

HAMPSHIRE COUNTY COUNCIL**Decision Report**

Decision Maker:	Executive Member for Adult Social Care and Public Health
Date:	11 March 2015
Title:	Procurement via Single Tender Approval of care and support services in Fernhill, Rowan and Laburnum Extra-Care schemes
Reference:	6583
Report From:	Director of Adult Services

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1. Executive Summary

- 1.1 The purpose of this paper is to seek approval from the Executive Member for Adult Social Care and Public Health, to a single tender award of the remaining term of the care and support contracts for the enhanced extra-care schemes at Fernhill, Rowan Court and Laburnum House extra-care schemes for older people in the Eastleigh area to Agincare Ltd, following the decision by the current service provider to give notice of their intention to withdraw.
- 1.2 The approval sought would cover the provision of 24/7 care and support services within the above named enhanced Extra-Care schemes through the re-contracting of the three elements of Support funding, Adult Services Day Hours and Adult Services Night Hours. Whilst the existing contracts for these services have a final end date of 31 March 2018 it is proposed that the new contracts would run to 5 January 2018, thus aligning them with the other extra-care provision in the area.
- 1.3 Following the expiry of these contracts in January 2018, it is intended that all extra-care services in the area be grouped geographically and tendered for together, in line with a commissioning and procurement strategy for extra-care services across the county currently under development.

2. Contextual Information

- 2.1 Extra-Care Housing for Older People combines the comfort, security and support of residential care with a dedicated care team available 24 hours a day, 7 days a week with the personal choice and independence of Sheltered Housing. The emphasis in an Extra-Care scheme is independence. Every resident 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 homes for people with mobility problems and increasing physical frailty. Within each scheme you will find a range of people from those who are able to live independently to those who need higher levels of care, and the partners of people who need care.

- 2.2 Extra-care provision for older people across the county currently consists of both new build accommodation, and pre-existing sheltered schemes where the level of service provision has been raised to that of extra-care through the commissioning of on site 24/7 care services.
- 2.3 Following the award of the contract to provide the care and support services in the newly developed Surrey Court extra care schemes, and the subsequent change in provider away from First Wessex, meetings have been held between Hampshire County Councils commissioners and operational staff, and First Wessex, the current care provider within Fernhill, Rowan and Laburnum. During the course of these meetings First Wessex advised Hampshire County Council that whilst they remain fully committed to the continued development and provision of extra-care housing for older people, they had made a strategic decision to withdraw from directly providing the care and support services within such schemes themselves. In line with this decision they advised HCC of their intentions to withdraw from the delivery of care and support at Fernhill, Rowan Court and Laburnum House with effect from 15 May 2015.

3. Proposed Procurement Approach

- 3.1 To ensure continuity of care for clients, and to minimise further disruption, given the relatively short timeframe available, approval is sought to award the existing contracts on a single tender basis to provide 24 hour care and support services for residents at Fernhill, Rowan and Laburnum Extra-Care schemes.
- 3.2 With the recent development of the Hampshire Care at Home framework contract consideration has been given to delivering the care requirements within these extra-care schemes via this process. However, the delivery of extra-care services varies in a number of significant ways from that of care delivered to people at home in the wider community. The delivery of extra-care services requires the provision of a 24/7 staff presence on site, necessitating a different delivery model being employed by the care provider. It also requires the provision of wider support services outside of normal care provision, including the delivery of specific housing or tenancy support to ensure people are able to maintain their home and stay independent within the environment as well as the provision of preventative support to help reduce or delay the development of further care needs.
- 3.3 To date, the care and support service within each extra-care scheme has been procured in isolation, or on occasions jointly with a near neighbouring scheme. With 5 new build extra-care schemes and 14 enhanced schemes now operational across the county offering, and a further 8 new build schemes planned, or in development, consideration is currently being given to how best to procure the delivery of care and support services into the future. To this end, Adult Services are currently developing a new commissioning and procurement strategy for the cost effective delivery of care and support services in extra-care services for older people. It is envisaged that this work will be completed shortly and will enable new tendering opportunities to be advertised later this year. In these circumstances the award by means of a single tender approval for the remaining term of the contract with a maximum duration of 2 years and 7 months enables maximum flexibility and value over the long term.

