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# Birchwood Care Home - Options for future delivery

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<b>Committee considering report:</b>	Executive
<b>Date of Committee:</b>	22 December 2016
<b>Portfolio Member:</b>	Councillor Rick Jones
<b>Date Portfolio Member agreed report:</b>	07 November 2016
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## 1. Purpose of the Report

- 1.1 To outline options for the provision of care at Birchwood Care home and seek approval of the preferred option.

## 2. Recommendations

- 2.1 That Birchwood Care Home is taken in-house and delivered directly by the Council.

## 3. Implications

- 3.1 **Financial:** Refer to Part II
- 3.2 **Policy:**
- 3.3 **Personnel:** Refer to Part II
- 3.4 **Legal:**
- 3.5 **Risk Management:**
- 3.6 **Property:**
- 3.7 **Other:**

## 4. Other options considered

- 4.1 There are three options for consideration:
- (1) Bring the care service in house to be delivered by ASC provider services
  - (2) Tender for a new contract with third party provider.
  - (3) Extend the current contract with Care UK for a further three years.

All options are explored in detail in the report.

## 5. Executive Summary

- 5.1 Birchwood Care Home is a 60 bed home located between Newbury and Thatcham. A2Dominion hold the lease of the building.
- 5.2 The contract for care is delivered by Care UK and the original 10 year contract term is due to run out on 1st April 2017. There is an option of a three year extension at increased costs.

## 6. Preferred option: bring the Service In-House to be managed by ASC Provider Services

### Market conditions

- 6.1 The Care Act 2014 introduced a new duty on local authorities to facilitate a vibrant, diverse and sustainable market for high quality care and support in their area.
- 6.2 The economic climate means that this role has become increasingly difficult; indeed a report published mid-November highlighted that 4 out of 5 local authorities report having significant capacity challenges in the independent care market.
- 6.3 Our local market mirrors the national picture and is impacting our ability to support people quickly, particularly with hospital discharge. We have a much more challenging position in relation to delayed transfers of care (bed blocking) than in previous years.

### Strategic direction

- 6.4 Historically, the Council has been committed to commissioning the majority of its care provision from the independent market. Changes in market conditions outlined above means we have had to think again as choice has become limited and the market more volatile.
- 6.5 We believe that having a mixed market will enable us to provide choice, influence price and create some stability.
- 6.6 We also want to create a more flexible workforce, delivering the service in-house means that staff can work across the four homes.

### Current position and challenge

- 6.7 The Service preference is to let the existing contract with Care UK lapse and bring the service in house. This will allow us to have more control and ensure adequate capacity.
- 6.8 We have no confidence that another block contract, even if competitively priced, will deliver the reliability that we need.
- 6.9 ASC provider services already deliver 3 care homes and so have the necessary skills to take the service on.
- 6.10 It is proposed that the 10 ground floor beds will be used as step down beds to facilitate hospital discharge.

ASC are working with Health colleagues to deliver the 10 step down beds and funding will be delivered through the Better Care Fund (BCF). In the unlikely event that the project with Health is unsuccessful, we would utilise the extra 10 beds as standard residential or nursing provision.

## **7. Re-procurement**

- 7.1 Contracts and Commissioning team can run an open tender process to deliver care for a 60 bed care home.
- 7.2 Positives of this proposal is that operational risk including staffing will be responsibility of the third party provider
- 7.3 However this option does not provide the surety of capacity that the in-house provision would provide.

## **8. Extend the contract for 3 years**

- 8.1 Refer to Part II
- 8.2 For this reason we would not recommend an extension of the current contract with Care UK.

## **9. Conclusion**

- 9.1 Executive note options available for the delivery of care at Birchwood Care home and the preference to bring the care service provision in house.

## **10. Appendices**

- 10.1 Appendix A - Supporting Information
- 10.2 Appendix B – Equalities Impact Assessment