commissioning assessment beds in Medway supports Hospital Discharge and Community Support Guidance (updated January 2024) to improve discharge pathway patient flow from acute settings.

4.7. The assessment beds provide care for up to six (6) weeks, during which time the resident settles which allows Adult Social Care to better assess the long-term care required. The assessment beds will be primarily used for older people with dementia who are presenting with complex/challenging behaviours in hospital linked to the unfamiliarity of their hospital admission or acute episode. In addition, a small number of beds are being accessed by people already in the community requiring the same period of assessment.

4.8. The assessment bed service will be a new permanent service, providing care and support to Medway residents over the age of 18 years and will be set within a defined area of a residential or nursing care home in Medway.

4.9. The intention of the service is to reduce length of stay at the acute, reduce complex needs and or challenging behaviours to a point where residents can be safely accommodated in a standard residential care

placement or even discharged to their own home with a package of care.

- 4.10. When a resident arrives at one of the assessment beds, therapy assessments will already be in place and any equipment needs provided for. During the six weeks, whilst conducting care act assessments, Adult Social Care also coordinates with other services to ensure appropriate long-term care is put in place, where the person is likely to go home with a package of care.
- 4.11. This service would fund a dedicated social work resource to facilitate assessments, arrange long term care arrangements and ensure support community-based services to support service users as part of the long-term care planning process.

5. Parent Company Guarantee/Performance Bond Required

- 5.1. As set out within the Council's Contract Procedure Rules, a Parent Company Guarantee or Performance Bond is required for all Supplies (Goods), Services and Works contracts, over £250K unless otherwise agreed by the Council's Monitoring Officer in conjunction with the Council's Chief Financial Officer as part of the Procurement Gateway Process for Category B procurements.
- 5.2. Commissioners request that the requirement for a Performance Bond be waived for this procurement based on the additional costs to bidders who may be deterred from participating in the procurement process.

6. Procurement Dependencies and Obligations

6.1.1. Project Dependency

- 6.1.2. The service model is dependent on the existence the Medway's Intermediate Discharge Team (IDT), or similar, to refer patients from hospital into assessment beds.
- 6.1.3. The model is also dependent on The Adult Social Care Brokerage Team who source the long-term care service residents would move into, such as homecare packages and residential care placements. Above are existing functions performed by Adult Social Care.

6.2. Statutory/Legal Obligations

- 6.2.1. The Council has a range of statutory duties and powers to provide services to vulnerable adults such as older people, people with learning disabilities, physically disabled people and people with mental health conditions.
- 6.2.2. The Care Act 2014 and statutory guidance forms the basis of statutory duties for Local Authorities, replacing the National Assistance Act 1948, the Chronically Sick and Disabled Persons Act 1970, and the NHS and Community Care Act 1990.

- 6.2.3. A fundamental principle of the Care Act 2014 requires that local authorities promote an individual's wellbeing by ensuring care and support provided meets the individual's identified outcomes.
- 6.2.4. Supporting people to live as independently as possible, for as long as possible, is a guiding principle of the Care Act. Under the Act, local authorities can provide or commission services in a variety of ways, including through a Direct Payment, to meet the needs of those it assesses as eligible for services.
- 6.2.5. When arranging services, local authorities must ensure commissioning practices and the services delivered comply with the requirements of the Equality Act 2010, the Mental Capacity (Amendment) Act 2019 and the Human Rights Act 1998.
- 6.2.6. Section 82 of the National Health Service Act 2006 ('the NHS Act 2006') requires that NHS bodies and local authorities should agree the discharge models that best meet local needs and are effective and affordable within the budgets available to NHS commissioners and local authorities.
- 6.2.7. An assessment bed is only provided where there is an assessed need for the service. Assessments are in line with Medway Council's eligibility criteria.
- 6.2.8. The Assessment Bed Service supports outcomes within the Medway Council Plan 2023 to 2024. These include 'healthy and active communities' and 'older and disabled people living independently in their own homes.'
- 6.2.9. The contract will include a Key Performance Indicator (KPI) which supports the Priority, Healthy and Active Communities, in particular 'embedding Make Every Contact Count (NHS Health Education England's approach to behaviour change).'

6.3. Procurement Project Management

- 6.3.1. The management of this procurement process will be the responsibility of the Category Management team.

6.4. Post Procurement Contract Management

- 6.4.1. The management of any subsequent contract will be the responsibility of the Adults Partnership Commissioning Team.
- 6.4.2. The provider will be required to keep and maintain a service data dashboard. This will include service level data as well service user outcome information. Data will be reported to Medway Council monthly and collated / reported quarterly. This data will be reviewed at monthly contract monitoring meetings to determine provider performance.

