Report to:	**STRATEGIC COMMISSIONING BOARD**
Date:	20 February 2018
Officer of Strategic Commissioning Board	Stephanie Butterworth, Director of Adult Services
Subject:	**TENDER FOR A SPECIALIST DEMENTIA CARE HOME WITH NURSING**

Report Summary:

There are an estimated 2,691 people in Tameside and Glossop with dementia. As part of the Care Together development Tameside and Glossop are committed to improving the lives of people living with dementia.

The overall vision for Tameside and Glossop is linked to the development of rich, specialist support to people living with dementia and their carers at all stages of their pathway.

There is a need for a specialist dementia care home with nursing to improve the quality of care closer to home for individuals and their carers.

The specialist dementia care home with nursing will deliver a service to those with advanced, complex dementia who require specialist support to meet their day to day physical, emotional and behaviour needs and manage the risks associated with this.

Local EMI (Elderly Mentally Ill) residential and nursing provision within Tameside and Glossop is not able to meet the needs of this patient group which results in delayed discharges and the commissioning of individual packages of care from expensive out of borough nursing or hospital placements.

At an acute level, blockages can be experienced on Summers Ward, a Pennine Care ward on the hospital site. This in turn delays admissions from the acute wards.

It is anticipated that this development will realise savings in costs whilst also delivering an improvement in an individual's experience through maintaining their connections within the locality as well as improving the quality of provision through a robustly commissioned local specialised service.

Recommendations:

The Strategic Commissioning Board is recommended to:

(1) Recognise the benefits of commissioning a local Specialist Dementia Care Home to:

- provide high quality care closer to home;
- reduce the need for more costly out of area placements;
- reduce delayed transfers of care from acute and mental health inpatient care due to a lack of suitable provision in the community.

(2) Agree to the plan that the Single Commission goes out to tender for a five year contract with the option to extend for two more years in line with the timeframe outlined in the paper. The tender will explore the market in order to establish between 18-22 beds capacity and once market capacity is known the exact costs can be established.

The value of the five year tender for 20 beds would be £5,200,000 based on proposed tender prices.

Financial Implications:

(Authorised by the statutory Section 151 Officer & Chief Finance Officer)

ICF Budget	S 75 £'000	Aligned £'000	In Collab £'000	Total £'000
CCG	2,014	-	-	-
Total	**2,014**	**-**	**-**	**-**
Section 75 - £'000 Strategic Commissioning Board	2,014			

Value For Money Implications – e.g. Savings Deliverable, Expenditure Avoidance, Benchmark Comparison

The CCG are currently paying circa £2m for spot bed purchase. These placements are extremely expensive and demand for these beds has been increasing year on year. Given demographic pressures is it anticipated that demand will continue to grow in future years.

In 17/18 we are expecting to pay for 6,974 beds days. The proposal is that we procure 20 beds (7,200 bed days p.a.) at a cost of approximately £1m.

If demand was completely smooth saving of up to £1m would be possible. Though the reality is that there will be peaks in demand, so some weeks we may need 18 beds, while on other occasions we may need 22 beds. As a result there will still a requirement for the use of some spot beds, meaning more realistic savings in the region of £0.5m are expected.

Additional Comments

Finance group have reviewed this business case and fully support the recommendations which will result in significant QIPP savings.

It will be important to use these new block purchase beds in the first instance to reduce use of spot bed as far as possible.

There may be some risk in finding providers who will bid to provide the unit at the desired price.

Legal Implications:

(Authorised by the Borough Solicitor)

It is not unreasonable to design service requirements around the needs of citizens in the locality. To mitigate the risk of challenge, the procurement must be undertaken in accordance with the constitutional requirements of commissioning body and comply with national and international procurement legislation.

