

## HAMPSHIRE COUNTY COUNCIL

### Decision Report

<b>Decision Maker:</b>	Executive Member for Adult Social Care
<b>Date of Decision:</b>	14 December 2012
<b>Decision Title:</b>	Extra-Care Housing in Eastleigh - Tendering & Procurement
<b>Decision Reference:</b>	4533
<b>Report From:</b>	Director of Adult Services

**Contact name:** Fiona Minchew

**Tel:** 01962 832181

**Email:** Fiona.minchew@hants.gov.uk

#### 1. Executive Summary

- 1.1. On 9 October 2009 approval was given for the tendering of a number of contracts for the delivery of care and support at both schemes identified as “enhanced extra-care”, and at new build extra care scheme.
- 1.2. The “enhanced extra-care” schemes, for which approval for tendering was granted within this Executive Decision report, included Laburnum House, Fernhill, Rowan Court and Surrey Court, all schemes located in Eastleigh.
- 1.3. Contracts for all services were extended until March 2011 to facilitate the envisaged tender process. Subsequently the separate contracts for care and support were further extended by Single tender approval and are now due to expire on 31 December 2012.
- 1.4. Single Tender approval for extension to the delivery of care at Surrey Court until 31 December 2014 has previously been agreed.
- 1.5. The agreed tender process was to be undertaken with a view to bringing together Supporting People housing support and the Adult Services personal care, each of which were currently delivered through a separate contract for each scheme, into a single joint contract for each enhanced Extra-Care scheme providing a 24/7 on-site staff presence at each scheme.
- 1.6. Although tender processes have since been commenced on two occasions it has not been possible to conclude either; the most recent attempt in the earlier part of 2012 ending through no financially compliant bids being received. In consequence, approval is sought for the existing contracts by a further Single Tender approval.
- 1.7. These contract extensions would facilitate a third tender exercise during this period, the timetable for which is outlined in Appendix C in regard to Laburnum House, Fernhill and Rowan Court. These extensions are

required in order to allow time to tender for new single joint housing support and social care contracts in line with Hampshire's approach to Extra-Care housing and to comply with Official Journal European Union (OJEU) procurement principles and Hampshire Contracts Standing Orders.

- 1.8. The request for Single Tender is on the grounds that there is a need for an interim arrangement while the services are being re-tendered to secure alignment of care and support provision through single joint contracts. An extension would also ensure continuity of provider to the users of the service for this transition period prior to the new contract.
- 1.9. Surrey Court is currently Enhanced Sheltered accommodation. The Service and Housing Provider is in the process of re-development of the Surrey Court site, in order to provide Extra Care Housing. This process has begun with a view to a total rebuild of the scheme, for re-opening on 1 January 2015. In the interim residents are continuing to access care and support from the existing provider as they move to other locations on a temporary basis.
- 1.10. The contract for the care currently has been extended up to 31 December 2014 to align with this, approval is sought for contract extension for the support contract, to enable the whole care and support contract to be tendered in 2014. A further report will be brought to Executive Member to seek permission to undertake a fourth tender exercise in relation to the Surrey Court Extra Care contract; the timetable for which is to be confirmed pending progress of a scheme re-build taking place there.
- 1.11. The purpose of this report is to :
  - (i) Seek Executive Member approval for the tenders relating to enhanced extra-care schemes in Eastleigh, specifically Laburnum House, Fernhill, Rowan Court and Surrey Court, given the significant period of time that has elapsed since approval was initially granted in October 2009
  - (ii) To seek Single Tender approval to extend the existing Adult Services care contracts and Supporting People contracts in the enhanced extra-care schemes in Eastleigh allow a joint tendering process to extend Laburnum House, Fernhill and Rowan Court until 31 May 2013 (with a view to newly commissioned care and support services commencing on 1 June 2013) with a total contract value of £277,208.12.
  - (iii) To seek Single Tender approval to extend the existing Surrey Court Supporting People contract from 1 January 2013 to 31 December 2014 (with a view to newly commissioned care and support services commencing there on 1 January 2015) with a total contract value of up to £86,606.40.

Combined total extension contract value of up to £363,814.50

- (iv) Agree the authority to spend up to the maximum of £1,898,876.44 over the contract period of 2 year 10months with the option of a two year extension, for the contracts to be tendered for joint housing support and social care provision within these enhanced extra-Care schemes in Eastleigh.

