

14 July 2010

See copy list

*Department of Health  
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Dear Colleague

**Subject: NHS Standard Contract - Care Homes Contract 2010 for adults with a physical disability and/or older people**

You will be aware that the DH gave an undertaking that they would produce a standard contract for use for the commissioning of care home services for older people and people with physical disabilities.

A reference group, which included representatives from both commissioners and care home providers, was formed in late 2009 to advise the DH standard contracts team on specific operational and organisational requirements of the sector. The piece of work culminated in a series of very successful workshops, held in March 2010.

The workshops discussed the current NHS standard contract for community services contract in the context of the care homes sector and the workshop members suggested a number of changes to the standard contract wording that would be appropriate for the care homes sector.

Arising from the workshop a working draft of the proposed care homes contract has been developed and we are now at the stage of seeking your comments on the contract structure and wording.

This contract is one of the suite of standard contracts used for commissioning NHS funded care and services from the range of providers delivering NHS funded services. However, the care homes contract is intended for use when commissioning care home services from the independent and voluntary sectors. It is based on the other NHS standard contracts, to ensure consistency of approach but has been adapted to ensure that it reflects the context within which care home services are commissioned and provided.

The contract provides a standard format for use with all organisation sizes and as a consequence some organisations may feel that the enclosed document is somewhat daunting as compared with contract forms that may already be in use. The contract is aimed to ensure that all organisations, when contracting with commissioners of care home care are reassured that the terms on which they are commissioned are common across the industry and reflect the services offered and are based on the input of representatives of the care homes industry.

As the development of the care home contract developed and on the advice of the Reference Group, the scope of the contract has been enhanced to cover all residents of adult care homes that are funded by the NHS.

The contract will be used by commissioners of NHS funded care.

In seeking your comments, we are looking to improve the contract to the point that we can all be confident that it will be fit for purpose for use by commissioners and providers of services and will be the building block of a high quality service that meets the needs of service users.

There will be areas of the contract where we will not be able to make significant change, given the need to ensure a level of consistency across all contracts and also the need to reflect national policy. However, wherever possible we will look to improve the wording for reasons of clarity.

Local authorities as commissioners have over the years developed standard form documentation when commissioning local authority funded care placements from the care home sector. This care home contract has had input from local authority representatives and it is

hoped that they will find the document in a form that they can use, particularly where joint commissioning arrangements are in place.

I would very much welcome your comments, detailed or general, on the contract but in particular I would like to focus on the following questions/ sections:

- The reference group requested that the contract be extended to cover mental health and learning disabilities care homes. Does the contract adequately reflect these care groups, and, if not, what further changes are needed?
- Module B has been simplified to include a shorter service specification and sections relating to activity, payment, quality outcomes, incentive schemes and information requirements. We would welcome any comments/ suggestions on this module.
- Does the payment system outlined in Clause 7 Module C meet the requirements of the care homes sector?
- The Transfer of and Discharge from Care Obligations (Clause 17 Module C) has been simplified. However, this does not currently reflect obligations which may exist for people with mental health problems. Do you consider further changes are required for this care group and, if so, what changes would you suggest?
- Is the disputes resolution clause described in clause 27 of Module C appropriate for dealing with disputes involving the care homes sector? (please note that independent binding pendulum arbitration is a current policy requirement across all the standard contracts)

We have produced a pro forma for you to complete with any comments.

Please send completed pro forma to the following email address:  
**contractshelp@dh.gsi.gov.uk** with “**care homes contract comments**” in the subject line by **Monday 6<sup>th</sup> September 2010**.

I look forward to receiving any comments you may have.

Yours sincerely

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**Enclosures** – Draft Care Homes Contract for comment  
Template for comments

**Circulation list:**

Independent, Charitable and Voluntary Sector care home providers  
PCT and LA Commissioners  
Strategic Health Authorities Contract leads  
Care Homes Contract Reference Group members  
Third Sector Partnership Team mailing list members  
Contracts e-bulletin circulation list