How do proposals align with Health & Wellbeing Strategy?	The "Improving Dementia Services in the Neighbourhoods" business case aligns with the following Health and Wellbeing Board strategic priorities: • Integration; • Improve the health and wellbeing of local residents throughout life; • support to those with poor health to enable their health to improve faster; • Local action and responsibility for everyone; • Public involvement in improving health and wellbeing.
How do proposals align with Locality Plan?	The service is consistent with the following priority transformation programmes: • Healthy Lives (early intervention and prevention) • Community development • Enabling self-care
How do proposals align with the Commissioning Strategy?	The service contributes to the Commissioning Strategy by: • Identification and support of "at risk" people; • Fewer overnight stays in hospital and more community based care.
Public and Patient Implications:	There are implications for people with dementia and their families/carers.
Quality Implications:	There is evidence that Improving Dementia Services will deliver the following patient outcomes: • **Better quality of life** and enhanced health and well-being; • **Fewer crises** that lead to unplanned out of borough placements and hospital admissions • **Enhanced experience of care** through better coordination and personalisation of health, social care and other services.
How do the proposals help to reduce health inequalities?	By offering people living with dementia more specialist support, in relation to ensuring health needs are met.
What are the Equality and Diversity implications?	It is anticipated that the proposal will not have a negative effect on any of the protected characteristic group(s) within the Equality Act.
What are the safeguarding implications?	Safeguarding assurance is integral within all service delivery.
What are the Information Governance implications? Has a privacy impact assessment been conducted?	This will be completed if required.
Risk Management:	No risks identified.

Access to Information :

The background papers relating to this report can be inspected by contacting Pat McKelvey by:

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1. EXECUTIVE SUMMARY

1.1 The proposal is to tender for a Specialist Dementia Care Home with Nursing in the locality to deliver expert support to individuals and their carer/s on the dementia pathway. The need for this provision has been identified within the Non-CHC Mental Health Quality, Innovation, Productivity and Prevention group.

2. OUTLINE DESCRIPTION

2.1 There are an estimated 2,691 people in Tameside and Glossop living with dementia. As part of the Care Together development, Tameside and Glossop is committed to improving the lives of people living with dementia and, through this, reduce reactive costs, including out of borough placements where local provision is unable to meet an individual's advanced and complex needs, and reduce unplanned hospital admissions.

2.2 The development of a Specialist Dementia Care Home with Nursing provision will deliver high quality, expert, local support to people living with advanced, complex dementia. It will support individuals to take control of their day to day lives and maintain their wellbeing and independence for as long as possible in the least restrictive way.

2.3 The dementia care pathway, including the Specialist Care Home with Nursing will enhance the offer of service delivery to the local population and is described as follows;

Level of Care	**Offer includes**
Community Care	GP / Outpatients CPN Social Care for ADLS Meals on Wheels Voluntary and commissioned day services / social inclusion District Nurses
Dementia Residential Care	GP / Outpatients CPN District Nurses Routine personal care; continence care; moving and handling; medication management; nutrition management; activity; MCA and BI processes / DOLS
Dementia Nursing Home Care	GP / Outpatients CPN Qualified nurse oversight Personal care; continence care; moving and handling; medication management; nutrition management; activity; MCA and BI processes / DOLS Some low level challenging behaviour management Some basic mental health intervention within care plan Skin care Risk Assessment, Care Planning, Intervention and Evaluation of care

Level of Care	Offer includes
Specialist Dementia Care Band 1	**Specialised Nursing Home Care that includes**: 2:1 availability for personal care for 60 Minutes a day Staff trained to use physical intervention 1:1 availability for feeding for 60 minutes a day Challenging behaviour management Mental Health symptom intervention – anxiety / aggression / arousal management Continence care – requiring oversight of qualified nurse Skin care – requiring oversight of qualified nurse Moving & Handling Care – requiring oversight of qualified nurse Medication management – requiring oversight of qualified nurse 60 minutes planned activity 5 days a week Risk Assessment, Care Planning, Intervention and Evaluation of care Management of Mental Capacity Act and Best Interest Processes / Deprovation Of Liberty Safeguards
Specialist Dementia Care - Band 2	**Specialised Nursing Home Care** **as Band 1 plus -** Behaviour management and mental health intervention on a 1:1 basis in waking hours to ensure the safety of the patient and those around the patient along with ensuring basic Assistance with Daily Living Skills are met as barriers to achieving these such as agitation and aggression / severe confusion are evident - established sleeping pattern
Specialist Dementia Care - Band 3	**Specialised Nursing Home Care** **as Band 1 and 2 plus maximum support;** Behaviour management and mental health intervention on a 1:1 basis 24 hours to ensure the safety of the patient and those around the patient along with ensuring basic ADLS are met as barriers to achieving these such as agitation and aggression / severe confusion are evident - no established sleeping pattern.
Hospital Placement	Detained Patient