- 3.4 Following a review of the potential market, encompassing those who are delivering Extra-Care services in Hampshire and those included in the Care at Home framework, the providers have been tested against the following areas:
- Have knowledge and experience of delivering care and support services in extra-care housing settings.
 - Have knowledge and experience in taking over existing extra-care contracts (or similar) whilst ensuring continuity of care, the safety of residents and working with existing staff.
 - Have current experience of working within the Eastleigh Borough Council area, and thus have the critical mass and management within the area to support the contracts
 - Have the capacity to take on such additional work.
 - Have recently demonstrated their value for money and suitability to deliver an extra-care service through a successful tender submission
 - Have demonstrated an ability to quickly establish a good working relationship with an extra-care landlord such as First Wessex, in order to maximise the opportunity of a smooth transfer.
- 3.5 Upon evaluation of existing providers against these criteria, Agincare Ltd was the only organisation to meet all areas of the requirements designed to ensure that the provider to capable of delivering these three services. On that basis, Agincare Ltd have been contacted, and has indicated they are able to deliver these services for the remaining term of the contract within the timescales required.

4. Revenue

- 4.1 Extra-Care Housing for older people is an alternative to other forms of housing support and social care. People placed in these schemes are subject to the normal Adult Services assessment process to ensure their eligibility for the services they receive. They therefore do not represent additional costs as Adult Services 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 and it also offers a lower cost option that care in the community due to the reduced costs of delivering a service in a single location.
- 4.2 The efficacy and benefit of this approach has been supported by independent research (undertaken by the International Longevity Centre and Public Social Services Research Unit) which has shown that clients living within an Extra-Care setting require lower levels of care compared to clients in the wider community, occasionally finding that their care needs reduce upon entering the scheme, and that any increase in the level of care they require occurs at a slower pace.
- 4.3 The cost pressures of the current contracts at the three schemes are already identified within existing social care and support budgets.
- 4.4 A flexible approach is 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 care needs a week), and those with high care needs (quantified as in excess of 11 hours of assessed care needs a week). It is important that the service be able to meet any changes in the assessed care needs of residents and for Hampshire County Council to ensure the ability to only pay for those hours that are required, therefore this paper seeks the authority to spend up to a maximum value over the life of the contract whilst offering a degree of security to the provider by setting a minimum spend level.

- 4.5 It is proposed that the contracts run from 15 May 2015 and run up to a maximum end date of 5 January 2018, within the provisions of the current contract (the maximum life of the contract).
- 4.6 By procuring the new services on the basis set out above, Hampshire County Council can ensure that the service delivered and paid for is in line with the needs of clients at the three schemes, with the flexibility for this to be varied according to the changing needs of individual clients, whilst at the same time being able to offer potential Service Providers a minimum level of service sufficient for them to meet the requirements of delivering the required 24/7 service. The table below sets out the minimum base level below which the contracts cannot be varied, and the maximum level, based on an average of 8 hours per week, per client, above which the contract cannot be varied.

Scheme	Minimum Annual Value	Maximum Annual Value	Minimum value over the life of the contract	Value at current level of need over the life of the contract	Maximum value over the life of the contract
Fernhill	£173,375.00	£223,015.00	£458,850.00	£468,510.00	£590,226.00
Rowan	£198,925.00	£247,105.00	£526,470.00	£552,069.00	£653,982.00
Laburnum	£194,180.00	£440,920.00	£513,912.00	£529,851.00	£1,166,928.00

- 4.7 The proposed maximum value over the life of the contract entered into with Agincare for services at Fernhill is £590,226.00. The minimum value over the life of the contract stated above includes the hours required to deliver a 24/7 service within the scheme and additional hours to deliver support. No changes in spend between the minimum and maximum values will be agreed unless it is on the basis of an increase in the care needs of clients, identified and agreed through the established care management process.
- 4.8 The proposed maximum value over the life of the contract entered into with Agincare for services at Rowan is £653,982.00. The minimum value over the life of the contract stated above includes the hours required to deliver a 24/7 service within the scheme and additional hours to deliver support. No changes in spend between the minimum and maximum values will be agreed unless it is on the basis of an increase in the care needs of clients, identified and agreed through the established care management process.

