

## HAMPSHIRE COUNTY COUNCIL

### Decision Report

<b>Decision Maker:</b>	Executive Member for Adult Social Care
<b>Date of Decision:</b>	26 October 2012
<b>Decision Title:</b>	Extra-Care Housing Tendering & Procurement
<b>Decision Reference:</b>	4322
<b>Report From:</b>	Director of Adult Services

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#### 1. Executive Summary

- 1.1. On 24 September 2007 Cabinet approved the Adult Services Development of Extra-Care Housing Report. This included Hampshire County Council's strategic aim of securing through multi-agency partnerships a total of 400 units (Project Extra-Care Phase 1) of Extra-Care Housing over five years (2008-2013). It was anticipated that 200 of these would be within new-build Extra-Care developments and 200 would result from enhancing existing sheltered housing schemes.
- 1.2. The report set out how the then emerging evidence from the early Extra Care schemes nationally indicated that Extra Care Housing brought benefits to individuals, the wider community and to Adult Social Care authority.
- 1.3. It recognised that the delivery of Extra-Care Housing required Hampshire County Council to work in partnership with the Borough and District Councils. The 'Partnership for Extra-Care Housing in Hampshire', agreed in 2008, formalised this approach.
- 1.4. This ongoing commitment was re-affirmed by the Cabinet decision of October 2011 when a further £45m of capital resources for Project Extra-Care Phase 2 was agreed to develop the next round of extra care housing developments in partnership with district councils and registered providers.
- 1.5. We are seeking permission to tender the care and support for two schemes currently provided as sheltered housing that will become part of the network of enhanced extra care housing. The two schemes are Danemark Court & Matilda Place in Winchester. The tendering process will see contracts issued from 1 July 2013. These schemes form part of the completion of the Phase I Extra-Care programme.
- 1.6. The schemes under consideration in this report will contribute an additional 55 units to the planned provision proposed in 2007

## **2. Contextual information**

- 2.1. Cabinet approved the Adult Services Department Modernisation Strategy in December 2006 and the Better Housing Solutions Strategy in September 2007, which set the strategy for creating an alternative to residential care.
- 2.2. This proposal to tender is key to implementing the strategy of enhancing the level of service offered in existing sheltered housing schemes to the level of Extra Care. This does not involve major changes to the accommodation itself, beyond ensuring that it offers as a minimum 1 bed flats as opposed to bedsit accommodation. The focus of the enhanced programme is on the service delivered to individuals, ensuring there is a 24/7, on site, unified housing support and social care service delivered by one provider through the unification of the Supporting People and Social Care contracts, and the establishment of a clear pathway into the service through the development of a joint nominations process for Extra Care between the social care and housing authority.
- 2.3. The European Union (EU) Procurement Directives (current regulations 31 January 2006), and Hampshire County Council Standing Orders require that public procurement must be based on value for money which should be achieved through competition, i.e. a tender process, unless there are compelling reasons to the contrary.

## **3. Benefits**

- 3.1. As identified at para 1.2, early evidence emerging in 2007 indicated that Extra care housing provided benefits to clients. Since that time, as further Extra Care schemes have been developed, and the evidence based extended, these initial views have been validated. Research undertaken by the International Longevity Centre-UK, and published in Kneale, D, *Establishing the Extra in Extra Care: perspectives from three Extra-Care housing providers* (2011) found that compared to those living in the community receiving domiciliary care, those in Extra-Care housing are less likely to enter institutional accommodation, experience better health outcomes, are less likely to be hospitalised, and experience a lower number of falls.
- 3.2. Other research undertaken by the Personal Social Services Research Unit, University of Kent, and published in *Improving Housing with Care Choices for Older People: An Evaluation of Extra Care Housing* (2011) concluded that when comparing like clients, those living in Extra Care had improved mortality and survival rates over those who moved into residential or nursing care homes.
- 3.3. For individuals it provides a safe environment in which to remain independent for as long as they are able, it enables couples to remain together, when one of them develops greater care needs, it provides them with security of tenure through tenancy agreement or ownership, increases their financial autonomy (including responsibility for their own accommodation and council tax) and enables them to remain part of their local community.

- 3.4. For the wider community it helps to maintain its overall balance, and offers an opportunity to release family housing (social or privately owned) back into the wider housing market. The schemes themselves by offering a base for a wide range of services can act as a community hub, and develop a culture of participation both from and with communities.