3. BACKGROUND

3.1 A report by the Alzheimer's society in 2014 estimated that at the current rate of prevalence, there would be 850,000 people living with Dementia in the UK by 2015. These figures are expected to increase with worst case scenarios given as 1 million people by 2025 and 2 million by 20151. The report also details costs to the NHS and Local Authority across the UK economy at over £26 billion annually with the expectation that this will increase.

3.2 The Single Commission recognises the significance of an aging population and the worst case scenario described above based on the assumptions of no health interventions and therefore the need for commissioning services designed to meet these changing demands.

3.3 The Single Commission currently has to commission placements out of borough, both hospital and nursing because there are no local providers that meets the needs of people with advanced complex dementia.

3.4 Although there is some Elderly Mentally Ill (EMI) nursing and residential provision in the locality that delivers support to those who are elderly mentally infirm there is no local provider who provides specialist dementia care with nursing to meet the needs of people with Dementia who experience complex behavioural and psychological symptoms. When this manifests itself in individuals becoming aggressive and refusing care, expert support is required to prevent and manage these risks in the most person centred and least restrictive way. There is also recognition that supporting local placements enables carers/family relationships to be maintained and realised as an asset to someone's ongoing support.

3.5 The Non-CHC Mental Health Quality, Innovation, Productivity and Prevention group identified the need to develop a more specialised service for this client group than is currently delivered across the EMI residential/ nursing provision in the locality. This will deliver improved outcomes for individuals as well as reduce the need for costly out of borough nursing or hospital placements and delayed transfer of care from in-patient services (acute and mental health).

What the business case seeks to commission/re-design

3.6 The proposal is seeking permission for the development of a facility offering 18-22 beds and a contract over a 5 year period with the option to extend for up to a further two years.

3.7 Admissions and discharges to the Care Home will be actively managed by the Mental Health Individual Commissioning Manager as she does for all individual funded packages of care.

3.8 The provider will be commissioned to deliver innovative, high quality, outcomes focussed, personalised care in an environment and culture that allows interventions to be delivered in the least restrictive way. Partnership working across the health and social care sector and a workforce that has the skills and understanding of those with complex and challenging needs will also be key to quality.

3.9 By having this provision as part of our locality care pathway active management will ensure patients are placed in the most appropriate setting, as described 2.3. The provider will work collaboratively with local services, supporting patients across the three bands and facilitating timely step-down to dementia nursing or residential care as needs change. This will create capacity and promote timely discharge from hospital. The provider will be charged with ensuring that the individual and their family are aware that the admission to this facility with be short/medium term based on their presenting need.

4. REASONS: NATIONAL, STRATEGIC AND LOCAL CONTEXT

4.1 There are a number of national policy positions which have informed this business case; in 2009, the 'Living Well with Dementia: A National Dementia Strategy' provided the strategic framework within which to make quality improvements to dementia services and address health inequalities. In 2012, 'The Prime Minister's Challenge on Dementia' provided a challenge to the whole of society as well as government to focus on driving improvements and creating dementia friendly communities and better research. In 2013, 'A State of the Nation Report on Dementia Care and Support in England' acknowledged dementia as being one of the most important health and care issues the world faces as the population ages; and projected a doubling of prevalence nationally over the next 30 years.

