

HAMPSHIRE COUNTY COUNCIL**Decision Report**

Decision Maker:	Executive Member for Adult Social Care and Public Health
Date:	24 January 2014
Title:	Tender of the Care and Support contract at Surrey Court Extra-Care Assisted Living, Eastleigh
Reference:	5455
Report From:	Director of Adult Services

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1. Executive Summary

1.1 The purpose of this paper is to seek authority from the Executive Member for Adult Social Care to tender for the provision of care and support at Surrey Court, the new build Extra-Care scheme in Eastleigh, developed to replace an old scheme on the site, as part of the Phase 1 Extra-Care Housing programme. The current contract to deliver care and support in the old scheme ends on 31 December 2014. This proposed tendering process will see a new contract awarded to provide a continuation of this service from 1 January 2015 through

- the provision of an on site 24/7 care and support services within the Extra-Care scheme

1.2 As a new service, tendering is required to comply with Hampshire County Council standing orders.

2. Contextual Information

2.1 Extra-Care Housing Assisted Living for Older People combines the security and on site care and support available 24 hours a day, 7 days a week associated with residential care homes with the personal choice and independence of Sheltered Housing. The emphasis in an Extra-Care scheme is independence. Every client has their own apartment, with their own front door, one or two bedrooms, living room, kitchen, and fully accessible bathroom. With on site staff available to meet individuals' support and assessed care needs, 24/7, Extra-Care housing is a viable alternative to residential care. Within each scheme you will find a range of people from those who are able to live independently, including the partners of people who need care, to those who need higher levels of care.

2.2 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 the ongoing strategy of offering 24/7 housing support and social care from one service provider at each of the Extra-Care services.
- 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.
- 2.4. Surrey Court was originally an older persons sheltered housing scheme which formed part of the Enhanced Sheltered Housing Extra-Care programme, which saw 12 sheltered housing schemes across Hampshire have their care and support contracts enhanced to Extra-Care standards. The Registered Provider who owns and operates the site applied for funding from the Homes and Communities Agency to construct a new build Extra-Care Assisted Living scheme on the site of the existing building.
- 2.5. The Registered Provider was successful in its bid and the scheme is now under construction with the aid of a capital grant from Hampshire County Council, agreed by the Executive Member for Policy & Resources in October 2012. Surrey Court is one of the last Phase 1 new build Extra-Care schemes, and phase 1 of the construction is due for completion and occupation in Spring 2014. The scheme is being built in phases on the site of the former sheltered housing scheme to allow clients to remain within a retained element while the first phase is constructed. The proposed procurement approach set out below is based on the learning that has been gained through carrying out these successive procurements.
- 2.6. Surrey Court is a cross care group scheme and there will be a number of Learning Disability clients within the new scheme, whose care and support will be purchased separately. Therefore the care and support of the Learning Disability clients within the scheme is not included in the authority being sought by this paper.

3. Proposed Procurement Approach

- 3.1. Extra-Care Housing Assisted Living for Older People 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 would have to make other provision for these clients 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.
- 3.2. Flexibility is the key to ensuring that contracts offer the best possible outcomes, both financially and in terms of delivered care. Services are procured with a minimum level to ensure that Service Providers can deliver a 24/7 service and cover needs of clients. 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 direct one-to-one care needs a week), and those with high care needs (quantified as in excess of 11 hours direct one-to-one assessed care a week with no upper limit) meaning Extra-Care schemes can safely accept clients with high levels of care). Across the scheme as

a whole an average of 8 hours a week of assessed one-to-one care is aimed for. It is important that from the outset, the service is able to deliver the required 24/7 on site provision and meet the assessed care needs of clients, and also be able to meet subsequent changes in the assessed care needs of clients.

