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# Contract for Award: 9 Month Block Beds 'Bupa UK'

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Committee considering report:	Executive
Date of Committee:	3 July 2025
Portfolio Member:	Councillor Patrick Clark
Report Author:	Thomas Bailey
Forward Plan Ref:	EX4685

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## 1. Purpose of the Report

- 1.1 To request approval to directly award a 9-month exception for 25 blocks beds from July 2025 to Bupa UK within 3 different Care (Nursing) Homes.
- 1.2 We currently have provision with Bupa and will be going to the market once this has been approved in the recommendation below.
- 1.3 Approval of the report will ensure the private care home market offers West Berkshire Council the best value for money, whilst also ensuring capacity within the local area.

## 2. Recommendation

- 2.1 It is recommended that Executive approve a direct award to Bupa UK for 25 block beds from the July 2025 to March 2026 following the publication of Notices under the Procurement Act 2023 (PA2023).

## 3. Implications and Impact Assessment

Implication	Commentary
Financial:	There is budget to cover the contract for the 25 blocks beds with Bupa in 2025/26 as the rate has been negotiated to remain the same as 2024/25.

## 9 Month Block Beds 'Bupa UK'

	This spot bed arrangement provides a minimum cost avoidance of £182k per annum.			
<b>Human Resource:</b>	N/A			
<b>Legal:</b>	See Part II			
<b>Risk Management:</b>	<p>It is essential that the Council secures a number of beds to manage the market.</p> <p>As part of each procurement process, supplier due diligence is carried out to include review and verification of financial health, confirmation of insurances held, credit report, references and reassurance around the ability to evidence and deliver public sector contracts.</p>			
<b>Property:</b>	N/A.			
<b>Policy:</b>	<p>All contracts over £500k in value are considered key decisions and this has been placed on the forward plan.</p> <p>In line with Contract Rules, an Exception Report has been approved by Procurement Board and will now need to be approved by Executive before the contract can be awarded.</p>			
	<b>Positive</b>	<b>Neutral</b>	<b>Negative</b>	<b>Commentary</b>
<b>Equalities Impact:</b>				
<b>A</b> Are there any aspects of the proposed decision, including how it is delivered or accessed, that could impact on inequality?		X		

## 9 Month Block Beds 'Bupa UK'

<b>B</b> Will the proposed decision have an impact upon the lives of people with protected characteristics, including employees and service users?		X		
<b>Environmental Impact</b>		X		
<b>Health Impact</b>		X		
<b>ICT Impact:</b>		X		
<b>Digital Services Impact:</b>		X		
<b>Council Strategy Priorities:</b>		X		
<b>Core Business:</b>		X		
<b>Data Impact:</b>		X		
<b>Consultation and Engagement:</b>	N/A.			

## 4. Executive Summary

- 4.1 Approval is sought to make a direct 9-month award using following a publication of a Transparency Notice in accordance with Procurement Act 2023 (PA2023) for the supply of 25 blocks beds to Bupa UK.
- 4.2 A full, transparent tender process will be run following the agreement of this 9-month period.

## 5. Supporting Information

- 5.1 This report is requesting approval to direct award using a Transparency Notice in accordance with Procurement Act 2023 (PA2023) for the supply of 25 blocks beds to Bupa UK at a minimum cost avoidance of 182k per annum.
- 5.2 This report is for a 9-month Contract to secure 25 care home beds within the market.

## **9 Month Block Beds 'Bupa UK'**

- 5.3 Bupa are in a position where they can offer the volume of beds required at short notice.
- 5.4 Experience and soft market testing has outlined there is lack of nursing and higher need beds available within the market, especially West Berkshire.
- 5.5 Bupa have 3 homes located at Bayford House, The Argyles, The Donnington all within West Berkshire all with a 'GOOD' CQC rating, meaning we are able to fix the beds at this rate and with guaranteed capacity, so this is not only seen as cost avoidance but securing much needed capacity.
- 5.6 Occupancy rates and demand in care homes, not only nationally, but especially within West Berkshire is very much on the increase, meaning we now find it a lot harder to secure local homes, and at affordable rates. This also runs parallel to a buoyant self funder market, who have the buyer spend to secure a large number of the vacant beds.
- 5.7 The current contract with Bupa will come to an end in June 2025. A move back to spot purchase rates which would incur a higher fee dependent on location. The block beds are located at Bayford House, The Argyles and The Donnington all situated within West Berkshire.
- 5.8 Since the previous block was agreed, nursing placements and higher need placement are extremely hard to secure particularly nursing with dementia. The Care Placement team are often required to look further afield to try and secure care at affordable rates, although these placements are decreasing, and the costs are also increasing. The nursing home market is supplier led due to the increasingly high demand across the country.
- 5.9 6 of the beds are higher needs, which fulfil this specialist requirement at a rate that is lower than the average spot purchase bed.
- 5.10 Latest Care Quality Commission report rates all Bupa Care homes, as 'Good'.

## **6. Background**

- 6.1 See Part II.

## **7. Proposals**

- 7.1 See Part II.

## **8. Other options considered**

- 8.1 Do nothing - all current block beds would transfer to spot beds at an increased cost to West Berkshire Council. This would also lead to a reduction in guaranteed capacity within the area.
- 8.2 Undertake a procurement process now to expand the use of block beds. This would need to include an engagement exercise and sufficient time will be needed to do so. This option is not viable within the timescales for the existing block bed contract.

## 9 Month Block Beds 'Bupa UK'

However, the commissioning team has commenced work on this process with a view to this being in place before the end of the proposed contract with Bupa.

## 9. Conclusion

- 9.1 Following consideration of the limited options and timescales, the Direct award to Bupa UK for the delivery of 25 Care Home beds on a fixed 9-month contract.
- 9.2 This option provides the best value for money to the Council.
- 9.3 Recognising the value of block beds to the Council we will be undertaking a engagement and procurement exercise with the aim of expanding the use of the block beds contract within the area.

## 10. Appendices

- 10.1 See Part II

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### Subject to Call-In:

Yes: ☐ No: ☒

- |   |                                     |
|---|-------------------------------------|
| The item is due to be referred to Council for final approval  | <input type="checkbox"/>            |
| Delays in implementation could have serious financial implications for the Council                              | <input checked="" type="checkbox"/> |
| Delays in implementation could compromise the Council's position  | <input checked="" type="checkbox"/> |
| Considered or reviewed by Scrutiny Commission or associated Committees, Task Groups within preceding six months | <input type="checkbox"/>            |
| Item is Urgent Key Decision   | <input type="checkbox"/>            |
| Report is to note only  | <input type="checkbox"/>            |

**Wards affected:** None

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