## **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. The proposal to tender is key to implementing the strategy of offering 24/7 housing support and social care from a single service provider at each enhanced extra-care scheme through alignment of the current Supported People-funded housing support and the current Adult Services-funded day time and night time care contracts.
- 2.3. The 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. Finance**

- 3.1 The current annual cost of the contracts for provision of care and support for all of the enhanced Extra-Care schemes in Eastleigh, is up to a value of £915,193.30 per annum.
- 3.2 The anticipated cost of business to be tendered for Laburnum, Fernhill and Rowan is £767,306.50 per annum.
- 3.3 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. 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.
- 3.4 For the enhanced schemes in Eastleigh the costs of the schemes are already being paid and met from existing operational budgets which fund the existing social care and Supporting People contracts, including night cover. In future the additional investment for night cover and any higher day time care and supporting people costs will be met from the budgets that would otherwise have been used for alternative provision for these clients.

## **4. Other Key Issues**

- 4.1. 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. Extra-Care schemes promote and support

Independent Living and Lifetime Neighbourhoods. Benefits include enabling residents to stay in their own homes for longer, enabling couples to stay together, building sustainable communities and preparing for the demographic challenges facing Hampshire County Council.

- 4.2. 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.
- 4.3. All contracting for joint care and support will be done in line with Hampshire County Council Corporate procurement processes as relate to Adult Services so as to deliver a robust quality framework for these schemes and positive individual outcomes in respect to those living at them.
- 4.4. The four existing enhanced Extra-Care housing schemes already operate under block contracts which provide for a mixture of housing support, contracted through Supporting People, and daytime social care and night cover, contracted by Adult Services. Together these services meet the holistic 24 hour cover definition required for enhanced Extra-Care housing. (Executive Member report 28 July 2008 Extra-Care Housing – Enhancement of Existing Sheltered Housing to Extra-Care Standards by the Provision of Night Time Care).
- 4.5. The introduction of single joint housing support and social care contracts within the existing enhanced Extra-Care schemes, will align the service provision with that across all of Hampshire's Extra-Care housing schemes. This approach will also achieve benefits of a streamlined and more efficient contracting and monitoring process, greater economies of scale, and increased flexibility to both the provider and the service-users.
- 4.6. This commissioning approach supports delivery of the longer term strategic objective of securing a new generation of housing with support and care provision for older people. It maximises service provider capacity and scope for older people to maintain their independence, and in a way that secures best value to the Department.

## **5. Legal Implications**

- 5.1. The tender for the contracts for these schemes will comply with Hampshire County Council Standing Orders, and are subject to the EU Procurement Directives

## **6. Recommendations**

- 6.1. That the Executive Member for Adult Social Care give approval that care and support is delivered through a joint single contract for each of the four enhanced Extra-Care schemes in Eastleigh.
- 6.2. That the Executive Member for Adult Social Care approves the extension by Single Tender of the current separate care and support contracts within

the enhanced schemes (due to expire at 31 December 2012) until 31 May 2013.

- In the case of Laburnum House, Fernhill and Rowan Court, of a value of the extension is up to £277,208.12, (annual contract value up to £670,072.60).

- 6.3 That the Executive Member for Adult Social Care approves the Single Tender extension of the current support contract at Surrey Court for the period to 31 December 2014
  - This extension will be up to a value of £173,212.80, (annual contract value up to £86,606.40)
- 6.4 That the Executive Member for Adult Social Care give permission to go out to tender the joint care and support contract with regard to Laburnum House, Rowan Court and Fernhill to be for 2 years and 10 months , with the option to extend each contract by an additional 2 years, with effect from 1 June 2013 – 31 March 2018 (inclusive of option to extend). Total contract value of up to £3,133,576.44.
- 6.5 That approval will be sought separately, for permission to go out to tender for the Surrey Court Extra Care contract which is due to expire 31 December 2014.

**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>
Adult Services Modernisation Strategy	Cabinet	18 December 2006
Development of Extra-Care Sheltered Housing	Cabinet	27 September 2007
Extra-Care Housing in Gosport	Executive Member Adult Social Care	27 June 2008
Extra-Care Housing – Enhancement of existing sheltered housing to Extra-Care standards by the provision of night time care	Executive Member Adult Social Care	28 July 2008
Hampshire Personalisation Commission Report		November 2008
Extra-Care Housing Tendering & Procurement (Executive Decision Report 868)	Executive Member Adult Social Care	October 2009

<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 had been undertaken at the time of initial Executive Member approval with the identification of 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 Enhanced Extra-Care schemes.

It should be noted that Enhanced 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 developed for these enhanced extra-care schemes.

