

Divisions Affected - All

Delegated Decision by Cabinet Member for Adults

17 June 2025

Budget approval for provision of a Dementia Support Service funded between Adult Social Care and Integrated Care Board

Report by Director for Adult Social Care

RECOMMENDATION

1. **The Cabinet Member is RECOMMENDED to**
 - a) Approve the proposal for Adult Social Care to commission a dementia support service through a procurement exercise and transition to a new ten-year contract on a five-year plus five-year basis from 1 January 2026 (pooled budget £913,623 per year as set out in paragraph 7 below).
 - b) Delegate to the Director for Adult Social Care authority to manage the service design and approve the award of contract in consultation with the Head of Legal and Governance and the Director of Finance.

Executive Summary

2. This paper provides details on the proposal to commission a dementia support service with contributory funding from Buckinghamshire Oxford and Berkshire West Integrated Care Board (BOB ICB) to meet future needs. It emphasises the importance of providing tailored support to individuals living with dementia and their unpaid carers, highlighting the increasing demand for such services as the population ages. It also sets the stage for a new service model that aims to enhance the quality of life for those affected by dementia, ensuring they remain supported within their communities.
3. Our conclusion advocates for a strategic approach to service delivery that is responsive to the increasing needs of the community, ensuring that individuals can live well with dementia while receiving the necessary support. The proposed changes and funding adjustments aim to enhance the effectiveness and reach of dementia support services in Oxfordshire.
4. It is recommended that the new dementia support service is commissioned by the Council with contributory funding from BOB ICB at the increased funding level. It is proposed the new service will go out to tender and will be

commissioned for five years plus a possible further five years (with 6 months' break clause included), with a proposed start date of 1 January 2026.

Decision table

Board	Date	Decision
Adult Social Care Directorate Leadership Team	22 April 2025	Agreed
Joint Commissioning Executive	8 May 2025	Agreed
ICB Turnaround Board	9 June 2025	
Key decision at Cabinet	17 June 2025	

Proposed commissioning

Introduction

5. Our population is ageing, and the prevalence of dementia roughly doubles with every five-year increase in older age. According to the Dementia Diagnosis Rate report for September 2024, Oxfordshire has 6,093 people diagnosed with dementia aged over 65 with an estimated 9,662 that might have dementia. The need to improve and develop services for people with dementia has received an increasing level of national and government attention. We estimate the demand in Oxfordshire will increase in line with this trend.

Background

6. Under the Care Act 2014, the Council and NHS are responsible for ensuring that sustainable, high-quality care and support services are available for adults and their unpaid carers who are in need of meaningful care and support.
7. There are currently two contracts with Age UK Oxfordshire which support people living with dementia, their unpaid carers and also people with Mild Cognitive Impairment or memory difficulties. These two contracts expire on 31 December 2025. These services are funded from the Age Well pooled budget by the Council and the BOB ICB and total £820,123pa.
8. The Dementia Support Services have a big impact on both the people living with dementia or Mild Cognitive Impairment / memory issues and their unpaid carers. See **Annex 1** for Dementia Oxfordshire Impact Report 2024. The services have seen consistent growth in the number of people being supported in the region of 10% year-on-year and the data tells us that we should expect the demand to continue to rise.
9. There is an NHS national target to deliver dementia diagnosis to a minimum of 66.7% of the assumed prevalent population. This target is adopted within the Oxfordshire Health & Wellbeing Strategy. Currently, Oxfordshire's performance is 63.1%. Dementia support services are part of the delivery of this target: the

existence of post-diagnostic support is a key element in encouraging people to seek an early diagnosis.

10. The table below shows how the numbers of people being supported have risen since the first year of the contract in 2021.

	Year 1 (2021)	Year 2 (2022)	Year 3 (2023)	Year 4 (2024)	Change (from 2021 to 2024)
Number of new referrals accepted	964	1,109	1,178	1,153	+19%
Service case-load	2,109	2,337	2,609	2,745	+30%
Number of 6-month reviews completed*	3,718	4,597	4,519	4,557	+23%

*Does not include initial reviews

The proposed new service

11. We explored national and local models and we have looked at the performance and the impact the current services are having on people living with dementia and their unpaid carers. We have asked people living with dementia, their families and professionals working with people living with dementia about what is working and what isn't. With all this information and feedback, the Council and BOB ICB have co-produced a **new model of service**.
12. The overall aim of the new model of dementia support service we require is to empower and support people concerned about their memory, diagnosed with Mild Cognitive Impairment or dementia, their unpaid carers, and wider family, to live their lives as independently, successfully and safely as possible for as long as possible within their communities. The service will be extended in the new model to include Admiral Nurse support. This increases the capacity and capability of the service and the opportunities to improve the interface with the clinicians providing healthcare to the users of the service.
13. The intention is to go out to tender and the new service will start on 1 January 2026. The contract will be for five years plus an option to extend for a further five years to allow more sustainability and stability in the sector. The length of the contract will maximise the opportunity for innovation and costs savings and partnership working. Included in the contract will be a break clause giving the Council the right to terminate the contract at any time by giving not less than 6 months' notice. This time frame also aligns to the Oxford Health NHS FT mental health contract. Dementia Support services work alongside memory clinics provided by the Trust, and there is scope to improve pathways and response to better support our population and deliver efficiencies.

