



Essex County Council

Cabinet

10:15	Tuesday, 23 April 2024	Council Chamber County Hall, Chelmsford, CM1 1QH
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For information about the meeting please ask for:

Emma Tombs, Democratic Services Manager

Telephone: 033303 22709

Email: democratic.services@essex.gov.uk

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Pages

*** Meeting Arrangements**

In accordance with paragraph 14.7 of the Council's Constitution, the Leader has agreed that all members may take part in the meeting and vote if they are present via Zoom. The link to the Zoom meeting has been sent to members separately. Members of the public may watch on YouTube and there will of course be the normal public access to the meeting room in County Hall, from which any member of the public may observe the meeting and make representations.

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| 1 | Membership, apologies, substitutions and declarations of interest | 5 - 5 |
| 2 | Minutes: Cabinet Meeting, 27 February 2024 | 6 - 15 |
| 3 | Questions from the public | |

A period of up to 15 minutes will be allowed for members of the public to ask questions or make representations on any item on the agenda for this meeting. No statement or question shall be longer than three minutes

and speakers will be timed.

On arrival, and before the start of the meeting, please register with the Democratic Services Officer.

4	Procurement of the on-site care and support services at four existing extra care schemes (FP/039/02/24)	16 - 25
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The Equalities Comprehensive Impact Assessment (ECIA) is available [online](#) – please scroll to bottom of page.

5	Procurement of Contracts for Reablement Services (FP/046/02/24)	26 - 36
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The Equalities Comprehensive Impact Assessment (ECIA) is available [online](#) – please scroll to bottom of page.

6	Decisions taken by or in consultation with Cabinet Members (FP/056/02/24)	37 - 41
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7	Date of next and future meetings
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To note that:

- the next meeting of the Cabinet will take place at 10.15am on Tuesday 28 May 2024 in the Council Chamber at County Hall, Chelmsford.
- Cabinet meetings will take place on the following dates in 2025:
21 January, 25 February, 25 March, 15 April, 3 June, 26 June,
22 July, 9 September, 7 October, 4 November and 16 December

8	Urgent Business
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To consider any matter which in the opinion of the Chairman should be considered in public by reason of special circumstances (to be specified) as a matter of urgency.

Exempt Items

(During consideration of these items the meeting is not likely to be open to the press and public)

The following items of business have not been published on the grounds that they involve the likely disclosure of exempt information falling within Part I of Schedule 12A of the Local Government Act 1972. Members are asked to consider whether or not the press and public should be excluded during the consideration of these items. If so it will be necessary for the meeting to pass a formal resolution:

That the press and public are excluded from the meeting during the consideration of the remaining items of business on the grounds that they involve the likely disclosure of exempt information falling within Schedule 12A to the Local Government Act 1972, the specific paragraph(s) of Schedule 12A engaged being set out in the report or appendix relating to that item of business.

9 Urgent Exempt Business

To consider in private any other matter which in the opinion of the Chairman should be considered by reason of special circumstances (to be specified) as a matter of urgency.

Committee: Cabinet

Enquiries to: Emma Tombs, Democratic Services Manager
Emma.tombs@essex.gov.uk

Membership, Apologies, Substitutions and Declarations of Interest

Recommendations:

To note:

1. Membership as shown below
2. Apologies and substitutions
3. Declarations of interest to be made by Members in accordance with the Members' Code of Conduct

Member

Portfolio

(Quorum: 3)

Cllr Kevin Bentley	Leader of the Council (Chairman)
Cllr Louise McKinlay	Deputy Leader, Levelling Up and the Economy (Vice-Chairman)
Cllr Tony Ball	Education Excellence, Lifelong Learning and Employability
Cllr Tom Cunningham	Highways, Infrastructure and Sustainable Transport
Cllr Mark Durham	The Arts, Heritage and Culture
Cllr Beverley Egan	Children's Services and Early Years
Cllr Peter Schwier	Climate Czar, Environment, Waste Reduction and Recycling
Cllr Lee Scott	Planning a Growing Economy
Cllr John Spence	Health, Adult Social Care and ICS Integration
Cllr Chris Whitbread	The Chancellor of Essex

Minutes of a meeting of the Cabinet held in the Council Chamber at County Hall at 10.15am on Tuesday 27 February 2024

Present:

Councillor	Cabinet Member Responsibility
Cllr Kevin Bentley	Leader of the Council
Cllr Tony Ball	Education Excellence, Lifelong Learning and Employability
Cllr Tom Cunningham	Highways Infrastructure and Sustainable Transport
Cllr Mark Durham	The Arts, Heritage and Culture
Cllr Beverley Egan	Children's Services and Early Years
Cllr Peter Schwier	Climate Czar, Environment, Waste Reduction and Recycling
Cllr Lee Scott	Planning a Growing Economy
Cllr John Spence	Adult Social Care, Health and ICS Integration
Cllr Chris Whitbread	The Chancellor of Essex

Cllrs Mike Mackrory, Bob Massey, Mark Platt, Laureen Shaw and Holly Whitbread were also present. Cllrs Ivan Henderson, David King and Chris Pond attended remotely via Zoom.

1. Membership, Apologies, Substitutions and Declarations of Interest

The report of Membership, Apologies and Declarations was received, and the following were noted:

1. Membership of the Cabinet was as set out in the report.
2. Apologies for absence had been received from Cllr Louise McKinlay, Deputy Leader and Cabinet Member for Levelling Up and the Economy.
3. There were no declarations of interest.

2. Minutes: Cabinet Meeting, 16 January 2024

The Minutes of the previous meeting, held on 16 January 2024, were approved as a correct record and signed by the Chairman.

3. Questions from the Public

None.

4. Future Strategy for Essex Cares Limited (FP/298/11/23)

The Cabinet's approval was sought for strategy priorities for the future of Essex Cares Limited (ECL).

The Cabinet Member for Adult Social Care, Health and ICS Integration, together with the Chancellor of Essex, responded to questions from Cllr Mike Mackrory on several issues, including the pressures arising from an increased demand for reablement services and clarification regarding Non-Executive Director appointment and remuneration. The Leader of the Council undertook to arrange for a written response to be provided to Cllr Mackrory on any outstanding issues.

Resolved:

1. Agreed to enter into a Memorandum of understanding with Essex Cares Limited (ECL) in the form attached at Appendix 1 to report FP/298/11/23.
2. Agreed that in future ECL's annual business plan, including its investment plan, will be approved by the Cabinet or a Cabinet Committee.
3. Agreed that the Executive Director for Adult Social Care will have the right to attend and speak at ECL board meetings but will not be a director of the company and therefore will not be entitled to vote.
4. Agreed that the Executive Director for Adult Social Care will hold the Managing Director of ECL to account through the setting, and review, of annual performance objectives with respect to ECC contracts.
5. Agreed the approach to distribution of surplus/dividends in relation to surpluses as set out in paragraphs 3.28 and 3.33 of report FP/298/11/23.
6. Agreed, as a shareholder of Essex Cares Limited, to pass a special resolution to amend the articles of association of the company to make the changes set out in Appendix 3 to report FP/298/11/23.
7. Agreed, as shareholder, that ECL can enter into a new three-year contract worth £11,096,793 (with a possible two year extension) for the provision of reablement services with the London Borough of Havering from 1 April 2024.
8. Agreed to take steps to ensure that future non-executive directors will be paid £13,000 per annum.

5. Increase in Fees for Working Age and Older Adults Care and Support Provision (FP/004/01/24)

The Cabinet's approval was sought for a series of varied uplifts for care providers that operate supported living, older persons residential and nursing care and extra care settings, and for those that work with working age adults with disabilities and mental health support needs.

Responding to questions by Cllrs Ivan Henderson and Mike Mackrory, the Cabinet Member for Adult Social Care, Health and ICS Integration confirmed

that the proposals contained within the report would not have a disproportionate adverse impact on service users and expressed confidence that implementing the strategy would minimise the risk of packages being returned by suppliers. He expressed confidence that care workers were also benefitting from the increased sums being paid by the Council to suppliers.