6.4.3. To ensure the needs of the requirement are met and continuously fulfilled post award, the following KPIs will be included in the tender and will form part of any subsequent contract.

#	Title	Short Description	% measurement criteria
1	Referral to assessment	Assessment time frame post referral is carried out within 4 hours	90%
2	Referral acceptance	Provider accepting or declining the referral on the same day	90%
3	Occupancy	Total bed occupancy in days	95%
4	Length of stay	Length of stay within an assessment bed < 2 weeks	10%
		Length of stay within an assessment bed 2.1 to 4 weeks	20%
		Length of stay within an assessment bed 4.1 to 6 weeks	60%
		Length of stay within an assessment bed over 6 weeks	<10%
5	Patient volume	Number of patients who pass through an assessment bed annually	88
6	Service outcomes	Patient is discharged home (with or without a package of care)	50%
7	Data capture	Completion of monthly data dashboard	95%
8	Service user outcomes	Patients/ or families report a positive experience of care	90%

7. Market Conditions and Procurement Approach

7.1. Market Conditions

7.1.1. There are several Care Homes within Medway registered to provide residential and or nursing care to adults. Not all registered care homes will have the ability to deliver this service. An Expression of Interest was sent to 34 care homes in Medway as part of this project to gauge the ability of the market to provide the service. After 10 days, a total of 4 expressions of interest were received.

7.2. Procurement Options

7.2.1. The following is a detailed list of options considered:

7.2.1.1. **Option 1 – Do nothing:**

Advantage: Continue to collate activity/finance data to inform the design of an improved service in the future.

Disadvantage: Patients discharged from hospital requiring an assessment bed are likely to be placed in long term residential care bed, therefore losing the ability to reduce long term care needs. This option does not enable financial savings to be made and does not give the ability to control flow within the market.

7.2.1.2. **Option 2 – Extend the current contract:**

There is no current contract. The previous contract to deliver this service ended in May 2021.

7.2.1.3. **Option 3 – Utilise a framework:**

There is no current open framework that meets the requirements of the Assessment Bed Service.

7.2.1.4. **Option 4 – Direct Award under Provider Selection Regime:**

Medway Council recently carried out a pre-market engagement event by contacting all existing residential and nursing care home providers. Providers were given background information on the assessment bed service requirements and (if interested) asked to complete and return the Expression of Interest (EOI) template. The event ran for 10 days after which, 4 care home providers came forward expressing an interest in providing this service in the future.

Based on the information gathered from the 4 individual care providers, it was decided that a more detailed analysis of the market was required and that an open tender process would be more suitable.

7.2.1.5. **Option 5 – Competitive Procurement Process:** Commission a new Assessment Bed Service in line with the Provider Selection Regime Competitive Process. Medway Council to commission a new single provider for an 18-month period with an option to extend for 1 further year.

Advantage: Supports the local market from a sustainability and diversification point of view, open and fair pricing for Medway and better quality of service.

Disadvantage: Medway will not begin to see the benefit of this service until go live (estimated 1 October 2024). However, this has been mitigated within existing working practices.

Proposed procurement timelines are as follows:

Project Phase	Action	Date
	GW1 CADMT	30 January 2024
	Consultation – 10-day premarket engagement activity (EOI)	9 to 19 February 2024
	JCMG	22 February 2024
	GW1 Procurement Board	25 March 2024
	GW1 Cabinet	9 April 2024
Service Specification	Finalise Invitation to Tender (ITT) – Specification, Selection Questionnaire, Terms & Conditions, etc.	May 2024
Tender Stage	Issue ITT	May 2024
	Tender Evaluations	June 2024
Gateway 3	GW3 CADMT	July 2024
	GW3 Procurement Board	July 2024
	GW3 Cabinet	August 2024
Contract Award	Contract Award	August 2024
Mobilisation	Mobilisation	September 2024
Implementation	Service go Live	1 October 2024

7.3. Advice and analysis

7.3.1. Procurement Board are recommended to approve commencement of the procurement of The Assessment Bed Service using Option 5, a competitive process, as set out in paragraph 7.2.1.5.

7.3.2. It is recommended that the contract duration be for 18-months with a 12-month extension option starting from 1 October 2024.

7.4. Evaluation Criteria

7.4.1. The award of the contract will be made based on the most economically advantageous tender comprised of 70% quality and 30% price.

7.4.2. Evaluation criteria will include an assessment of the suitability and capability of providers to deliver the service as well as their understanding of the service as set out in the specification of requirements.

