

OLDER PEOPLE CARE HOME DEVELOPMENT TIMELINE

To: **Adults Committee**

Meeting Date: **14 September 2017**

From: **Will Patten - Service Director: Commissioning
Cambridgeshire and Peterborough Councils, People and
Communities**

Electoral division(s): **All**

Forward Plan ref: **Not applicable** *Key decision:* **No**

Purpose: **The Committee is asked to note the timelines associated
with Cambridgeshire County Council expanding the
current level of Care Home provision in Cambridgeshire**

Recommendation: **The Committee is asked to note the key timescales
associated with expanding the current level of Care Home
provision in Cambridgeshire**

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1.0 BACKGROUND

- 1.1 The Care Homes project is part of the Older People's Accommodation Strategy and focusses on current and future requirements for residential and nursing home care in Cambridgeshire. There is currently a shortfall of bed spaces of all types, which results in limited choice for purchasers, including the Council, and leads to escalating cost.
- 1.2 During 2016, analysis was carried out to identify current and future demand for residential and nursing beds across Cambridgeshire, taking into account demographic pressures. This analysis identified the need to create an additional market capacity of around 450 beds in order to secure affordable placements in the right places over the next five years.
- 1.3 In January 2017, the Adults Committee resolved to:
 - support the principle of using Council assets to intervene in the Care Home market to increase capacity and secure affordable provision for Cambridgeshire residents;
 - commence engagement with service providers.
- 1.4 Over the last six months, the project team has engaged with the market through Gleeds Advisory, an external specialist property and construction consultancy. This provided an initial response from the market which has informed our procurement approach.

2.0 MEETING THE CURRENT AND FUTURE DEMAND – NEXT STEPS

- 2.1 Based on the review from Gleeds and feedback from the market, a blended approach to procurement is the most appropriate way forward. This approach acknowledges that different solutions will be needed for different locations across the County and takes into account existing provision, the need to bring on beds over a period of time, interest from the market and local needs. The blended approach may include:
 - 2.1.1 Procurement of a care provider as a long-term strategic partner who would: bring specialist knowledge in relation to the development of care homes; operate the homes on a long lease arrangement; provide a specified number of affordable beds and pay a commercial rent to the Council.
 - 2.1.2 Multi year commissioning arrangements with existing providers who may be interested in extending current provision.
 - 2.1.3 Maximising capacity through existing block contracts.
 - 2.1.4 Commissioning arrangements which maximise a 'one public estate' approach (i.e. Health)
- 2.2 Within this blended approach is an assumption that, to stimulate interest in the market and maximise the financial value of the arrangements to the Council, a multi-year operating agreement based on a number of Council places at an agreed rate with the remainder for the provider to sell at market rates will be negotiated.

- 2.3 To support the next phase of market engagement, the project team has commissioned additional expertise and capacity from colleagues in Cardiff City Council. Over the next three months, they will work closely with the project team and our own procurement team to develop a sourcing strategy and plan which will enable us to move to competitive dialogue with the market in November 2017. The cost of additional specialist commissioning/procurement support is likely to be £75k based on indicative number of days required.
- 2.4 The sourcing strategy will take into account the need to secure beds at different times in different locations to meet demand and the sourcing plan will ensure that additional capacity arrives in the marketplace in carefully managed phases.
- 2.5 The following table shows the key milestones for this project. Please see Appendix A for a flow diagram showing this timeline.

Milestone	Further details	Delivery date
Initial Project roles and responsibilities agreed	Lead Senior Responsible Owner and Project Lead agreed. Transformation Team support agreed.	July 2017
High level plan submitted to Adults Committee	This timeline is the high level plan	14 September 2017
Development of sourcing strategy, procurement plan and contract notice	This work will include the following deliverables: <ul style="list-style-type: none"> • Analysis of Current Supply Arrangements • Analysis of market position • Identification of Business Needs / Requirements • Generation and evaluation of strategic options • Options appraisal • Identification of strategic option and delivery plan 	August 2017 w/c 4th September to w/e 22nd October 6 weeks to develop sourcing strategy / plan
Commence Competitive Dialogue procedure	<ul style="list-style-type: none"> • Develop tender documentation • Supplier selection • Outline Solutions • Detailed Solutions • Final Tender 	November 2017 – September / November 2018 12 Months has been recommended to complete the competitive dialogue procedure
Preferred bidder awarded		December 2018
Post tender contract negotiations	To include designation of appropriate land	December 2018 – February 2019