Resolved:

1. Agreed to approve the price uplift approaches set out for each market segment in the table below:

Market	Recommendation:
Adults With Disabilities Supported Living Services	Uplift fees for providers on the Framework by 9.6% to £21ph for non-complex placements and £23.08ph for complex placements, from 31 March 2024.
Adults With Disabilities Residential Services	Uplift fees by a maximum of 6.24% for new and existing placements on the Complex Residential Framework from 1 April 2024 Uplift fees by 5.4% for all spot providers who have engaged with the Care Cubed assessment tool. No uplift to be applied until providers have engaged in this assessment process.
Mental Health Accommodation Services Contracts	Uplift fees by 8.46% for all existing and new packages delivered through the Mental Health Accommodation Pathway from 31 March 2024 Uplift fees by a maximum of 8.46% for spot and legacy contracted services from 31 March 2024 with no prices to exceed the agreed uplifted rates for comparable services under the new Mental Health Accommodation Pathway.
Mental Health Residential Services	Uplift fees by 5.4% from 31 March 2024 for 'spot' providers who have engaged with the Care Cubed assessment tool. No uplift to be applied unless and until providers have engaged with this process.
Extra Care Services	Uplift fees by 9.6% from 31 March 2024 for all existing care packages for older adults living within extra care accommodation. Give a new maximum rate of £23.04ph and minimum rate of £18.32ph, for the placement of adults into Extra Care Schemes with effect from 31 March 2024.
Day Services	Uplift fees by up to 7.12% for all existing placements made by the Council into Day Services within ECC's administrative area from 31

	March 2024.
Out of County Placements for all services listed in this table	Increase fees, from 1 April 2024, by an individually agreed amount not exceeding the 'host' authority uplift across all services included within this paper if: (a) the provider requests this and provides supporting evidence; and (b) in the case of Adults With Disabilities and Mental Health residential care, where the provider has completed the Care Cubed toolkit and submitted the results to the Council and the Council is satisfied that this demonstrates value for money.
Older People Residential and Nursing Services	<p>Reopen the IRN Framework to new providers and to allow existing providers on the IRN Framework to vary their price point as set out below:</p> <ul style="list-style-type: none"> a) Uplift each price by 7.38% for existing placements for residential care, with a new minimum rate of £695.36 per week, capped at the new maximum framework rate of £801.34 per week, from 1 April 2024; b) Uplift each price by 7.44% for existing placements for residential care with nursing, with a new minimum rate of £855.74 per week, capped at the new maximum framework rate of £1,084.50 per week, from 1 April 2024. c) IRN Framework placements for residential and nursing made between 1 April 2024 and 31 May 2024 will be made at the Provider's current rate uplifted as in (a) and (b) above, and should the Provider select a new rate as below, transition to the new rate will be on 1 June 2024. d) The new ranking and prices following the re-opening of the Framework will apply to placements made after 1 June 2024. e) Increase all existing IRN placements below the care homes new submitted rate to their new submitted rate from the 1 June 2024. f) Add an additional exceptional needs payment band of £70.00 per week for current and future approved placements via the IRN Framework with effect from 1 June 2024 to form a two-tier approach for enhanced payments including the existing

	<p>level of £140 per week.</p> <p>g) Agree to increase fees for spot care home placements in homes within the Council's administrative area which are below the new minimum framework rate, to the new minimum framework rate from 1 June 2024.</p> <p>h) Agree that the Director, Adult Social Care is authorised to agree the award of new framework agreements and prices following the re-opening of the IRN Framework Agreement.</p>
Direct Payments	Adjust guide rates from 1 April 2024 - calculated at £16.34ph for Personal Assistants and £23.84ph for Domiciliary Care.
Shared lives	Uplift fees by 4.1% for new and existing placements from 31 March 2024.

2. Noted that the financial impact of these recommendations has been calculated using the same assumptions for NLW (9.8%), CPI (4.1%) and RPI (4.1%), the blend once fed through each individual cost of care model gives a different output depending on the proportion of costs relating to each uplift element. The financial impact is expected to be £33m in 2024/25, £1.8m of which is to be drawn down from the Adults Investment Reserve.
3. Agreed to draw down £1.8m in 2024/25 and £2.5m in 2025/26 from the Adults Investment Reserve to fund the IRN framework additional recommendations in Resolution 1 above.

6. Future Highways Programme – Drawdown from Reserves and approval of the recommended Highways Services model (FP/008/01/24)

Cabinet's approval was sought for a proposed future service model for highways and transportation (HST) following expiry of the existing contract in March 2027. Approval was also requested for financial arrangements to support implementation of the recommended service model and meet the costs for ECC associated with taking back responsibility for the management and maintenance of that part of the A130 currently operated by County Route.

In presenting the report, the Cabinet Member for Highways Infrastructure and Sustainable Transport expressed thanks to the officer team involved in working on the proposed new contract and to the Members (including his predecessor as Cabinet Member, Cllr Lee Scott, for their work as part of the Member Reference Group. Cllrs Ivan Henderson, Mike Mackrory and Chris Pond associated themselves with these comments and expressed their appreciation for opportunities offered by the establishment of the Member Reference Group.

The Cabinet Member, supported by the Leader of the Council, provided the following information in response to questions by Cllrs Henderson, Mackrory and Pond:

- The new contract would include an emphasis on the quality assessment of work carried out, bearing in mind that this was likely to involve new approaches linked to the availability of new technology.
- The decline in the condition of highway infrastructure through factors including overuse was acknowledged as a national issue, beyond the scope of the contract and requiring consideration at a higher level.
- Although maintenance of highways assets such as verges, hedges and trees would be included in the design phase of the contract, many issues related to this were the responsibility of landowners rather than ECC. It was hoped that a planned increase in enforcement action would help to address current challenges.
- The potential implications of sustainable transport, including a possible increase in demand for repairs to footways and streetlighting, would be considered as part of the design phase of the contract.
- The implementation of LED street lighting was continuing across the County.
- The County Council did not have the legal power to restrict pavement parking.

Resolved:

1. Agreed in principle the mixed economy for the highways service as the recommended model for further design as detailed in paragraph 3.9 of report FP/008/01/24.
2. Noted that:
 - 1) Indicative costings show that this model will require additional recurring revenue investment of circa £3m per annum from year 2 of the new contract, primarily as a result of increasing the ECC staff base compared to the status quo.
 - 2) There will be a resulting reduction in Capital expenditure of circa £3.4m per annum from year 2 as detailed in section 4.1 of report FP/008/01/24. However, the first 4-year MTRS period of notional borrowing savings total £500,000, based on current interest rate assumptions, and therefore will not fully offset the proposed additional annual ECC staff costs.

- 3) There will be a further decision taken to Cabinet to agree the final design of the model and approve proceeding to tender the relevant contracts.
3. Agreed to approve the reallocation of £913,000 of transformation reserve funding to this project, which is currently allocated to support the Ringway Jacobs Contract Extension Decision (FP/479/07/19), bringing the total transformation funding envelope to £5.776m.
4. Agreed to endorse the rephasing of £2.8m approved transformation funding, being the unutilised funding from that allocated in FP/465/07/22, up until the end of 2027/28.
5. Agreed to draw down a further £1.462m of funding from the Transformation Reserve to fund new resources to deliver and embed the next service delivery model for the Highways and Transportation Service to be used in the period up until the end of 2027/2028 and to bring under ECC control the element of the A130 currently managed through a PFI arrangement up until 2030, taking the total investment for the programme to £7.2m over five years until the new contract is embedded.

7. Approval to Place Contractual Task Orders with Ringway Jacobs for values of £2m and over (FP/305/12/23)

Cabinet's approval was sought to issue those task orders likely to exceed £2.0m to Ringway Jacobs for the 2024/25 financial year. Approval was also requested to draw down sums from the Highways Reserve and the Everyone's Essex Reserve (as outlined in paragraph 3.9 and Appendix 3 to report FP/305/12/23), and to add sums to the Capital Programme in respect of works funded by the Network North Grant and the Traffic Signal Obsolescence Grant.

The Cabinet Member for Highways, Infrastructure and Sustainable Transport responded to questions by Cllr Mike Mackrory and Ivan Henderson, undertaking to update opposition councillors on the proposed future structure and remit of Local Highways Panels. Cllr Mackrory was invited to make the Cabinet Member aware of any specific concerns arising from the proposed reduction in carriageway resurfacing treatments.

Resolved:

1. Agreed that the Director, Highways and Transportation will issue the task orders to Ringway Jacobs as outlined in Table 1, Appendices 1 and 3 to report FP/305/12/23 after taking legal advice about the form and content of the task orders.
2. Agreed to add £2.4m to the Capital Programme and £600,000 to be applied to the revenue budget in 2023/24 to enable additional roads maintenance activity as set out in paragraph 3.9 to report FP/305/12/23,

funded by a drawdown of £3.0m in 2023/24 from the highways Reserve.

3. Agreed to add £110m to the Capital Programme and for £961,854 to be applied to the revenue budgets in 2024/25 to enable additional roads maintenance activity as set out in Appendix 3 to report FP/395/12/23, funded by a drawdown of £12.0m in 2024/25 from the Everyone's Essex Reserve.
4. Agreed to add £7.7m to the Capital Programme in 2024/25 to enable additional roads maintenance activity as funded by the Network North Grant.
5. Agreed to add £242,000 to the Capital Programme in 2024/25 to enable further replacements to obsolescent traffic signals as funded by the Traffic Signal Obsolescence Grant.
6. Agreed that the Cabinet Member for Highways Infrastructure and Sustainable Transport may change the work to be undertaken under the task orders.