7.4.3. Whilst not finalised at this stage, Officers propose to evaluate bidders against the following quality criteria within the tender.

#	Question	Weighting
1	<p>Please provide full details of your ability to deliver the assessment bed service in accordance with the service specification using examples of delivering previous similar services including;</p> <ul style="list-style-type: none"> • How you support individuals with their care and wellbeing needs, include how you devise support plans and the continuing monitoring of these plans. • How you deliver safe, supportive person-centred care to service users to ensure that people’s preferences, needs, and values are met • How you report and monitor the service user outcomes • How you intend to support the hospital discharge pathway to improve patient flow from acute services 	15%
2	<p>How do you propose to meet the needs of service users with a range of needs including those with dementia, complex health needs, social care needs and challenging behaviours?</p> <p>Your response should cover but not be limited to the following</p> <ul style="list-style-type: none"> • How you will prioritise safeguarding for all service users • Details about staff training and how your workforce is appropriately trained to provide the service required. 	15%
3	<p>Provide a description of any partnership arrangements you may have with other stakeholders; examples of stakeholders could be but not limited to:</p> <ul style="list-style-type: none"> • Other Service Providers • NHS Services • Voluntary Community Organisations • Healthy Lifestyle Services • Third Sector • Universal Services <p>Please detail how you ensure you uphold an individual’s care needs and requests remain central when working in partnership.</p>	10%
4	<p>Demonstrate how your organisation complies with the Mental Health Capacity Act 2005, how you ensure that those within your care are free from harm, abuse and neglect.</p> <ul style="list-style-type: none"> • Provide details of how your organisation support the adults within your care to ensure the principals within the Care Act 2014, and relevant safeguarding legislation are met. Examples of relevant legislation include, but are not limited to: <ul style="list-style-type: none"> ○ Safeguarding Vulnerable Groups Act 2006 ○ Health and Social Care Act 2012 	10%

	<ul style="list-style-type: none"> ○ Data Protection At 2018 ○ Equality Act 2010 ○ Human Rights Act 1998 <p>Please provide details of how your organisation works in accordance with policies, procedures and guidance published by the Kent and Medway Safeguarding Adults Board. Reference should be made to your organisations Safeguarding policies and procedures.</p>	
5	Describe the methods and approaches you will use to ensure that enabling care is promoted and delivered to all service users including details of how you will work towards increasing independence and ensuring patients are supported back into their home environment.	10%
6	Social value commitments (as per section 11.2)	10%

8. Risk Management

Risk	Description	Action to avoid or mitigate risk	Risk rating
Financial	Providers may bid at a high price meaning the cost of the service increases significantly, or may decide not to bid due to budget	<p>The total project budget will be included within the tender. This project budget had been guided by intelligence relating to the true cost of care.</p> <p>Robust financial review of tender submissions will be undertaken, and prices will be discussed at contract management meetings.</p>	CII
Procurement	Failure to attract sufficient successful bids	<p>The provider market will be kept informed of the Council's commissioning intentions and timelines.</p> <p>We have carried out a pre-engagement activity, where we asked providers for their Expression of Interest (EOI) in providing this service.</p> <p>Market and stakeholder engagement will be undertaken to capture input and address any concerns they may have about procurement.</p>	CI

Risk	Description	Action to avoid or mitigate risk	Risk rating
Contract Delivery	Provider fails to fulfil contractual obligations	Commissioners will work in partnership with providers to ensure early identification of issues. Contract management will be robust and performance reviews will be conducted regularly. Other stakeholders including social workers and the Business Intelligence Team will support the management of the service.	CIII
Legal	Unsuccessful bidders slowing down the process by challenging the award decision	Robust procurement process in line with best practice and Public Contracts Regulations 2015.	CIII
Reputational	The service fails to deliver the quality outcomes set, therefore affecting community and stakeholder perception of the Council	Regular contract management and performance reviews.	CII

Likelihood	Impact:
A Very likely B Likely C Unlikely D Rare	I Catastrophic II Major III Moderate IV Minor

9. Consultation

9.1. Internal (Medway) Consultation

9.1.1. A report was presented to the Childrens and Adults Divisional Management Team (CADMT) meeting on 30 January 2024, followed by a report to the Joint Commissioning Management Group (JCMG) approval on 22 February 2024 requesting funding from the Better Care

Fund. At JCMG, Medway Council and NHS Kent and Medway Integrated Care Board (ICB) jointly agreed the assessment bed project to be a good idea and approved funding for a new service.