4.2 The 'Prime Minister's Challenge on Dementia 2020' (2015) sets out what this government wants to see in place by 2020 in order for England to be the best country in the world for dementia care. It sets out vision for Dementia care and support as follows;

> *"our vision is to create a society by 2020 where every person with Dementia, their families and carers - whatever their background, geographical location, age, gender, sexual orientation, ability or ethnicity- receive high quality, compassionate and culturally sensitive care. This is from diagnosis to end of life care and in all care settings whether at home, in hospital or in a nursing/care home. We want the best services and innovation currently only delivered in some parts of the country to be available worldwide so there is more consistency of access, care and less variation"*

4.3 NHS England has been prioritising equitable access to high quality services and support for people diagnosed with dementia and as a result, the National dementia team developed a 'Well Pathway for Dementia'. An element of the pathway refers to access to high quality health and social care for people with Dementia and their carers and personal I statements as follows;

> "I am treated with dignity and respect"
> "I get treatment and support that are best for my Dementia and my Life"

4.4 The Implementation Guide and Resource Pack for Dementia Care (formally known as the Evidence Based Treatment Pathway (EBTP), was published on the NHS England website July 2017) - priority areas identified for quality improvement by NICE are set out in the Support in Health and Social Care and Independence and Wellbeing Quality Standards for Dementia Care.

4.5 These state that people with:

- Dementia are enabled, with the involvement of their carers, to access services that help maintain their physical and mental health and wellbeing;
- Dementia have an assessment and an ongoing personalised care plan, agreed across health and social care that identifies a named coordinator of care and addresses their individual needs;
- Dementia with the involvement of their carers, have choice and control in decisions affecting their care and support;
- Dementia receive care from staff appropriately trained in dementia care.

4.6 **Supporting the Single Commission's Quality, Innovation, Productivity and Prevention Agenda**

4.7 **Quality:**

- better service user and carer experience;
- better integrated health and social care approach;
- provision that meets NICE Dementia Quality Standards;

- better developed and trained workforce.

Innovation:
- integration of primary and secondary care, health and social care and physical and mental health care;
- reduction in unnecessary referral and administration;
- incorporates best evidence to support a whole-system change.

Productivity:
- reduced demand for acute inpatient provision
- reduced demand for specialist mental health inpatient provision
- increased discharge rates and shortened length of stay from acute and specialist mental healthcare to primary care and home support
- increased response times
- increased numbers of people receiving specialist assessment
- release of resources so that more treatment can be provided in the community and home settings

Prevention of
- inappropriate hospital admissions;
- people having to lose their independence;
- inappropriate drug prescribing;
- delayed discharges.

5. OUTCOMES AND BENEFITS

Anticipated Outcomes

5.1 There are clear opportunities for innovation and improvement in the delivery of dementia care in Tameside and Glossop, which will:

- improve individual and carer experience;
- deliver better outcomes for individuals;
- and achieve efficiencies across the local health economy.

5.2 It is anticipated that, once established, this development will not only be cost neutral it will also reap savings through reducing the need for high cost out of borough placements.

5.3 The potential cost savings to the health and social care economy are outlined in the financial considerations below**.**

5.4 **Measurable Improvements**
- The reduction in the number of out of borough placements for people who require specialist dementia care.

- Local Care Home quality standards will be achieved

- 360 Degree reviews of the provision from staff, carer and patient surveys will be collated to measure outcomes and satisfaction

- Monthly performance and quality monitoring of the new service will be established for the first 12 months to ensure that the progress is as expected.