8. Introduction of a Permanent Recycling Centre Booking Process (FP/006/01/24)

The Cabinet received a report which presented the results of the Recycling Centre Process Pilot evaluation and public consultation and recommended permanently retaining a booking process at all 21 recycling centres across the county.

The Climate Czar and Cabinet Member for Environment, Waste Reduction and Recycling responded to questions by Cllrs Ivan Henderson, Mike Mackrory and Chris Pond, noting that a large majority of respondents to the consultation had favoured the introduction of the booking system. It was proposed to introduce the system at all recycling centres in order to provide a consistent approach across the County.

Resolved:

Agreed to retain a booking process at all 21 Essex recycling centres for all vehicles (cars and vans) across all operating hours on a permanent basis, in line with the proposals consulted upon.

9. Essex Housing Development LLP annual Delivery Plan 2024-25 (FP/254/09/23)

This report was considered in conjunction with a Confidential Appendix (minute 13, below, refers).

Cabinet's approval was sought for the Essex Housing Development LLP (EHDLLP) Annual Delivery Plan for 2024/25. Approval was also sought for an increase in the Working Capital Loan paid by ECC to EHDLLP from £5m to £12m, as requested by the LLP.

In presenting the report, the Cabinet Member for Planning a Growing Economy thanked the Officers and Board Chairman of Essex Housing for their hard work. He went on to respond to questions by Cllr Mike Mackrory concerning work with housing associations and social landlords to encourage tenants to downsize to smaller properties.

Resolved:

1. Agreed to approve the Essex Housing Annual Delivery Plan 2024/25 as set out in the confidential appendix to report FP/254/09/23.
2. Agreed to increase the Working Capital Loan facility provided by ECC to Essex Housing Development LLP from £5m to £12m with immediate effect.
3. Noted that further formal decisions will continue to need to be taken for each site for development, financing and land disposal to Essex Housing Development LLP for 2024/25, as set out in paragraph 3.10 to report FP/254/09/23.
4. Agreed that all project specific loan offers made to the LLP will expire within six months of being made and will have to be renewed after that time.

10. Decisions taken by or in consultation with Cabinet Members (FP/001/01/24)

The report was noted.

11. Date of next meeting

Noted that the next meeting of the Cabinet would take place at 10.15am on Tuesday 26 March 2024 in the Council Chamber at County Hall, Chelmsford, CM1 1QH.

NB: this meeting was subsequently cancelled, and the business carried forward to the next scheduled date on 23 April 2024.

12. Urgent business

None

Exclusion of the Press and Public**Resolved:**

That the press and public be excluded from the meeting during consideration of the remaining items of business on the grounds that it involves the likely disclosure of exempt information of exempt information as specified in paragraph 3 of Schedule 12A of the Local Government Act 1972 – information relating to the financial or business affairs of any particular person.

13. Confidential Appendix: Essex Housing Development LLP Annual Delivery Plan 2024-25 (FP/254/09/23)

The confidential appendix to report FP/254/09/23, to which minute 9, above, refers, was noted.

There being no further business, the meeting closed at 11.21am.

Chairman
23 April 2024

Forward Plan reference number: FP/039/02/24

Report title: Procurement of the on-site care and support services at four existing extra care schemes	
Report to: Cabinet	
Report author: Councillor John Spence, Cabinet Member for Health, Adult Social Care and ICS Integration	
Date: 23 April 2024	For: Decision
Enquiries to: Nick Presmeg, Executive Director, Adult Social Care, nick.presmeg@essex.gov.uk or Matthew Barnett, Head of Strategic Commissioning and Policy, Matthew.Barnett@essex.gov.uk ; or Jo Grainger, Commissioning Manager, jo.grainger@essex.gov.uk	
County Divisions affected: Colchester, Tendring, Harlow and Rochford	

1. Everyone's Essex

- 1.1 Everyone's Essex sets out the Council's commitment and ambition to improve and support the health and wellbeing of the County's residents. This includes our commitment to support people with care needs to be as independent as possible through access to suitable accommodation, and to ensure they have the support they need to promote their wellbeing and quality of life.
- 1.2 The Care Act 2014 places a duty on local authorities to promote a sustainable market for care and support that delivers high quality services for all local people (however that care is funded).
- 1.3 Under the Care Act 2014, the Council has a statutory duty to meet eligible needs. Providing access to suitable accommodation with care and support, including extra care schemes, is one way to meet those needs.
- 1.4 Extra care schemes are defined as accommodation that provides access to 24-hour, 7 day (24/7) on-site support for residents, many of whom may also have care and support needs met by Adult Social Care as part of our duties under the Care Act 2014.
- 1.5 Extra care schemes are an important part of a wider accommodation pathway of care, support and housing solutions, enabling independence and positive outcomes for adults. They can prevent and delay a move into less independent settings, such as residential care.
- 1.6 The purpose of this report is to seek approval to procure and award contracts to the successful bidder/s for the on-site care and support service within four existing extra care schemes.

- 1.7 The proposals in this paper do not create any additional climate impacts, which is consistent with our net zero climate commitments set out in Everyone's Essex.

2 Recommendations

- 2.1 Agree to undertake a single-stage, competitive tender for the award of four contracts, each of five-year duration, for the on-site care and support services at four extra care schemes being: (1) The Cannons, Colchester; (2) Sumners Farm, Harlow; (3) Dobsons House, Rochford; and (4) Canters Meadow, Tendring, at an indicative cost of £8.1m over the five years of the contracts.
- 2.2 Agree that the procurement shall be structured with individual Lots for each scheme, using a single-stage tender process which complies with the light touch regime in The Public Contracts Regulations 2015.
- 2.3 Agree that the high-level evaluation criteria for the award of the contracts will have a price, quality split of 60:40, with 10% of the quality score assessing social value.
- 2.4 Agree to block fund 84 care and support hours per week at each scheme, which together with the planned personal care provided, will secure the 24-hour, 7-day (24/7) on-site support required for a scheme to be designated as extra care.
- 2.5 Note that the cost of the core 24/7 on-site support in these four extra care schemes falls outside the current Adult Social Care charging arrangements and therefore adults will not be required to pay for this aspect of the service, but will be assessed for a contribution for any chargeable planned personal care needs in the usual way by the Council.
- 2.6 Agree that the Executive Director, Adult Social Care is authorised to award the on-site care and support services contracts for the four schemes if he is satisfied that the contracts represent best value and are within budget when costed at expected volumes.

3 Background and Proposal

- 3.1 The Council currently has contracts with on-site care and support providers at 14 extra care schemes across Essex, including the four schemes covered in this paper, at which placements are made by Adult Social Care.
- 3.2 The Council can make nominations into all 14 schemes for adults with eligible assessed care needs who would benefit from a home environment with 24-hour, 7 day (24/7) on-site support that underpins their continued independence.
- 3.3 The on-site support provided within these extra care schemes ensures a 24/7 on-site presence and a person to call who can respond to any unplanned care needs and/or emergencies, for example if a resident has a fall or is unwell. It

includes the provision of personal care, regulated by the Care Quality Commission (CQC) as required, and can be accessed as needed rather than in a scheduled way. This 24/7 on-site support must be in place for a scheme to be designated as extra care, both in Essex and nationally.

- 3.4 The 24/7 support is delivered by a care provider based at the scheme and is available to all residents, irrespective of who provides their planned personal care. The on-site care and support provider can also provide planned personal care to residents (if an adult has chosen to receive their personal care from it) as part of meeting a resident's assessed eligible care and support needs.

The schemes

- 3.5 Dobsons House is a 30-apartment extra care scheme in Rayleigh. The Council has nomination rights into all 30 of the apartments within the scheme.
- 3.6 Canters Meadow is a 30-apartment scheme in Clacton. The Council does not currently have a nomination agreement in place with the landlord, but placements are being made by Adult Social Care into the scheme.
- 3.7 The Cannons is a 38-apartment extra care scheme in Colchester. The Council does not currently have a nomination agreement in place with the landlord, but placements are being made by Adult Social Care into the scheme.
- 3.8 Sumners Farm is a 42-apartment extra care scheme in Harlow. The Council does not currently have a nomination agreement in place with the landlord, but placements are being made by Adult Social Care into the scheme.
- 3.9 The contracts and agreements for the on-site care and support services provided at these schemes will expire between October and December 2024. Each of the landlords of the schemes have confirmed that they do not want to take on or continue the responsibility of providing the on-site care and support service within the schemes.
- 3.10 There is a nomination panel, coordinated by the Council, in place for each of the schemes. The nomination panel also includes the landlord, the on-site care and support provider and the Local Housing Authority. The nomination panel ensures timely and efficient identification and processing of nominations for each scheme, ensuring all adults have care and support needs that can be met through a move into extra care. There is consistently good utilisation at all four schemes, driven by the creation of the nomination panels, with currently an average utilisation of 94%.
- 3.11 The landlords of each scheme have confirmed that they will continue to allow the Council to make nominations into each scheme and will allow the Council to contract for the provision of the on-site care and support services within each scheme. This will include allowing the successful care providers to have access to the necessary facilities at the schemes to provide the on-site care and support service.