9.2. External Stakeholder Consultation

9.2.1. In February 2024, commissioners carried out an electronic pre-market engagement event, contacting all suitable CQC registered residential and nursing care providers in Medway. This event was an opportunity for providers to engage with commissioners to understand the level of interest in providing the assessment bed service.

9.2.2. Providers were asked to express their interest and complete several questions around experience, staffing, innovation and service delivery. After the 10-day deadline, 4 providers had expressed an interest in delivering the service.

9.2.3. A future market engagement event will take place later in the year with all internal and external stakeholders input sought as part of the specification development.

10. Service Implications

10.1. Financial Implications

10.1.1. The procurement requirement and its associated delivery as per the recommendations will be funded from the Better Care Fund.

10.1.2. The Adult Social Care budget for 2024/25 assumes that this scheme will be operational and will help deliver savings of £1million.

10.2. Legal Implications

10.2.1. The contract value is above the financial threshold set out under the public procurement regime, and so the Public Contracts Regulations 2015 (as amended) (“the Regulations”) require that the works be advertised via Find a Tender or that an existing framework agreement let through an compliant procurement process be used.

10.2.2. The procurement process proposed in this instance complies with the requirements of the Regulations and that of the public procurement regime.

10.2.3. The proposed procedure gives a high degree of confidence that the Council’s primary objectives for procurement are met, as required by the Council’s Contract Procedure Rules (“the CPRs”).

10.3. TUPE Implications

10.3.1. TUPE does not apply to this procurement process.

10.4. Procurement Implications

10.4.1. The requirement is classified as a health service and would therefore be subject to the Provider Selection Regime under the Health and Care Act 2022. A procurement process will be conducted, advertising the requirement and inviting tenders using a selection questionnaire and tender documents combined into a single-stage procurement process.

10.5. ICT Implications

10.5.1. No implications at this stage.

10.6. Climate Change implications

10.6.1. During the tender stage climate change topics will be asked of the providers. We will require evidence of how they deal with single use plastic, their efforts to reduce their carbon footprint, waste management and air quality measures.

11. Social, Economic & Environmental Considerations

11.1. In line with Medway Council's Social Value Policy, officers will include the following standard outcomes and measures (the units have also been included for illustrative purposes) within the tender. Whilst there will be no commitment for bidders to deliver against every line, the accumulative value provided by each bidder will be scored and form part of the price evaluation score.

11.2. The Social Value commitment from the winning bidder will be transposed into contractual KPIs.

Outcomes	Measures	Standard Units
More local people in employment	No. of local direct employees (FTE) hired or retained (for re-tendered contracts) on contract for one year or the whole duration of the contract, whichever is shorter	No. people FTE
More local people in employment	Percentage of local employees (FTE) on contract	%
Improved skills	No. of staff hours spent on local school and college visits e.g. delivering careers talks, curriculum support, literacy support, safety talks (including preparation time)	No. staff hours

Improved skills	No. of weeks of apprenticeships on the contract that have either been completed during the year, or that will be supported by the organisation until completion in the following years – Level 2,3, or 4+	No. weeks
More opportunities for local MSMEs and VCSEs	Total amount (£) spent in LOCAL supply chain through the contract	£
More opportunities for local MSMEs and VCSEs	Meet the buyer' events held to highlight local supply chain opportunities	£ invested including staff time
Social Value embedded in the supply chain	Percentage of contracts with the supply chain on which Social Value commitments, measurement and monitoring are required	%
Creating a healthier community	Initiatives taken or supported to engage people in health interventions (e.g. stop smoking, obesity, alcoholism, drugs, etc.) or wellbeing initiatives in the community, including physical activities for adults and children	£ invested including staff time
Carbon emissions are reduced	Savings in CO2 emissions on contract achieved through de-carbonisation (specify how these are to be achieved)	Tonnes CO2e
Sustainable Procurement is promoted	Percentage of procurement contracts that includes sustainable procurement commitments or other relevant requirements and certifications (e.g. to use local produce, reduce food waste, and keep resources in circulation longer.)	% of contracts
Social innovation to create local skills and employment	Innovative measures to promote local skills and employment to be delivered on the contract – these could be e.g. co-designed with stakeholders or communities, or aiming at delivering benefits while minimising carbon footprint from initiatives, etc.	£ invested – including staff time and materials, equipment or other resources

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Appendices

None

Background Papers

[Medway Adult Social Care Strategy](#)

[Medway Council People Strategy](#)

[Medway Council Joint Health and Wellbeing Strategy](#)

[Medway Council Aging Well Strategy](#)