6. FINANCIAL CONSIDERATIONS

6.1 Over the last three years the CCG has funded placements in out of area specialist dementia care homes as follows:-

Financial Year	Number of Patients	Number of Beddays	AVG Bedday Rate	Total Cost FYE
2015/16	16	3572	£241	£861,598
2016/17	22	6152	£269	£1,657,893
2017/18 Forecast	26	6974	£299	£2,088,114

6.2 The anticipated cost proposal for a block purchased Specialist Dementia Care Home is outlined below:

Calculations based on 20 Beds for a period of 12 months			
Percentage of people accessing each band based on current out of borough placements	Proposed costs per week for each band based on current market	No Of Beds based on % accessing each band against 20 beds	52 Weeks
60%	£1000	12	£624,000
30%	£1600	6	£312,000
10%	£2200	2	£104,000
		Total	**£1,040,000**

Financial Year	Number of Patients	Number of Beddays	AVG Bedday Rate	Total Cost FYE
2018/19 Onward	20	7300	£142	£1,040,000

6.3 Occasionally additional support may be required for highly complex cases. These would be funded via Non-CHC mental health funding in line with current practice.

6.4 The anticipated budget/spend for the tender, taking into consideration the information above will be approximately £1,040,000. This has considered the costs above which are based on an average 20 place facility. The tender is seeking to establish an offer of between 18-22 beds therefore we need to anticipate the market capacity in ensuring the costs are viable for delivery across this range of submissions.

6.5 This development has the potential to release a direct saving of anything between £496k and £974k per annum to the Single Commission, due to the fluctuations and use of expensive out of area spot purchased placements.

Potential Future Savings	AVG Bedday Rate over 3yr period	AVG Actual Costs per annum based on 3 years	Bedday Utilisation (AVG) 3 years	Full Capacity	Costs based on full Utilisation for like for like comparison
Pre Tender	270	£1,535,868	5566	7300	£2,014,344
Post Tender	142	£1,040,000	7300	7300	£1,040,000
Savings	**-128**	**-495,868**	**1734**	**0**	**-974,344**

7. PERFORMANCE MONITORING, EVALUATION AND EXIT STRATEGY

7.1 The Single Commission will monitor performance against the anticipated outcomes as follows:

- Reporting will be on a monthly basis. This will allow us to closely monitor the development of the project within the agreed parameters and collate the evidence to demonstrate impact.

- Reporting on activity:
    - Source and number of referrals.
    - Nos returned to borough, improved outcomes and savings.
    - Waiting lists.

- Patient reported outcomes – through standardised outcome reporting tools, (to be agreed) e.g. PREM/PROM (based on I statements), Health Innovation Network (HIN) Ask Dementia Outcome Measure (ADOM), Carer's Stress Index, to demonstrate impact of the service on:
    - Satisfaction with services provided.

- Reporting on partnership working/referrals and outcomes for people living with dementia and their carers and families.
    - Demonstrate effective partnership working with a wide range of partnership organisations.

- Quality assurance monitoring through case study narrative and comprehensive reporting requirements:
    - Against the Well Pathway elements: Living Well, Supported Well, Dying Well reported through case studies illustrating the situation at the starting point of contact, the inputs required the immediate and anticipated outcomes.

7.2 Formal evaluation of the proposal will seek to prove that savings generated are equal to or greater than the cost of implementation

8. PROCUREMENT TIMETABLE

8.1 In order to realise the savings and improved pathway outcomes that implementing this service will bring, the timescale for a procurement exercise has been identified as follows:

Plan Specification and Tender Pack	Feb/March 2018
Place Advert for Tender	April 2018
Closing Date for Tender	End April 2018
Evaluation and Interviews for Tender Submissions	May 2018
Report on Procurement Exercise for Permission to Award	June 2018
Award Including 10 Day Standstill	July 2018
Prepare for Contract Start	July – Sept 2018
Contract Commence	August 2018

9. RECOMMENDATONS

9.1 As set out on the front of the report.

APPENDIX 1

Equality Impact Assessment

Subject / Title	**Specialist Dementia Care Home with Nursing**

Team	**Department**	**Directorate**
Personal Health Budgets	MH and LD Commissioning Team	Commissioning

Start Date	**Completion Date**
January 2018	*xxxxxxxxxx*

Project Lead Officer	Pat McKelvey
Contract / Commissioning Manager	Pat McKelvey
Assistant Director/ Director	Jessica Williams