#### **4. Finance**

- 4.1. Extra-Care housing is an alternative to other forms of housing support and social care. People placed in these schemes must be eligible for these services. They therefore do not represent additional costs as Adult Services and Supporting People would have to make other provision for these people in any case. For individuals, it increases financial independence, by enabling the retention of a higher proportion of their income than is the case in residential or nursing care alternatives.
- 4.2. For Adult Services, Extra-Care housing is more cost effective than residential care, as people meet their own accommodation costs, either through rent or the purchase of a lease, and the model attracts a wider range of funding sources such as Supporting People funding, and housing benefit.
- 4.3. The current costs of the service at Danemark Court and Matilda Place are already being paid and met from existing operational budgets which fund the existing social care and Supporting People contracts.
- 4.4. The value of these contracts together amount to £188,653 per annum covering both Danemark Court and Matilda Place. It is proposed to procure the new service for these schemes at this level for a minimum of two years and nine months, to enable the contract end date to be aligned with other extra care contracts. It is however recognised that the aim for Extra Care schemes, including those that form part of the enhanced programme, is to establish a community of individuals with a balance of care needs, comprising both those with low care needs (quantified as 0-5 hours of assessed care needs a week), and those with high care needs (quantified as in excess of 11 hours of assessed care needs a week). To allow for the service to grow to meet this level of need it is proposed to set a maximum annual contract value of £410,390.
- 4.5. The level of the initial contract entered into with the organisation who is successful through the proposed procurement process will be £188,653 the level of the current contract. No increase to this will be agreed unless it is on the basis of an increase in the care needs of clients resident at Danemark Court or Matilda Place, identified and agreed through the established care management process. No additional funding is therefore required for the procurement of this service

#### **5. Other Key Issues**

- 5.1. Support for these schemes will emphasise Hampshire's commitment to its long-term strategic approach to a new generation of housing support and care for older people, endorsed by Cabinet in September 2007 and again in

October 2011. Extra-Care schemes promote and support Independent Living and Lifetime Neighbourhoods. Benefits include building sustainable communities and preparing for the demographic challenges facing Hampshire County Council.

- 5.2. There have already been considerable benefits recorded from the introduction of night cover to the enhanced Extra-Care schemes at Abbey Court, Basingstoke, and at Warner Court, Andover. These include six examples of avoiding the move on to residential care, plus examples of earlier discharge from hospital, dignified death 'at home' rather than in hospital, and other less financially tangible but equally valid qualitative results.
- 5.3. The Extra-Care schemes also represent a good example of partnership working with the Boroughs and Districts, formalised in the document 'Partnership for Extra-Care Housing in Hampshire', agreed in 2008, and with registered housing providers.
- 5.4. The close working relationship between Adult Social Care with Borough and District housing departments is demonstrated on an ongoing basis in respect of extra Care schemes with the operation of a jointly agreed process for identifying and prioritising suitable clients to move into each scheme.
- 5.5. All contracting for joint care and support will be done in line with the Supporting People procurement process which is acknowledged as delivering a robust quality framework and individual outcomes.

## **6. Legal Implications**

- 6.1. The proposals to tender the contracts for these schemes will be compliant with Hampshire County Council Standing Orders, and are subject to the European Union (EU) Procurement Directives (current regulations 31 January 2006).
- 6.2. All contracting for the joint care and support contracts will be done in line with the supporting people procurement process.
- 6.3. In exercising its functions an authority must have due regard to the need to: eliminate discrimination, harassment, victimisation and any other conduct prohibited under the Equality Act and advance equality of opportunity and foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

## **6. Equalities Impact Assessment**

- 6.1 A comprehensive Equalities Impact Assessment on Extra-Care Housing has been carried out and there are no adverse impacts in terms of equality or inclusion. Input will be sought however, from the Equality and Inclusion team in developing the Referrals and Allocations Policy for the Extra-Care schemes (please see Integral Appendix B)

**7. HR Implications**

- 7.1. TUPE may apply should the current provider of services change. This will be dealt with in accordance with normal procurement processes and the staffing situation at the relevant times.

**8. Review of Other Options**

- 8.1. Due to the need for compliance with both County Standing Orders, and The European Union (EU) Procurement Directives (current regulations 31 January 2006), the option to tender these schemes becomes a necessity.
- 8.2. The option not to tender for these services is not available due to the value of the contracts.