Planning and construction by award supplier(s)		2019
Phased delivery of options to meet the demand		2020 onwards

3.0 ALIGNMENT WITH CORPORATE PRIORITIES

3.1 Developing the local economy for the benefit of all

3.1.1 The following bullet points set out details of implications identified by officers:

- Creating greater choice and affordability in the care home market will provide direct financial benefits to users of services and their carers

3.2 Helping people live healthy and independent lives

3.2.1 This work is part of a wider strategy developed in partnership with a broad range of services including housing and public health aimed at supporting people to live independently for longer. Where there are opportunities to provide complimentary services that support independence, such as health and community services, these will be incorporated into development plans

3.3 Supporting and protecting vulnerable people

3.3.1 The purpose of taking this forward is to provide greater choice and affordability for services that are aimed at supporting the most vulnerable residents of Cambridgeshire.

4. SIGNIFICANT IMPLICATIONS

5.1 Resource Implications

4.1.1 The following bullet points set out details of significant implications identified by officers:

- In order to reduce the future financial risk to the Council, capital assets are utilised to provide long term revenue benefits.

4.2 Procurement/Contractual/Council Contract Procedure Rules Implications

4.2.1 The following bullet points set out details of significant implications identified by officers:

- This work will involve a procurement process and award of a new contract. The Council also need to ensure that any competitive tendering exercise is completed in line with the Public Procurement Regulations 2015 and Local Authority Contract Procedure Rules.

4.3 Statutory, Legal and Risk Implications

4.3.1 The following bullet points set out details of significant implications identified by officers:

- Specialist advice sought to date indicates that large scale market intervention is required to ensure that we meet our statutory obligations and to manage the financial risk.

4.4 Equality and Diversity Implications

4.4.1 The report above sets out details of significant implications in paragraphs 4.2.1 and 4.3.1. In addition, if the Council does not stimulate the market and provide appropriate beds individuals with local social and economic assets and potentially those in rural locations may be disadvantaged.

4.5 Engagement and Communications Implications

4.5.1 The following bullet points set out details of significant implications identified by officers:

- This initiative has been developed as part of a multi-agency strategy. Its implementation will be shaped by working with key organisation and community stakeholders

4.6 Localism and Local Member Involvement

4.6.1 The following bullet points set out details of significant implications identified by officers:

- As part of the wider Older People's Accommodation Strategy, work is underway to ensure the need for increased older people's accommodation, including affordable care home provision, is incorporated into Local Plans.

4.7 Public Health Implications

4.7.1 The report sets out the details of significant implications in paragraphs in 4.2.1 and 4.3.1

Implications	Officer Clearance
Have the resource implications been cleared by Finance?	Yes Name of Financial Officer: Martin Wade
Have the procurement/contractual/ Council Contract Procedure Rules implications been cleared by the LGSS Head of Procurement?	Yes or No Name of Officer: Paul White
Has the impact on statutory, legal and risk implications been cleared by LGSS Law?	Yes Name of Legal Officer: Fiona McMillan

Have the equality and diversity implications been cleared by your Service Contact?	Yes Name of Officer: Will Patten
Have any engagement and communication implications been cleared by Communications?	Yes Name of Officer: Christine Birchall
Have any localism and Local Member involvement issues been cleared by your Service Contact?	Yes Name of Officer: Will Patten
Have any Public Health implications been cleared by Public Health	Yes Name of Officer: Katie Johnson – Interim Consultant in Public Health

Source Documents	Location
The Older Peoples Accommodation Strategy. V.9	https://tinyurl.com/yc5jac6v
Care Home Development 19 January 2017 Committee Report	https://tinyurl.com/y8m4bkzc