The new contracts

- 3.12 It is proposed that the new on-site care and support contracts at each scheme will commence between October and December 2024 and will be for a five-year period with no options to extend further. This is consistent with the contract length for other extra care schemes across the County.
- 3.13 The contractual arrangements for the provision of on-site care and support services across the schemes will not tie the Council or residents into having to purchase planned personal care from the on-site care and support provider. Residents and the Council will be able to choose another care provider or carer to provide their planned personal care as required.
- 3.14 The Council will seek to agree a nomination agreement with the landlord for each scheme. The nomination panel, coordinated by the Council, for each scheme, will continue to meet regularly to maximise Adult Social Care placements into each scheme. Without a nomination agreement, the Council does not have a contractual right to make such nominations although it is in the landlord's interests for voids to be filled. If nominations are not or cannot be made into the schemes, the Council will still be responsible for paying for the on-site care and support service.
- 3.15 There will be no direct contractual relationship between the landlord and the on-site care and support provider relating to the provision of care at the scheme, but there will be an agreement between the landlord and the on-site care and support provider relating to the use of facilities within the building, access to and from the building and working arrangements.
- 3.16 There will be no contractual provision relating to the on-site care and support service and the provision of care within the residents' tenancy agreement with the landlord. All documentation and agreements in relation to the provision of planned personal care and the 24/7 on-site support service will be between the residents and the Council and/or the residents and their care provider(s).
- 3.17 The service specification and performance standards within the care and support contract will require that the on-site care and support providers for each of the schemes, as a minimum, meet the Council's quality standards, adhere to the CQC regulatory standards and adhere to the service delivery model for extra care. This will ensure high-quality service provision that maximises independence; with the schemes as community assets, benefiting the wider community as well as the residents within the schemes, and with a strong ethos of social interaction and maintaining and developing relationships. There will be key performance indicators and management information for the provider to report on and for the Council to monitor. Over the contract term there will be regular contract management meetings with each on-site care and support provider to discuss service delivery and performance. If needed, there is the standard provision within the contract to issue action plans and, contract breach letters, and ultimately the ability to terminate the contract if there continue to be significant performance concerns.

- 3.18 Increased flexibility in the suitability criteria has also been implemented across all extra care schemes in Essex, in terms of both the care needs and the age of prospective residents, including adults with disabilities, who may be under or over 55, where extra care is deemed suitable to meet need. This is a positive progression of the extra care model in Essex and means that a more diverse range of adults can benefit from living within an extra care scheme. This approach will continue to be promoted in these schemes over the life of the contract.
- 3.19 The anticipated cost of the four contracts is £1.6m per annum, based on an assumed rate tendered and fixed hours for the 24/7 on-site support. During the tender process the actual cost will become apparent, and agreed or otherwise by the Executive Director, Adult Social Care, based on affordability within the overall budget.

The procurement approach

- 3.20 It is proposed that there will be a single-stage, competitive tender process complying with the 'light touch' regime of the Public Contract Regulations 2015. The contracts will be awarded to the bidders who achieve the highest overall score using a price / quality split of 60%: 40%, with 10% of the quality score assessing social value and climate.
- 3.21 The tender will be in four Lots. Bidders will be able to bid for one or more Lot. Each Lot will be evaluated independently of each other. There will be no restriction on the number of Lots a bidder can win.

Price Criteria	Quality Criteria	Social Value and Climate
<p>The price element will be based on the care rate (price per hour) for planned personal care.</p> <p>The care rate per hour selected will then be used to calculate the block price for the 24/7 on-site support based on 84 hours per week. This guaranteed funding will ensure the 24/7 on-site support can be provided with at least one member of staff awake on-site and with one member of staff local to the scheme on call.</p> <p>The pricing matrix on which bidders can submit tenders for hourly care rates is a range from £18.32 to £23.04, rising in 4p increments. Any bids outside the range will be</p>	<p>The quality criteria will be based on technical questions, which focus on bidders' proposed service model for the delivery of the on-site care and support service within the scheme, including ability to meet a range of care and support needs and providing enablement-focused care and support, mobilisation of the contract, the promotion of social inclusion, innovative practice and use of technology. For all bids submitted, minimum quality criteria must be met. Bids below these will fail and be discounted.</p>	<p>The social value and climate element will be based on what social value providers can offer and how this will be achieved and measured as part of this contract.</p>

disregarded. This matrix is consistent with previous extra care tenders.		
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- 3.22 The funding arrangements for the 24/7 on-site support set out in this report were endorsed through a Cabinet decision in April 2023 (FP/054/02/23) and set a precedent for all future procurements for the on-site care and support in both the 14 existing extra care schemes and any new extra care schemes with a contract with the Council for on-site care and support. The agreed approach ensures viability and sustainability of the 24/7 on-site support and equity in the approach to funding this across all 14 extra care schemes.
- 3.23 The funding approach for the 24/7 on-site support service will ensure that, at any one time, there is at least one member of staff awake on-site and one member of staff local to the scheme on-call. The landlords and current on-site care and support providers at each of the schemes have confirmed that this level of support will be sufficient to meet unplanned care needs and emergencies within the schemes. This level of support is also consistent with the approach taken in other extra care schemes across the country.
- 3.24 Where planned personal care is provided by the on-site care and support provider, this will be sourced at the hourly care rate submitted through the tender process. All planned personal care hours provided to residents in the schemes, irrespective of who provides this care, will be assessed and charged for in the usual way by the Council, following Adult Social Care charging policy. Individual arrangements will be set out in an adult's support plan in line with their assessed needs in the usual way.
- 3.25 The prices submitted will be fixed for the contract period, although the Council will have the absolute discretion to review rates if it so wishes. This is consistent with the Council's general approach to increasing prices for care services delivered to adults.

4 Links to our Strategic Ambitions

4.1 This report links to the following aims in the Essex Vision:

- Enjoy life into old age
- Strengthen communities through participation
- Develop our County sustainably

4.2 Approving the recommendations in this report will not impact on the Council's ambition to be net carbon neutral by 2030.

4.3 This report links to the following strategic priority in the Organisational Strategy 'Everyone's Essex':

- Health wellbeing and independence for all ages

5 Options

5.1 Option 1: Do nothing and let the contracts expire.

This approach is not recommended, as it would result in the on-site care and support services ceasing and the schemes being unable to operate as extra care. This could result in the Council needing to source new placements for residents, which might include residential care.

5.2 Option 2 (recommended): Undertake a single-stage competitive tender for the on-site care and support contract at each of the schemes, with the Council using its market-shaping powers under the Care Act 2014 to block fund 84 hours per week at each scheme.

This is the recommended option because it ensures best value through a competitive tender process, reflects the wishes of the landlords and maintains extra care capacity in the market, giving adults choice and control over their housing with care options. This option does not tie the Council or residents into having to purchase planned personal care packages from the on-site care and support provider. However, the provider of the 24/7 on-site support is not optional and will be the on-site care and support provider. Providing guaranteed block funding towards the 24/7 on-site support will ensure sustainability of this element of the service, which must be in place for a scheme to be classed as extra care.

5.3 Option 3: The landlord at each scheme takes on or continues responsibility for the care contract.

This option is not recommended or possible, as the landlords do not wish to take on responsibility or continue the provision of the on-site care and support contracts at these schemes.

6 Issues for Consideration

6.1 Financial implications

6.1.1 The recommended option in this paper has an annual cost of **£1.6m** and **£8.1m** across the five years of the combined contracts, see Table 1.

6.1.2 This has been modelled on the projections used for 2024/25 budget setting. The four schemes included within this paper are forecast to spend **£1.3m** on personal care and **£372,000** on 24/7 on-site support in 2024/25 in line with the existing arrangements. These values include the uplift that was agreed in the decision 'Care Market Uplifts' (FP/004/01/24) at February 2024 Cabinet. Any future year's uplifts are at the discretion of the Council and will be considered annually. The five-year contract cost is based on current care requirements and is likely to change over that time period as needs of residents change.