- 3.3 Like residential care, there are members of the care staff on site 24 hours a day, 7 days a week which means that, on top of the assessed direct one-to-one care clients receive, staff are on hand at all times to provide care and support when and where clients need it, providing peace of mind for everyone involved.
- 3.4 Combined with the purpose built design, the care provision being commissioned will ensure that Extra-Care schemes are suitable for both clients with dementia and those at the end of their life. Clients also benefit from the care and support of the wider community, including access to community health services such as district nurses and GPs. Additional services can also be sourced to meet more specialised care and support needs.
- 3.5 This paper therefore seeks the authority to procure the contract at a minimum agreed level, and then to spend up to a maximum value over the life of the contract. This ensures Hampshire County Council only pays for those hours that are required, whilst offering a degree of security to the provider by setting a minimum spend level.
- 3.6 It is proposed to tender for this scheme at a minimum level of £127,020 a year for three years, with the option of a one year plus one year extension. To allow for the service to grow to meet the levels of need as set out in paragraphs 3.2-3.5 above, it is proposed to set a maximum annual contract value of £344,012. The information below sets out the minimum base level below which the contracts cannot be varied, and the maximum level, above which the contract cannot be varied.
- Minimum Values
Per Year – £127,020
Over the life of the contract (5 years) – £635,100
 - Maximum Values
Per Year – £344,012
Over the life of the contract (5 years) - £1,720,062
- 3.7 Control of both spend and the client balance is achieved via the access route into the scheme. A nominations panel consisting of the County Council, Borough Council, Landlord and care provider consider nominations into the scheme and ensures the balance of High / Medium / Low clients is maintained.

4. Other Key Issues

- 4.1 Continued support for this scheme will emphasise the Council'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 Assisted Living schemes promote and support Independent Living and Lifetime Neighbourhoods. Benefits include enabling clients to live in a home of their own for longer, enabling couples to stay together, building sustainable communities and preparing for the demographic challenges facing Hampshire County Council.

- 4.2 Evidence of the benefits of Extra-Care Assisted Living schemes is now being recognised. A report from the International Longevity Centre¹ found that those living in Extra-Care were less likely to be hospitalised, experienced a lower number of falls, and better health outcomes as reflected in reduced care packages. Whilst a report from the University of Kent Personal Social Services Research Unit study² indicated that living in an Extra-Care scheme improves mortality and survival rates when compared to more traditional residential care settings.
- 4.3 The Extra-Care Assisted Living 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. Financial Implications

- 5.1 The total costs as set out at 3.6 above are contained within contracts currently being delivered in the current Surrey Court scheme, with any additional funding required to meet any increases in clients assessed needs being provided from local care budgets.
- 5.2 Clients within the scheme therefore do not represent additional costs as Adult Services would have to make other provision for these clients in any case. Extra-Care Housing is more cost effective than residential care in the majority of cases, as people meet their own accommodation costs, either through rent or the purchase of a lease.
- 5.3 The maximum value of this contract, over the total life of the contract is £1,720,062.50

6. Legal Implications

- 6.1 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 Equalities 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.
- 6.2 Council Standing Orders and procurement regulations govern the procurement of services. The proposals to tender the contract for this scheme will be compliant with Hampshire County Council Standing Orders, and are subject to the European Union (EU) Procurement Directives (current regulations 31 January 2006).

7. HR Implications

- 7.1 As the services at Surrey Court Extra-Care Assisted Living will be provided by an independent Service Provider there are no Hampshire County Council staff issues involved with this process.

¹ Kneale, D., *Establishing the Extra in Extra Care: Perspectives from three Extra Care housing providers* 2011

² *Improving Housing with Care Choices for Older People: An Evaluation of Extra Care Housing*, 2011

- 7.2 It is considered that TUPE may apply in this instance; however the transfer of existing staff is an issue to be resolved between the outgoing and incoming providers. Hampshire County Council contracts state that all providers must comply with all applicable laws, including laws governing employment and minimum wage, and not to do so could constitute a breach of that contract.

8. Equalities Impact Assessment

- 8.1 An Equalities Impact Assessment was carried out and published on 5 October 2011, and reviewed in December of 2012 and published under the title 'Extra-Care Housing'. These assessments have been reviewed and a summary has been included in Integral Appendix B.
- 8.2 The assessment has identified that Extra-Care Assisted Living in particular is used primarily by people who are older and who have frailties, disabilities or mental health issues. The commissioning of care and support services at this scheme will help to support the health and social care needs of these clients.

9. Recommendations

- 9.1 That the Executive Member for Adult Social Care and Public Health give approval to go out to tender for care and support for the new Extra-Care Assisted Living Housing scheme at Surrey Court in Eastleigh on the basis of a contract entered into for a three year period with the option to extend for a further one year plus one year (3+1+1) with the minimum contract value set at £127,020 per annum and a total maximum contract value, calculated as set out in paragraph 3.6 (for 5 years) of up to £1,720,062.50.