In preparing this report, account has been taken of the requirements of the Corporate Equalities Plan and Race Scheme. The contracts awarded through the tender process will ensure 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.

### **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.

## Appendix C: Extra-Care Housing Tendering and Procurement - Key Milestones

Project Stage	Duration	Start Date	End Date
Project Start Date	0 edays	20/03/2012	20/03/2012
Pre Tender	69 days	28/08/2012	04/12/2012
Initial meetings to discuss requirements	31 edays	01/10/2012	01/11/2012
Receive Specification	1 eday	01/11/2012	02/11/2012
Confirm Approval to Procure and Spend	64 edays	28/08/2012	31/10/2012
Check Spec with Performance Team (PI Workbook)	1 eday	02/11/2012	03/11/2012
Meeting with Legal/procurement in Surgery	3 edays	03/11/2012	06/11/2012
Publish PIN (Optional) - vary to 0days if not used	0 edays	06/11/2012	06/11/2012
Request and receive updated TUPE info	20 edays	02/11/2012	22/11/2012
Corporate Standard PQQ + Evaluation Criteria	12 edays	06/11/2012	18/11/2012
Forward PQQ to procurement if additional questions added	1 eday	18/11/2012	19/11/2012
Amendments to PQQ suggested by legal and procurement	5 edays	19/11/2012	24/11/2012
Draft OJEU and Press adverts	5 edays	01/11/2012	06/11/2012
Email advert to TMP or other advertisers and confirm publication date and payment	5 edays	06/11/2012	11/11/2012
Publish OJEU advert if necessary	14 edays	06/11/2012	20/11/2012
Publish press advert	1 eday	03/12/2012	04/12/2012
Tender	62 days	18/11/2012	13/02/2013
Draft PQQ docs on In-Tend	1 eday	24/11/2012	25/11/2012
Publish tender with auto issue PQQ (min 30 days)	32 edays	03/12/2012	04/01/2013
Provider Briefing day (optional)	1 eday	28/12/2012	29/12/2012
Download and initial check of PQQ by SPO	1 eday	04/01/2013	05/01/2013
PQQ financial appraisal	13 edays	05/01/2013	18/01/2013
Health and Safety Check	13 edays	05/01/2013	18/01/2013
PQQ evaluation and compile feedback	6 edays	18/01/2013	24/01/2013
Issue unsuccessful letters	4 edays	24/01/2013	28/01/2013
Check TUPE info up to date	10 edays	04/01/2013	14/01/2013
Draft ITT and weightings meeting and evaluation criteria	5 edays	18/11/2012	23/11/2012
Forward ITT to legal/procurement if necessary and return	10 edays	23/11/2012	03/12/2012
ITT amendments	5 edays	03/12/2012	08/12/2012
Draft ITT docs in In-Tend	1 eday	08/12/2012	09/12/2012

### Appendix D continued: Tender Timetable For Eastleigh Enhanced Extra-care Schemes

Publish on ITT on In-Tend (min 40 days)	16 edays	28/01/2013	13/02/2013
Complete and send C123	1 eday	30/01/2013	31/01/2013
Evaluation and Contract Award	54 days	13/02/2013	30/04/2013
Download tenders and initial check and copy and send H&S to Ray Oakley if appropriate	14 edays	13/02/2013	27/02/2013
TENDER evaluation meetings allow up to 4 full days over this period	15 edays	14/02/2013	01/03/2013
Successful tender establishment	5 edays	01/03/2013	06/03/2013
Final feedback agreement and compile letters	5 edays	06/03/2013	11/03/2013
Alcatel (10 day standstill) - Must finish on a week day	10 edays	11/03/2013	21/03/2013
Contract sent to legal requesting award	40 edays	21/03/2013	30/04/2013
Post Award	34 days	30/04/2013	17/06/2013
Transfer and set up time incl TUPE	32 edays	30/04/2013	01/06/2013
Contract start	0 edays	01/06/2013	01/06/2013
OJEU contract award notice publish window	48 edays	30/04/2013	17/06/2013

### Affordable Enhanced Extra-Care Housing Schemes in Eastleigh

Scheme Name	Type	Location	Number of Units	Predicted Earliest Go-Live Date
Fernhill	Enhanced	Eastleigh	27	June 2013
Laburnham House	Enhanced	Hedge End (Eastleigh)	50	June 2013
Rowan Court	Enhanced	Eastleigh	21	June 2013
Surrey Court	Enhanced	Eastleigh	66	January 2015
Total Enhanced Units			164	

\* Approval to tender for care and support initially received in October 2009.