Table 1 – Projection In line with Existing Arrangements

4 Schemes Projection £000	2024/25 budget	2024/25 Cost	Ongoing annual cost	5 Year contract cost
Personal Care	1,256	1,256	1,256	6,280
On-site support	372	372	372	1,860
Total	1,628	1,628	1,628	8,140

6.1.3 There are price and volume risks and opportunities associated with this decision.

While care requirements have been modelled on the current providers matrix rate, if the new provider were to choose the highest rate on the matrix of £23.04 for 2024/25, the annual increase in cost would be £170,000, with the total annual cost rising to £1.8m. If the new provider were to choose the lowest rate on the matrix of £18.32 for 2024/25, the annual cost would be a decrease of £239,000, with the total annual cost reducing to £1.4m. The 2024/25 matrix rates were agreed at February 2024 Cabinet in the decision referenced in 6.1.2 above (FP/004/01/24). The specific matrix for this tender is yet to be agreed but it will be within these parameters. The opportunity is unlikely to materialise to the maximum value in the table below due to the changes to minimum wage. See Table 2 below to demonstrate the range of cost that could be incurred through this decision with the maximum and minimum exposure to variation in price. While care requirements have been modelled on the number of hours within the schemes at Period 7, they may increase or decrease based on need. If the risk materialises, any pressure will need to be managed within the overall Adult Social Care budget, including the Adults Investment Reserve, and will be monitored as part of budgetary control processes.

6.1.4 There are no future savings currently assumed within the Medium Term Resource Strategy (MTRS) for these schemes as they are existing schemes and are already in the baseline budget, but any savings potentially achieved through this procurement will be considered as part of 2025/26 budget setting.

Table 2 – Maximum and Minimum Exposure to Price Variation

Behaviour Scenario Modelling £000	<u>Lowest Matrix Rate</u>		<u>Highest Matrix Rate</u>	
	Ongoing annual cost	5 Year contract cost	Ongoing annual cost	5 Year contract cost
Personal Care	1,068	5,340	1,393	6,965
On-site support	321	1,605	404	2,020
Total	1,389	6,945	1,797	8,985

6.1.5 In extra care schemes where 24/7 on-site support is funded by the Council there is currently, and in the future will continue to be no contribution charged to the resident. As such the proposals in this paper will have no impact on charging as the Council currently provides this service at these schemes under a block contract. The wider principle of bringing on-site support into block arrangements across extra care schemes will have a larger positive impact, but dependent on the usage of the units and financial assessments of the social care residents at

the time, and so will be detailed as part of each future decision brought to Cabinet. Where residents currently pay a sum to the landlord for the 24/7 on-site support, this charge will stop with the new contract, leaving the resident with more chargeable income, which may increase the amount they can contribute towards their care, therefore having a minor positive impact on income received by the Council. Where the Council enters block arrangements for provision of 24/7 care, there is a risk that the value for money of this decision is reduced, if usage is low and void units are therefore high.

6.2 Legal implications

- 6.2.1 Care services within a supported living scheme fall within “social and other specific services” within Schedule 3 of the Public Contracts Regulations 2015. The procurement process and award of contracts must comply with the provisions of the Regulations and the Council’s internal policies and procedures. ECC can use one of the main procurement routes, such as the open procedure, for light touch services but is not obliged to.
- 6.2.2 Nomination agreements should be agreed with each landlord. If nominations are not or cannot be made into the schemes, the Council will still be responsible for paying for the on-site care and support service. The service considers this is a low risk.
- 6.2.3 The Public Services (Social Value) Act 2012 replaces a requirement on contracting authorities to consider, when procuring services, how the economic, environmental and social wellbeing of the local area may be improved and how this can be delivered through the procurement.
- 6.2.4 Contracts should be awarded on the basis of the most economically advantageous tender and qualitative, environmental and/or social aspects should be linked to the subject matter of the contract.

7 Equality and Diversity Considerations

- 7.1 The Public Sector Equality Duty applies to the Council when it makes decisions. The duty requires us to have regard to the need to:
 - (a) Eliminate unlawful discrimination, harassment and victimisation and other behaviour prohibited by the Act. In summary, the Act makes discrimination etc. on the grounds of a protected characteristic unlawful
 - (b) Advance equality of opportunity between people who share a protected characteristic and those who do not.
 - (c) Foster good relations between people who share a protected characteristic and those who do not including tackling prejudice and promoting understanding.
- 7.2 The protected characteristics are age, disability, gender reassignment, pregnancy and maternity, marriage and civil partnership, race, religion or belief, sex, and sexual orientation. The Act states that ‘marriage and civil partnership’ is

not a relevant protected characteristic for (b) or (c) although it is relevant for (a).

- 7.3 The Equalities Comprehensive Impact Assessment indicates that the proposals in this report will not have a disproportionately adverse impact on any people with a particular characteristic. The proposals will help ensure all of the schemes can continue as extra care schemes, providing a range of housing with care options for adults and ensuring that for current and future residents of the schemes choice, control, independence and wellbeing are maximised.

8 List of Appendices

- 8.1 Appendix One: Equality Comprehensive Impact Assessment

9 List of Background Papers

- 9.1 Cabinet Paper, FP/054/02/23 – Re-procurement of the on-site care and support services at four extra care schemes, April 2023 (published on the Council's website).
- 9.2 Cabinet Paper, FP/004/01/24 - Working Age and Older Adults Care and Support Provision Uplifts, February 2024 (published on the Council's website).

Forward Plan reference number: FP/046/02/24

Report title: Procurement of Contracts for Reablement Services	
Report to: Cabinet	
Report author: Councillor John Spence, Cabinet Member for Health, Adult Social Care and ICS Integration	
Date: 23 April 2024	For: Decision
Enquiries to: Moira McGrath, Director of Commissioning email moira.mcgrath@essex.gov.uk or Victoria Purser, Commissioning Manager Older People email victoria.purser@essex.gov.uk	
County Divisions affected: All Essex	

1. Everyone's Essex

- 1.1 Intermediate care services provide help for people either to avoid hospital admission, or to recover after spending time in hospital (often called reablement). These services are delivered in the person's home or within the community and, as well as delivering care, they support regaining independence and confidence and work towards achieving individually-tailored goals.
- 1.2 In doing so, these services are central to achieving some of the council's key strategic goals, as set out in Everyone's Essex, notably around helping people with care needs to live as independently and safely in their own homes for as long as they can, and ensuring they have the support they need to promote their wellbeing and quality of life. By doing this, it is also contributing to the council's work around levelling up the county.
- 1.3 Providing this care and support also enables the county council to fulfil its statutory duties under the Care Act 2014.
- 1.4 The council's reablement service, a key part of intermediate care, is currently provided mainly via a contract with ECL, the council's wholly-owned company, and supplemented by Additional Reablement Capacity (ARC), provided by a range of other providers, and some spot purchasing where required.
- 1.5 The purpose of this report is to seek agreement to secure reablement capacity post-May 2024, when the current ECL contract expires, and additional reablement post-September 2024, when our current ARC contracts come to an end. It is proposed that a contract is awarded to Essex Cares Limited (ECL) for reablement and that single-stage open tender process is conducted for Additional Reablement Capacity.
- 1.6 These recommendations will ensure a stable core to the council's reablement offer via ECL, our Local Authority Trading Company, who sit at one of the main gateways into social care in Essex. At the same time, securing ARC providers ensures the continued supply of necessary system capacity, with enough

flexibility in the contract to take advantage of future opportunities that may arise through the development of collaborative models with the NHS and long-term care suppliers.

- 1.7 The proposal is for a contract with ECL lasting 10 years. In agreeing this duration, the council commits to working with ECL to identify and implement ways in which intermediate care can be enhanced through a combination of human expertise and technology. In addition to the regular performance reviews, there will be the development of the longer-term change agenda, which will then be taken forward and reviewed in tandem with that of performance.

2 Recommendations

- 2.1 Agree to enter into an agreement with Essex Cares Ltd (ECL) to deliver a block contract of 9,350 hours per week of Reablement and associated services for a 10 year period with effect from 4 May 2024, subject to annual reviews, which may adjust the unit, volume, and price required on terms that allow either party to terminate with 12 months' notice, with a total contract value of up to £224.3m.
- 2.2 Agree to authorise Essex Cares Limited to undertake Care Act Assessments on behalf of ECC as part of the agreement outlined in 2.1, including authority for suitably qualified and experienced employees of Essex Cares Limited to undertake these assessments.
- 2.3 Agree to the draw down of £520,000 in 2024/25 and £50,000 in 2025/26 from the Adults Investment Reserve to fund the expansion of ECL Trusted Assessor capacity to deliver delegated Care Act Assessments described in 2.2 in the first year of the contract.
- 2.4 Agree to undertake a single-stage, open procurement in five geographical lots to secure additional reablement capacity for a period of three years, with annual reviews and break clauses.
- 2.5 Agree that the evaluation criteria for additional reablement capacity will be based on 30% price and 70% quality, including environment and social value weighting.
- 2.6 Agree that the Executive Director, Adult Social Care is authorised to award the contracts for additional reablement capacity to the successful Bidder(s) following completion of the procurement process.
- 2.7 Agree, as shareholder of ECL, that ECL may enter into the contract referred to in paragraph 2.1 above.