Options analysis

14. **Option 1:** Do nothing and allow the dementia contracts to end on 31 December 2025.

This would leave the Council at risk of challenge in not meeting statutory obligations under the Care Act 2014.

15. **Option 2: Retender.** The Council commissions a co-produced (with BOB ICB) dementia support service through a procurement exercise and transition to a new ten-year contract (on a five-by-five-year basis) with a proposed commencement date from 1 January 2026 (including funding for an Admiral Nurse), in line with the new Mental Health Contract which incorporates older adult community and in-patient mental health care. (The OA CMHT provide the memory assessment services that drive referrals into the dementia service.)

Preferred option

16. The preferred option is **Option 2: Retender.** The Council commissions a co-produced (with BOB ICB) dementia support service through a procurement exercise and transition to a new ten-year (on a five year by five year basis) contract from 1 January 2026 (including funding for an Admiral Nurse), in line with the new Mental Health Contract which incorporates older adult community and in-patient mental health care. (The OA CMHT provide the memory assessment services that drive referrals into the dementia service.).
17. This option would allow the Council to complete a fair exercise to commission a service which will deliver value for money and meet the specification.

Contract value

18. The current budget for 2025-26 from the Age Well pooled budget is £820,123. We have considered inflationary pressures experienced by providers and propose to increase the budget by £33,500 which equates to 4.1%. We recommend that the new contract has a price review clause where inflation uplift is considered on an annual basis. We have also considered the impact the Admiral Nurse has had on the current dementia services and propose to increase the budget further by £60,000 for one Admiral Nurse as part of the new service.

Current service	Cost per year	Activity
Current annual ASC budget	£637,660	New referrals over 1,200pa Service caseload over 2,700, 6 monthly reviews over 4,500 Supporting 71% of people in community
Current annual BOB ICB budget	£182,463	
Total	£820,123	
New service	Cost per year	Activity
Increase ASC budget as per 2025-26 inflation rate at 4.1%	£26,000	Funding identified in the Council Prevention budget. Funding identified in the BOB ICB budget.
Increase ICB budget as per 2025-26 inflation rate at 4.1%	£7,500	

		Cost uplift applied pro-rata to the current allocation of costs within the contract
Total	£853,623	Council increase to be met from SBE534
PLUS:		
A: One Admiral Nurse £60,000		Proposal to split 50:50 with BOB ICB
Increase ASC budget	£30,000	Funding identified in the Council Prevention budget.
Increase ICB budget	£30,000	Funding identified in the BOB ICB budget.
Total	£913,623	
B: Two Admiral Nurses £120,000		<i>To be varied to contract post-award if indicated</i>
Increase ASC budget	£60,000	
Increase ICB budget	£60,000	
Total	£973,623	<i>Indicative if variation takes place</i>

19. The total cost for a contract up to ten years would be £9,136,230 which includes one Admiral Nurse at £60,000pa. The total cost to the Council for this would be £6,936,600. This is an increase of £56,000pa for the Council.
20. The ICB confirmed the commitment of funding to support this procurement at its Executive Expenditure review group on 9 June.

Impact

21. The Service will be part of the Memory Assessment and Diagnostic Pathway (See **Annex 2**) and deliver the following outcomes:
 - Provide individuals with local information by maintaining an up-to-date website and social media platforms for the Dementia Support Service and other forms of communication including attendance at events to enhance knowledge and help to avoid duplication. The service both extends and aligns to the *Oxfordshire Way*.
 - Engage with individuals that don't usually access support with memory concerns or dementia to reduce stigma and improve awareness.
 - Increase awareness and reduce stigma and health inequalities.
 - Increase understanding of memory concerns and dementia through training and group opportunities.
 - Increase awareness of the benefits of an early diagnosis.
 - Promote support available across Oxfordshire for those with memory concerns or dementia and their unpaid carers.
 - Prolong the time that those with dementia can stay at home.
 - A clear referral pathway for people with Mild Cognitive Impairment, memory difficulties or waiting for a dementia diagnosis.
 - Well established links between Dementia and Memory Advisers and GP practices and Primary Care Networks.
 - GPs more aware of pre- and post-diagnostic support services.