**9. Recommendation**

- 9.1. That the Executive Member for Adult Social Care give approval to go out to tender for care and support for Enhanced Extra Care Housing at both Danemark Court and Matilda Place, for a minimum of two years and nine months, with the option to extend the contract by an additional 2 years. An initial contract annual value of up to £188,653 per annum and a total maximum contract value, calculated as set out in paragraphs 3.3 & 3.4 (for 4 years and nine months) of £1,949,354.

**CORPORATE OR LEGAL INFORMATION:****Links to the Corporate Strategy**

<b>Hampshire safer and more secure for all:</b>	Yes
Corporate Business plan link number (if appropriate):	
<b>Maximising well-being:</b>	Yes
Corporate Business plan link number (if appropriate):	
<b>Enhancing our quality of place:</b>	Yes
Corporate Business plan link number (if appropriate):	

**Other Significant Links**

<b>Links to previous Member decisions:</b>		
<u>Title</u>	<u>Reference</u>	<u>Date</u>
Cabinet - Adult Services Modernisation Strategy		18 December 2006
Cabinet - Development of Extra-Care Sheltered Housing		27 September 2007
Executive Member Adult Social Care - Extra-Care Housing in Gosport		27 June 2008
Executive Member Adult Social Care - Extra-Care Housing – Enhancement of existing sheltered housing to Extra-Care standards by the provision of night time care		28 July 2008
Cabinet - Report on Commission of Inquiry into personalisation and the proposed model for Adult Social Care	458	November 2008
<b>Direct links to specific legislation or Government Directives</b>		
<u>Title</u>		<u>Date</u>

More Choice, Greater Voice	2008 DoH
Homes for the Future.	Housing Green Paper 2007
'Our Health, Our Care, Our Say'	A new direction for Community Services 2006
Delivering Housing for an Ageing Population	HOPDEV
Royal Commission into Long Term Care	1999
National Service Framework for Older People	2000
Valuing People	2001
Valuing People Now	2007
Quality and Choice for Older Person's Housing	2001

#### **Section 100 D - Local Government Act 1972 - background documents**

**The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)**

Document

Location

None

## **IMPACT ASSESSMENTS:**

### **1. Equalities Impact Assessment:**

A comprehensive Equalities Impact Assessment on Extra-Care Housing has been carried out and there are no adverse impacts in terms of equality or inclusion. Input will be sought however, from the Equality and Inclusion team in developing the Referrals and Allocations Policy for the Extra-Care schemes.

It should be noted that Extra-Care Housing within Hampshire is aimed at vulnerable people over the age of 55, and where appropriate their partners and carers, in order to provide them with the housing, support and care that they need to enable them to live in a home of their own and maintain their independence for as long as possible.

Hampshire Adult Services, working in partnership with the Borough and District Councils, NHS Hampshire and third party partners (registered social landlords, care and support providers) ensures through its referrals and allocations process, that all service users have equality of access to Extra-Care Housing, in accordance with the guidelines contained within the *Hampshire County Council Guide to Designing Extra-Care Housing* and *The Partnership for Extra-Care Housing in Hampshire*. Impact assessment will be incorporated into the nominations and referrals process.

In preparing this report, account has been taken of the requirements of the Corporate Equalities Plan and Race Scheme. The contract ensures that the provider will perform their duties with due regard, to eliminate unlawful discrimination and to promote equality of opportunity to all people and to promote good relationships between different racial groups.

<http://www3.hants.gov.uk/as-equality-ia-archive.htm> (please note the EIA is under the 2011 sub heading)

### **2. Impact on Crime and Disorder:**

The County Council has a legal obligation under Section 17 of the Crime and Disorder Act 1998 to consider the impact of all decisions it makes on the prevention of crime.

Extra Care Housing is a more secure form of housing for older people. Support and care are provided on site over a twenty four hour period, providing enhanced levels of security and peace of mind for residents.

### **3. Climate Change:**

All new-build Extra-Care schemes are being designed to facilitate the prudent and efficient use of resources and to encourage sustainable consumption and production.

Green travel plans are being developed for the new-build Extra-Care schemes. The aim is to reduce the necessity for private motorised transport and to drive down car use by care and support staff, as a result of having service-users concentrated in one location rather than spread across the community