3 Background and Proposal

- 3.1 Intermediate Care services provide help to people to recover after spending time in hospital or to avoid hospital admission in the first place.

- 3.2 The ambition for Intermediate Care in Essex has been developed via the Future of Intermediate Care programme, in collaboration with system partners, and informed by people accessing support. It aims for people to experience: *'a truly integrated and collaborative model that provides improved outcomes and better value for the individual to promote independence'*. This means delivering improved and more seamless pathways, inclusivity and coordination between suppliers, to ensure that the best possible outcomes are achieved for each individual.
- 3.3 There are a number of component services within Intermediate Care in Essex. As part of the Council's commitment to helping people either avoid going into hospital or have a smooth journey out of hospital and back into independence, the Council provides a Reablement Service. This forms part of the Council's statutory responsibility to provide Intermediate Care services and it is therefore for these reasons – to ensure compliance as well as deliver on our Everyone's Essex ambitions for health, wellbeing and independence – that the Council must have in place a reablement offer. Currently, ECL delivers this service and is contracted to do so until May 2024, with Additional Reablement Capacity (ARC) provided by five other suppliers who are contracted until September 2024.
- 3.4 The current capacity of the ECL Reablement Service together with ARC is approaching 15,000 hours per week. In addition to this, spot purchasing is used where necessary to meet excess demand, delivering a further 5,000 hours of capacity per week. The longer-term plan for these contracts is that partners will better coordinate with one another and flex total capacity to best meet demand and the needs of adults and help them to achieve their outcomes, while reducing the need to purchase Reablement services on a spot basis.
- 3.5 In the last 12 months, 11,214 people have received Reablement through ECL or ARC providers; 68.0% of them have been 'reabled' to a reduced ongoing care package size and of those, 55.3% no longer needed care as they were able to look after themselves. In terms of national comparison, the Adult Social Care Outcomes Framework (ASCOF) measure calculating the percentage of people at home 91 days after completing reablement shows that Essex has a figure of 86.3% for 2022/23 vs national average of 82.3%. This reflects positively on ECL as the core contract holder for reablement.

Reablement by ECL

- 3.6 The Council has been working with ECL to negotiate the specification for the service to commence in May 2024, following a full review and agreement to a future plan for Essex Cares Limited (ECL) (Cabinet decision FP/298/11/23), we wish to continue to strengthen and embed the partnership.
- 3.7 ECL has been delivering the Reablement contract since December 2018 and during that time they have worked closely with the Council to implement changes and improvements to the services, including the Connect ways of working. ECL's reablement service is rated by the Care Quality Commission as 'Outstanding'. In February 2024 ECL and the Council agreed to a new way of working which means that all contracts for the delivery of Adult Social Care

services for Essex will operate on an 'open book accounting' basis with any surplus generated being made available for Adult Social Care. This gives confidence that ECL can provide good value for money.

- 3.8 By moving to the proposed ten-year service-level agreement, we aim to:
- Have the basis to create a still stronger working relationship with ECL, giving it the confidence to invest in the physical, human and technological resource we need.
 - Be able to engage them as key partners in market shaping.
 - Put in place a stable core to the Council's intermediate care offer, enabling partnerships and collaboration with the NHS to thrive.
 - Broaden the work and drive greater emphasis on the hospital avoidance and preventative aspect of intermediate care.
 - Be able to engage ECL as a 'force for good' in providing training etc to the rest of the market, focusing on collaboration rather than competition, consistent with duties under competition law.
- 3.9 A long agreement period enables these changes and developments, and with ECL's position as the Council's Trading Company, ECC will have the assurance of direct ownership and input into how ECL deliver and evolve over this period, enabling close working to develop relationships and collaborative approaches with wider system partners and providers. It also embeds ECL, an ECC owned body, at one of the main gateways into social care and therefore in as strong a position as possible to ensure people have maximum independence before ongoing services are put in place.
- 3.10 It is critical that the contract is objectively and thoroughly managed, and in a way which provides confidence to all parties. Primary responsibility for this lies with the ECL board, and the ECC commissioning and commercial teams. It is proposed that their oversight is complemented by an annual contract review session which involves members of the ECL board, the ASC commissioning and commercial teams, and those representing ECC shareholders. Contract changes can be recommended through the annual contract review process, and the decision will be taken in accordance with the constitution.
- 3.11 ECL currently delivers 9,350 hours per week of Reablement across Essex. This is broken down into locality areas whereby a guaranteed minimum provision is available across each area. The new contract will start on the same basis. Using the annual review process set out as part of this contract, in the first year we will consider alternative objectives for future years, with a focus on high quality outcomes for people.
- 3.12 ECL will be required to cover 100% of the county, including our harder to reach and more rural areas, in order to ensure that all adults have access to high-quality Reablement. This may be done using subcontractors or working with the ARC providers to organise capacity in a collaborative approach.
- 3.13 The ECL contract will be measured using a suite of Key Performance Indicators (KPIs) and Management Information (MIs). These will be used within the monthly contract management meetings and form part of the annual review

progress and will focus on the delivery of maximum capacity across the whole geographical area, the reduction of care hours required at the end of reablement and securing independent outcomes for adults.

- 3.14 The annual review process will be used to confirm KPIs (indicators and associated performance targets), targets and the resource envelope for the coming 12 months. The annual review must also consider changes to processes, NHS procedure, legislation, and data/reporting requirements as well as making sure that adjustments are reasonable and give ECL enough consistency to make long term plans.
- 3.15 Break clauses will be exercised in the event of on-going failures of performance, should recovery plan and processes not have yielded necessary improvements, or if there are significant changes in ECC requirements.

Delegated Assessments

- 3.16 Consistent with the national picture, the Council's Adult Social Care service is experiencing increased pressure to assess and arrange support for adults with care and support needs. Assessments are currently undertaken in-house and Adults are waiting longer than is desirable for Care Act Assessments and adults exiting the Reablement service who require on-going care are impacting on this pressure. The delay in completing Care Act Assessments for adults in Reablement is also impacting on the flow of adults leaving hospitals, reducing the efficiency of the Reablement service and resulting in an increase in adults entering spot-purchased home care as an alternative to Reablement.
- 3.17 The proposals in the report will enable delegating Care Act Assessments (for adults who leave Reablement with ongoing care needs) to ECL, which will support a reduction in the pressure on ASC teams, freeing up social work resource to focus on other areas. It will also help achieve better flow within Reablement and minimise delays, in turn enabling more people to benefit from the service.
- 3.18 This will begin as a pilot and will free up ECC social work capacity to be used in backlog recovery work. If the pilot shows improved volumes through the ECL reablement provision without further recurrent investment being required from ECC it will be considered a success. TA resource is also critical in the pathways to reablement, in ensuring the right people get the right support at the right time. Further delegation and additional ongoing funding options will be subject to separate future governance.

Additional Reablement Capacity (ARC)

- 3.19 ECL does not have enough capacity to meet the full need for reablement across Essex. We currently have contracts for ARC with five providers.
- 3.20 To complement the services contracted to ECL it is proposed that ECC should procure three-year contracts for additional capacity across Essex to a total minimum capacity of 5,250 hours per week, in geographical lots of, Mid Essex,

South West Essex, South East Essex, West Essex and North East Essex (volumes shown in the table below). Providers will be able to bid for more than one lot. The specification will be based on the initial specification used for ECL.

Locality	Initial hours
Mid	1,350
North	1,300
SE	900
SW	700
West	1,000
Total	5,250

3.21 The evaluation criteria for this ARC tender will contain the following price / quality split:

- Quality 70% - To demonstrate that this is a person-centred service, and the need for suitable supporting infrastructure (e.g. IT, Workforce, etc.). Of this Social Value and Climate/Environmental will each account for 10% of the overall score. This will help achieve our net zero ambitions and deliver social value.
- Price 30% - To reflect the importance of working within the available financial envelope, building on our previous experience of limited price differences in this market and driving high quality provision.
- The Quality responses will be partly evaluated on the bidder's ability to demonstrate how they will mobilise and deliver the service to the specification, how they will cover the full geography, how they will ensure a that they have access to enough workforce and how they will work with the wider system to deliver high-quality person-centred care.