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

Hampshire safer and more secure for all:	yes
Corporate Improvement plan link number (if appropriate):	
Maximising well-being:	yes
Corporate Improvement plan link number (if appropriate):	
Enhancing our quality of place:	yes
Corporate Improvement plan link number (if appropriate):	

Other Significant Links

Links to previous Member decisions:		
<u>Title</u>	<u>Reference</u>	<u>Date</u>
Extra-Care Housing – Enhancement of existing sheltered housing to Extra-Care standards by the provision of night time care		28 July 2008
Extra-Care Housing Tendering & Procurement	868	9 October 2009
Supporting People Approach to Procurement	904	October 2009
Direct links to specific legislation or Government Directives		
<u>Title</u>	<u>Date</u>	

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.)

<u>Document</u>	<u>Location</u>
None	

IMPACT ASSESSMENTS:

1. Equalities Impact Assessment:

1.1 Full Impact Assessment completed. Summary findings are:

- The reports looked at the equalities impact of developing Extra-Care schemes across Hampshire by enhancing existing sheltered housing schemes and by developing a number of new build schemes for older people. The reason for doing this is to enable older people to remain independent for as long as possible and living in their own flat/apartment rather than have move unnecessarily early into residential care or nursing home accommodation.
- The assessment has identified that Extra-Care in particular is used primarily by people who are older and who have frailties, disabilities or mental health issues. The commissioning of care and support services at these sites will help to support the health and social care needs of these clients.
- The equality impact is positive.
- It is proposed to enhance a number of existing sheltered housing schemes and develop a number of new schemes across Hampshire to meet the needs of vulnerable older people. The identification of schemes for enhancement will be based on evidence of need, and an assessment of the suitability of the existing accommodation.
- The schemes will offer a local neighbourhood focus and a community hub which will help in responding to the demands of Hampshire's rapidly growing older population, to which these schemes are directed.
- The schemes will be commissioned in partnership with the District councils and Registered Providers with attention paid to equalities in the procurement of the future care and support provider. All future care and support providers will have to demonstrate their compliance to this in all aspects of their work.
- The schemes will also offer employment opportunities for those interested in working in housing, care and support provision.

Age:

- 1.2 Hampshire's own population statistics show that whilst the child and young adult populations are forecast to decline, the number of over 75's is set to grow. In the period 2011-17, the over 75 year population is set to increase by approximately sixteen thousand people whilst the under 75 year old population only increases by twelve thousand. This pattern of an increasing proportion of the population across Hampshire being over 65yrs continues markedly through to 2026. From 2006 – 2026 there is a fifteen thousand increase in the over 65yrs population.
- 1.3 This initiative will extend the current model of Extra-Care available at a small number of sites across Hampshire to a larger number of locations across the

county. Thereby it will improve access to this option of housing with care and support to people wishing to remain in their own locality.

Disability:

- 1.4 Many older people have physical impairments which may increase as they age. This means that their physical environment can hamper their lifestyle if it is not an easy to access environment (eg level floors, few steps, sufficient space etc). Schemes selected for enhancement will be required to be fully accessible, and all new Extra-Care housing schemes will be both accessible and well designed for easy access throughout the building.

Socio Economic Factors:

- 1.5 The proposed schemes will be developed in conjunction with Registered Providers, and offer both accommodation for rent and for shared ownership. Typically Registered Providers offer rented housing to people who are less well off and cannot afford private purchased options such as the more costly purely private developments which are open to those with greater financial resources.

Rural isolation:

- 1.6 People using these schemes will be from the local community in which they will be situated. The reason for developing these schemes is to achieve a number of additional schemes across the county to offer opportunity of access to all eligible people across the county.

The Full Assessment:

- 1.7 The full assessment can be found at the following link:

<http://documents.hants.gov.uk/equality-impact-assessments/as/eia-extra-care-housing.doc>

2. Impact on Crime and Disorder:

- 2.1 There is no anticipated negative effect on Crime and Disorder.
- 2.2 By definition, interventions considered to improve and protect the public's health are designed to support the citizen's of Hampshire to live safely and have improved health and health outcomes.

3. Climate Change:

- a) How does what is being proposed impact on our carbon footprint / energy consumption?

The proposals will not have a bearing on climate change.

- b) How does what is being proposed consider the need to adapt to climate change and be resilient to its longer term impacts?

Integral Appendix B

Consideration of climate change and its impacts on the population and its current and future health forms part of the evidence informing interventions to improve and protect the public's health.