- Supporting GP practices and Primary Care Networks to promote awareness and information to provide a coordinated pathway of care.
- Reduce the use of statutory services such as primary and secondary healthcare, hospitals and Adult Social Care.

22. The specification of the contract will include a requirement for the Service Provider to work with commissioners to design evaluation tools and track actual impact on spend in other parts of the system e.g. reduction of care home days as a result of the specific service interventions. Until this work is completed, it is not possible to be specific about actual savings over the lifetime of the contract. Areas in the system where we would expect savings are the following.

Costs attributable to:

- Delayed use of care home and complex nursing beds by people living with dementia
- reduced ambulance call-out and fewer conveyances to the Emergency Department
- when people are admitted to hospital, increased ability to deploy Home First D2A reducing bed day consumption and higher cost care packages
- Fewer carer breakdowns
- community support (including unpaid carers) versus institutional support
- prevention support (delaying onset and impact of dementia through healthy lifestyle support)

23. The Key Performance Indicators in the new model will include the following:

KPI	Detail	Impact
Increase in capacity	Increase number of people living with dementia supported to live in their own homes	Provides support to people in the community who may not be receiving any.
Reduction in hospital admissions	Help manage dementia symptoms more effectively at home, reducing the frequency of hospital admissions	Reduction in hospital admissions leading to significant cost savings for the healthcare system.
Shorter hospital stays	When hospital admissions do occur, the involvement of the Admiral Nurse can shorten the length of stay by providing specialised support	Less distress for person living with dementia. Cost savings for healthcare system.
Delayed admission to care home Reduction in care home admissions	By supporting unpaid carers and providing expert support advice, the need for residential care can be delayed.	Long-term savings for Adult Social Care.

Support for unpaid carers	By reducing carer stress and breakdown, the Service can help maintain the health and wellbeing of unpaid carers and family members.	Prevention of additional healthcare costs related to unpaid carer health issues.
Addressing health inequalities	Targeted interventions and developing initiatives with communities that experience health inequalities	Promotion of dementia risk reduction

Corporate Policies and Priorities

24. The recommissioning of the Dementia Support Service for a further ten years aligns with the council's **Strategic Plan 2023-2025**:
 - a) Commitment to tackle inequalities in Oxfordshire
 - b) Prioritise the health and wellbeing of residents
 - c) Support carers and the social care system.
25. The delivery of stronger, more resilient communities will address a portion of the demand on health and social care services as identified in the Council's strategic Plan 2023-2025 priority of supporting carers and the social care system. The proposed interventions make a significant contribution to prevention work which seeks to strengthen health outcomes and build on individuals' strengths.
26. The Dementia Support Service also aligns with the **Oxfordshire Health and Wellbeing Strategy 2024-2030**, through supporting people to stay well and independent, enjoying better health and wellbeing for longer – and interventions delivered as early as possible when needed.

Financial Implications

27. The funding required for the ten-year contract from 1 January 2026 has been identified by Oxfordshire County Council. Funding has been approved by the BOB Integrated Care Board on 9 June 2025.

Comments checked by:

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Legal Implications

28. Under the Care Act 2014, the Council and NHS are responsible for ensuring that every person diagnosed with dementia receives meaningful care, and requires us to develop sustainable, high-quality care and support services.
29. The budget for this procurement is funded from the s75 NHS 2006 commissioning agreement between the Council and ICB dated 1/4/2023.
30. The procurement will be carried out as a Competitive Flexible Procedure under the Procurement Act 2023 and is a light touch contract as defined within the Act.

Comments checked by:

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Staff Implications

31. TUPE information has been requested from the existing provider and will be reviewed for any Council pensions or other financial risks. The information will be provided to bidders. Bidders will be required to separate out TUPE costs as part of their bids should these costs not materialise.

Equality & Inclusion Implications

32. With equality and diversity issues at the forefront, the service model has been designed and co-produced with people living with dementia and their unpaid carers. Feedback has been sought about what is working and what isn't and this has helped shape the design of the new service model. The impact of the future service will be monitored and evaluated to ensure that it is making a positive difference to people living with dementia and their unpaid carers and helping them to continue living in the community.

Risk Management

33. **Critical success factors summary table**

Critical success criteria	Option 1	Option 2 [preferred]
Savings achieved	3	1
Least reputational risk	1	3
Least user risk	1	3
Strategic aims achieved	1	3
Feasibility of implementing within acceptable timescales (i.e. no break in service)	1	3
Opportunity to maintain stability and support the existing dementia provision	1	3
Total	8	15

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ANNEXES: Annex 1 for Dementia Oxfordshire Impact Report 2024
Annex 2 Memory Assessment and Diagnostic Pathway

Background papers: None

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