3.22 Given that most of the likely suppliers are also suppliers of domiciliary care, it is important to manage the contracts to ensure that they are working effectively. On one view, domiciliary care providers who also provide reablement have a financial incentive not to enable people to become self-caring as this reduces the council's requirements for domiciliary care. Performance of the ARC contracts will be managed using a suite of KPIs and management information as ECL currently use, with regular contract management meetings and annual reviews, with a focus on

- delivery of capacity,
- reduction of care hours and improving adults' independence; and
- value for money

Collaboration

3.23 A key determinant of the success of Reablement services is the way that providers work as part of the wider health and social care landscape. Integrated neighbourhood teams, as they develop from Primary Care Networks (PCNs),

will be important in embedding a holistic care approach for Essex adults. These teams should promote a culture of collaboration, and creating time and space to problem solve together, as well as building trust with all system partners and their communities. A vital way of delivering this approach will be leadership, continuous improvement and a safe environment for people to learn.

- 3.24 During the life of the ARC contracts, it is anticipated that ECC and partners will be trialling and developing a more collaborative and alliance-based model, to better align the workforce and to reach the ambition for a truly integrated model of Intermediate Care.
- 3.25 The Council will also need to decide what it is going to do on the expiry of the current Live at Home domiciliary care framework. Many of the current ARC contracts are with providers who are also on the framework. It's proposed that the reprocured ARC contracts will have annual reviews so that there are regular opportunities to consider alignment and interfaces with Live at Home and other system provision.
- 3.26 In the longer term there may be some benefit in seeking to make intermediate care services simpler and even more joined up.

4 Links to our Strategic Ambitions

- 4.1 This report links to the following aims in the Essex Vision:
- Enjoy life into old age
 - Strengthen communities through participation
 - Develop our County sustainably
 - Connect us to each other and the world
 - Share prosperity with everyone
- 4.2 Approving the recommendations in this report will have a neutral impact on the Council's ambition to be net carbon neutral by 2030.
- 4.3 This report links to the following strategic priorities in the emerging Organisational Strategy 'Everyone's Essex':
- Health wellbeing and independence for all ages

5 Options

5.1 Option 1 – Do nothing.

- Allow the ECL contract to end in May 2024 and the ARC contract to end in September 2024. This is not a viable option, as without these services the Council would not be able to fulfil its statutory obligations for Intermediate Care as detailed in the Care Act.

5.2 Option 2 – Direct award to ECL and undertake a competitive process to procure contracts for ARC (preferred)

- This would allow an ongoing relationship between the Council and ECL while continuing to develop and innovate the service, in addition to securing the capacity and workforce that is currently in place, and the longevity of this contract would enable ongoing collaboration and improvement. By publishing the open market tender for additional ARC capacity, we can secure further capacity needed to meet the demand, while testing the market and ensuring best value for money. These providers will then work together in a collaborative approach to deliver services on a locality footprint.

5.3 Option 3 – Competitive process to procure both Reablement and ARC

- This option is not preferred, as there is a significant risk that there are no other providers in the market that can deliver the scale of the service currently delivered by ECL. There is also no longer sufficient time to undertake a new procurement before the current ECL contract finishes, although it would be possible to give ECL a short term extension whilst we procure a new service.

6 Issues for Consideration

6.1 Financial implications

6.1.1 The total cost of the recommendations in this decision is £245.8m.

Contract Values	£'m
Reablement (ECL)	224.3
ARC	21.5
Total	245.8

6.1.2 The Council is forecast to spend £33m on Reablement in the 2023/24 financial year when including services delivered by ECL, through ARC contracts and spot-purchased provision. Since the current Reablement at Home contract with ECL was put in place (May 2021), total weekly Reablement activity has increased by 22% and, within that, the activity delivered by spot purchasing (with domiciliary care providers outside of ECL and ARC contracts) has increased by 52%.

6.1.3 The recommended option proposes a new contract with ECL to provide a guaranteed level of service activity of 9,350 hours per week from the outset at an annual value of £19.8m at the 2023/24 price. This represents a £1.8m budget saving compared to inflationary assumptions. It also sees an additional £570,000 paid to increase the ECL Trusted Assessor (TA) workforce to deliver delegated Care Act Assessments, of which up to £520,000 will fall within the 2024/25 financial year. This will fund 15 TAs enabling the capacity to deliver delegated Care Act assessment activity; this is expected to deliver 40 assessments per week, although final volumes will be determined as part of the

pilot and review period.

6.1.4 It is expected, as part of the evolution of the Intermediate Care model, that there will be a future requirement to increase capacity in the service to reduce the reliance on spot purchasing, as described in paragraph 3.4. This will be achieved through improving the efficiency (reduced length of stay) and effectiveness (reduced ongoing care needs) through the contract with ECL.

6.1.5 It is therefore anticipated that the contract value be increased over time by an additional £3m per annum to increase reablement capacity based on 40% of the budgeted activity for spot-purchased Reablement converting to ECL provision; an indicative timeline is set out in the table below.

Reablement (£m)	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10	Total
Initial contract activity	19.8	19.8	19.8	19.8	19.8	19.8	19.8	19.8	19.8	19.8	198.0
TA capacity pilot	0.6	-	-	-	-	-	-	-	-	-	0.6
Indicative growth	0.2	1.8	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	25.7
Total	20.5	21.7	22.8	22.8	22.8	22.8	22.8	22.8	22.8	22.8	224.3

N.B. Due to rounding, numbers presented do not add up precisely to the totals indicated.

6.1.6 The proposed cost of the initial contract activity can be contained within the Council's budget for 2024/25 and is in line with the assumptions in the Medium-Term Resource Strategy (MTRS) which includes the period up to 2027/28 (contract year 4). The expansion of the TA workforce is at an additional cost, to be funded from the Adults Investment Reserve in year 1 of the contract; this funding will be drawn down as it is spent throughout the year and any unutilised funds will stay within the reserve. Continuation of TA workforce capacity and any other subsequent investment will be subject to further decision and should demonstrate a return of at least the equivalent cost reduction in spot purchasing to be contained in the overall financial envelope for Reablement services, if not offset by savings to wider Adult Social Care budgets. This may include absorption of costs by ECL as part of service development and productivity gains.

6.1.7 The maximum estimated cost of the recommendation to tender a new ARC service is £21.5m over the 3-year period. This is based on delivering 5,250 weekly contracted ARC hours across Essex. The actual unit rates paid will depend on the outcome of the competitive tender process, which is expected to vary across the 5 lots, as is the case with the current arrangements.

6.1.8 The purchase of block provision has an inherent risk of paying for void capacity, emphasising the importance of close contract management in delivering value for money. A defined notice period will be included in the contracts to allow the volume purchased to be adjusted if contracted capacity is not being delivered. This flexibility will assist in the control of reablement expenditure.

6.1.9 Reablement and ARC services form part of the Better Care Fund (BCF) plan, a pooled budget with health partners. Continuity of the income streams from the NHS and the iBCF grant at current levels is assumed over the MTRS period, based on historic precedent. There is however a risk that the value of the Discharge Fund grant, a new element of the BCF that has only existed since

2022, will reduce, or its conditions change after the current plan period ends in March 2025. This equates to a risk across reablement services in 2025/26 and recurrently of £2.4m per annum. If external funding is withdrawn or reduced in future, the shortfall would need to be managed within the overall BCF and the Adult Social Care budget, and if necessary, through use of the Adults' Investment Reserve, which would be subject to a separate decision.

6.1.10 The current Reablement service has delivered a measurable reduction in the ongoing care requirements of adults, including the number who discharge from the service as self-caring. Improving the effectiveness of Reablement has been a success of 'Connect', one of the Council's major savings programmes, and there is further opportunity to deliver improved outcomes to more people who may benefit from access to Reablement through ECL or ARC providers.

6.1.11 The contract values stated above do not assume inflationary uplifts, as these will be addressed through the wider periodic review of ASC contracts and subject to further governance and will be in line with MTRS planning. In the specific case of ECL, the strategic relationship set out in the Cabinet decision referenced in 3.6 means that, under the nascent Memorandum of Understanding (MoU), inflationary pressures will first need to be absorbed within the contract value, after allowing a margin of up to 3%. Any surplus above the 3% margin will be returned to the Council, either to be reinvested in ECL services for ASC benefit (for example, maintaining the growth in TA capacity) or to address ASC budget pressures. The MoU commits ECC and ECL to transparency of costs (direct and overheads) and performance data, through open book arrangements.