- 4.9 The proposed maximum value over the life of the contract entered into with Agincare for services at Laburnum is £1,166,928.00. The minimum value over the life of the contract stated above includes the hours required to deliver a 24/7 service within the scheme and additional hours to deliver support. No changes in spend between the minimum and maximum values will be agreed unless it is on the basis of an increase in the care needs of clients, identified and agreed through the established care management process.

5. Legal Implications

- 5.1 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.
- 5.2 Council Standing Orders and procurement regulations govern the procurement of services. A request for a Single Tender Approval is a request to waive Council Standing Orders and depart from usual practice. As such it may only be used in exceptional circumstances and with appropriate approval.

6. HR Implications

- 6.1 As the services at Fernhill, Rowan and Laburnum will be provided by an independent Service Provider there are no Hampshire County Council staff issues involved with this development.
- 6.2 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.

7. Equalities Impact Assessment

- 7.1 An Equalities Impact Assessment was carried 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.
- 7.2 In general, where data is available, the characteristics of people using Adult Services support in Eastleigh meet the characteristics of the local population. 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 people.

8. Recommendations

- 8.1 That the Executive Member for Adult Social Care and Public Health give approval to award contracts via a Single Tender process to Agincare Ltd. for the care and support services at Fernhill, Rowan and Laburnum Extra-Care schemes up to the

Agenda Item:

maximum value of £590,226.00, £653,982.00 and £1,166,928.00 respectively for the period between 15 May 2015 and a maximum end date of 5 January 2018.

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		
<p>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.)</p>		
<u>Document</u>	<u>Location</u>	
None		

IMPACT ASSESSMENTS:

1. Equality Duty

1.1 The County Council has a duty under Section 149 of the Equality Act 2010 ('the Act') to have due regard in the exercise of its functions to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act;
- Advance equality of opportunity between persons who share a relevant protected characteristic (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, gender and sexual orientation) and those who do not share it;
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

Due regard in this context involves having due regard in particular to:

- a) The need to remove or minimise disadvantages suffered by persons sharing a relevant characteristic connected to that characteristic;
- b) Take steps to meet the needs of persons sharing a relevant protected characteristic different from the needs of persons who do not share it;
- c) Encourage persons sharing a relevant protected characteristic to participate in public life or in any other activity which participation by such persons is disproportionately low.

1.2 Full Impact Assessment completed. Summary findings are:

That in general, where data is available, the characteristics of people using Adult Services support in Eastleigh meet the characteristics of the local population. 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, and it is to support the health and social care needs of these people that is being targeted with the continued contracting for services at these sites.

Although there is a primary target group, there will be no exclusions in terms of sexuality, race, faith, gender, disability or socio-economic factors but this will require some specific actions. These will be to ensure:

- that a specification is written for the service that ensures the Service Provider makes reasonable and appropriate adjustments as required to meet the needs all people referred to the services;
- that there is regular contract monitoring of performance against a key performance objective in relation to ensuring that the Service Provider works in partnership with Adult Services to ensure the service user characteristics match the local demography;
- that the Service Provider and Adult Services staff receive appropriate awareness training and development to ensure that there are no exclusions on these grounds and that all people are treated as individuals with their personal needs met where appropriate and reasonable.

2. Impact on Crime and Disorder:

- 2.1 It is not anticipated that the proposals suggested in this paper will impact on crime and disorder.

3. Climate Change:

- i. How does what is being proposed impact on our carbon footprint/energy consumption?**
- ii. How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts?**

- 3.1 It is not anticipated that the proposals suggested in this paper will impact on our carbon footprint or energy consumption. Extra-Care schemes are inherently more environmentally friendly than other alternative methods of care provision such as Domiciliary Care due to the dramatically reduced travel requirements in ensuring care is provided to everyone within the contract. New Extra-Care schemes are built to environmentally friendly standards and with energy conservation in mind, while existing schemes have the opportunity to work with residents in reducing their energy consumption. All schemes are required to have in place business continuity plans which outline how they will ensure continuity of service during extreme changes in weather and climate.