EIA Group (lead contact first)	**Job title**	**Service**
Pat McKelvey	Head of MH and LD	Commissioning
Anna Livingstone	Quality Lead	Nursing
Denise Buckley	Commissioning Contracts Officer	Commissioning
Ann Warrington	Individual commissioning Manager	Nursing

PART 1 – INITIAL SCREENING

1a.	**What is the project, proposal or service / contract change?**	1. Establish a Specialist Care Home with Nursing
1b.	**What are the main aims of the project, proposal or service / contract change?**	The specialist dementia care home with nursing will deliver a service to those with advanced, complex dementia who require a different support approach in terms of meeting their day to day physical, emotional and behaviour needs and the risks associated with their support. Gaps are evident in the current EMI residential and nursing provision within Tameside and Glossop which has resulted in a number of individuals being placed in expensive out of borough nursing or hospital placements as levels of need become unmanageable within the currents setting. At an acute level, blockages can be experienced on the Summers Ward. Individuals admitted from EMI nursing or residential placements for a period of assessment have few

		options for move on resulting in delayed discharge an/or out of borough placements.

1c. Will the project, proposal or service / contract change have either a direct or indirect impact on any groups of people with protected equality characteristics? Where a direct or indirect impact will occur as a result of the project, proposal or service / contract change please explain why and how that group of people will be affected.				
Protected Characteristic	**Direct Impact**	**Indirect Impact**	**Little / No Impact**	**Explanation**
Age	**x**			There are currently around 850,000 people in the UK with dementia. It mainly affects people over the age of 65 (one in 14 people in this age group have dementia), and the likelihood of developing dementia increases significantly with age. However, dementia can affect younger people too.
Disability	**x**			People with learning disabilities, particularly those with Down's syndrome, are at increased risk of developing dementia. If a person with a learning disability develops dementia, they will face different and additional challenges to people who do not have a learning disability.
Ethnicity	**x**			More than 25,000 older black and minority ethnic (BME) people live with dementia in the UK, in part due to vascular risk factors such as hypertension often found in African-Caribbean and South Asian UK populations. In other ethnic groups such as Irish and Jewish, there is a demographically-older population so with the link between age and dementia, prevalence is likely to be higher.
Sex / Gender			**x**	Overall, dementia incidence is similar for men and women.
Religion or Belief			**x**	Dementia can be developed to people of all religion/beliefs so there may be an indirect impact but no direct impact is anticipated in terms of religion/belief.
Sexual Orientation			**x**	Dementia can be developed by people of all sexual orientations so there may be an indirect impact but no direct impact is anticipated in terms of sexual orientation
Gender Reassignment			**x**	No direct impact is anticipated in terms of gender reassignment
Pregnancy & Maternity			**x**	No direct impact is anticipated in terms of pregnancy/maternity due to the age range predominantly affected by dementia
Marriage & Civil Partnership			**x**	No direct impact is anticipated for those who are married or who are in a civil partnership
NHS Tameside & Glossop Clinical Commissioning Group locally determined protected groups?				
Mental Health	**X**			People with dementia and mental health needs will be impacted by the introduction of

				this service.
Carers	**x**			This business case will positively impact on carer health and will contribute to preventing carer breakdown
Military Veterans			**x**	Dementia can affect everyone so there may be an indirect impact but no direct impact is anticipated in relation to military veterans
Breast Feeding			**X**	Dementia usually directly affects those beyond child bearing age and there is no direct impact is anticipated in terms of this particular characteristic.
Are there any other groups who you feel may be impacted, directly or indirectly, by this project, proposal or service / contract change? (e*.g. vulnerable residents, isolated residents, low income households)*				
Group (*please state)*	**Direct Impact**	**Indirect Impact**	**Little / No Impact**	**Explanation**
None				The anticipated age range for people affected by dementia makes this unlikely.

1d.	**Does the project, proposal or service / contract change require a full EIA?**	**Yes**	**No**
			x
1e.	**What are your reasons for the decision made at 1d?**	The changes proposed are seeking a positive impact and the contractual monitoring within the implementation of the proposal will monitor impacts for the target group.	