6.2 Legal implications

6.2.1 It is lawful to award a contract directly to ECL using exemptions under Regulation 12 of The Public Contracts Regulation 2015, which allow the Council to directly award a contract to a wholly owned company of the Council provided it meets certain criteria. Essex Cares Limited meets these requirements.

6.2.2 Reablement services are 'Light Touch' for the purposes of the Public Contract Regulations 2015. Although not a requirement of the Regulations, it is proposed that the standard open procurement procedure be used to tender these services, which is permitted by the Regulations.

6.2.3 Section 79 of the Care Act 2014 permits the proposed delegation of statutory reviews by the Council to ECL to allow them to undertake statutory reviews of adults. Section 79(6) requires that the local authority retain ultimate responsibility for ensuring this function is carried out properly and in accordance with statutory obligations. The Adult Social Care Team will need to retain responsibility for quality assurance and compliance of reviews undertaken by ECL in order to meet the requirements of the Care Act 2014.

6.2.4 Although it is helpful to take a collaborative approach to the provision of care services, the Council, ECL and ARC providers must take care to avoid entering any agreement, including non-binding agreements, which have the effect of preventing, restricting or distorting competition or under which an undertaking

with a dominant position in the market abuses its position. These can be enforced by the Competition and Markets Authority as well as by the Court.

7 Equality and Diversity Considerations

7.1 The Public Sector Equality Duty applies to the Council when it makes decisions. The duty requires us to have regard to the need to:

- (a) Eliminate unlawful discrimination, harassment and victimisation and other behaviour prohibited by the Act. In summary, the Act makes discrimination etc. on the grounds of a protected characteristic unlawful
- (b) Advance equality of opportunity between people who share a protected characteristic and those who do not.
- (c) Foster good relations between people who share a protected characteristic and those who do not, including tackling prejudice and promoting understanding.

7.2 The protected characteristics are age, disability, gender reassignment, pregnancy and maternity, marriage and civil partnership, race, religion or belief, sex, and sexual orientation. The Act states that 'marriage and civil partnership' is not a relevant protected characteristic for (b) or (c), although it is relevant for (a).

7.3 The Equalities Comprehensive Impact Assessment indicates that the proposals in this report will not have a disproportionately adverse impact on any people with a particular characteristic.

8 List of Appendices

Equalities Comprehensive Impact Assessment

9 List of Background Papers

None

Report title: Decisions taken by or in consultation with Cabinet Members	
Report author: Secretary to the Cabinet	
Date: 23 rd April 2024	For: Information
Enquiries to: Emma Tombs, Democratic Services Manager, 03330 322709	
County Divisions affected: All Essex	

The following decisions have been taken by or in consultation with Cabinet Members since the last meeting of the Cabinet:

Leader of the Council

- FP/059/02/24** ECL Procurement Regulations
- *FP/275/10/23** Essex County Council Communications & Marketing Framework 2: competitive tender process for a new Framework
- *FP/041/02/24** Chelmsford North East Bypass Section 1A - acquisition of land by Compulsory Purchase Orders

Deputy Leader & Cabinet Member for Levelling Up and the Economy

- FP/073/03/24** Year three payments for 2024 for Sponsors on the Homes for Ukraine scheme
- FP/074/02/24** Local Community Fund: Sixth round of funding proposals
- *FP/030/01/24** Essex ActivAte Holiday Activities and Food Programme.
- FP/079/03/24** Decision to withdraw the Tender for Voluntary and Community Sector Infrastructure
- FP/095/03/24** Local Community Fund: Seventh round of funding proposals
- FP/096/03/24** Community Safety Initiatives Fund and Bleed Bag Funding

(Taken in conjunction with the Cabinet Member for Finance)

Cabinet Member for Health, Adult Social Care, and ICS Integration

***FP/042/02/24** Award of Framework Contracts for Residential Care for Adults with Complex Learning Disabilities

The Chancellor of Essex

FP/276/10/23 Acceptance of Funding for Reinforced Autoclaved Aerated Concrete (RAAC) expenditure incurred on Essex Maintained Schools

(Taken in conjunction with the Cabinet Member for Education)

FP/070/02/24 C&F Mental Health Service Manager and Administrator Posts

FP/072/02/24 Strategic Asset Management Plan Resource, Operational Estate Transformation

FP/078/03/24 Getting Building Fund Award to the Mercury Theatre – Mercury Rising 2 Project

FP/082/03/24 Haven Gateway Partnership – Financial Closure

FP/083/03/24 Funding for Delivery of Delayed Local Highways Panel Schemes.

FP/084/03/24 Land for Housing Development in Maldon

***FP/032/01/24** Commencing new procurement for Social Care Platform Programme

FP/092/03/24 Re-procurement of Education Information Management System

FP/093/03/24 Extending the Community Outreach and Literacy team roles and vehicle using the Future Libraries reserve funding

FP/096/03/24 Community Safety Initiatives Fund and Bleed Bag Funding

(Decision taken in conjunction with the Cabinet Member for Levelling Up and the Economy)

FP/100/03/24 Corporate Leadership Team Restructure – Draw down from Reserves

FP/101/03/24 LEP Growth Hub Provision Extension

FP/102/03/24 Platforms for Data: Phase 1 CMA

FP/103/03/24 Libraries Management Review Redundancy Costs: Drawdown from reserves

Urgent (exempt from Forward Plan and Call-in)

***FP/097/03/24** Acceptance of DfT Grant Funding for a Zero Emission Bus Regional Area 2 (ZEBRA2) Bid to introduce Electric Buses in Basildon to the DfT

(Decision taken in conjunction with the Cabinet Member for Highways, Infrastructure and Sustainable Transport)

Cabinet Member for Education Excellence, Life Long Learning and Employability

FP/276/10/23 Acceptance of Funding for Reinforced Autoclaved Aerated Concrete (RAAC) expenditure incurred on Essex Maintained Schools

(Decision taken in conjunction with the Chancellor of Essex)

FP/061/02/24 Appointment and Re-Appointment of School Governors by Essex LA - Schedule 458

FP/062/02/24 Appointment and Re-Appointment of School Governors by Essex LA - Schedule 459

FP/063/02/24 Appointment and Re-Appointment of School Governors by Essex LA - Schedule 460

FP/064/02/24 Appointment and Re-Appointment of School Governors by Essex LA - Schedule 461

FP/065/02/24 Appointment and Re-Appointment of School Governors by Essex LA - Schedule 462

FP/066/02/24 Appointment and Re-Appointment of School Governors by Essex LA - Schedule 463

FP/067/02/24 Appointment and Re-Appointment of School Governors by Essex LA - Schedule 457

FP/087/03/24 Appointment and Re-Appointment of School Governors by Essex LA - Schedule 466

FP/088/03/24 Appointment and Re-Appointment of School Governors by Essex LA - Schedule 465

FP/089/03/24 Appointment and Re-Appointment of School Governors by Essex LA - Schedule 467

FP/090/03/24 Appointment and Re-Appointment of School Governors by Essex LA - Schedule 464

***FP/294/11/23** Determination of School Term Dates for Community and Voluntary Controlled Schools 2025-2026

FP/099/03/24 Appointment of a Trustee to the Great and Little Leighs Educational Charity

Climate Czar and Cabinet Member for Environment, Waste Reduction and Recycling

FP/077/03/24 Publication of the Water Strategy for Essex

The Arts, Heritage, and Culture

FP/068/02/24 2024/25 Proposed Fees and Charges – Essex Outdoors

FP/069/02/24 2024/25 Proposed Fees and Charges – Country Parks and Heritage

FP/071/02/24 2024/25 Proposed Fees and Charges - Essex Record Office

Cabinet Member for Highways Infrastructure and Sustainable Transport

***FP/018/02/24** Concessionary Fares Reimbursement Final Settlement for 2024/25

FP/075/02/24 Concessionary Fares Reimbursement Revised Final Settlement for 2024/25

FP/091/03/24 New Framework for Provision of Venues for NDORS Training Courses – Contract Award

***FP/292/11/23** On-Street Residential Charging Point (ORCS) Project – Charging Point Locations

Urgent (exempt from Forward Plan and Call-in)

***FP/097/03/24** Acceptance of DfT Grant Funding for a Zero Emission Bus Regional Area 2 (ZEBRA2) Bid to introduce Electric Buses in Basildon to the DfT

(Decision taken in conjunction with the Cabinet Member for Finance)

Planning a Growing Economy

***FP/286/11/23** Delivery Agreement and Preferred Option for the Colchester
Levelling Up Funded scheme: St Botolph's Circus regeneration

***Key Decisions** **10**

Urgent (exempt from call-in) **1**

Urgent (exempt from Forward Plan) **1**