

**Forward Plan reference number: FP/895/11/20**

<b>Report title:</b> Re-procurement of contracts for care and support services at Honey Tree Court and Helen Court Extra Care Schemes	
<b>Report to:</b> Councillor John Spence, Cabinet Member for Health and Adult Social Care	
<b>Report author:</b> Nick Presmeg, Executive Director for Adult Social Care	
<b>Date:</b> 24 March 2021	<b>For:</b> Decision
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<b>County Divisions affected:</b> All Essex	

## **1. Purpose of report**

- 1.1 The Council is committed to helping older people to live as independently as possible with the right accommodation and support in place to meet need. One way to meet this need is through Extra Care Housing schemes.
- 1.2 In line with this commitment, the purpose of this report is to seek approval to procure and award a contract to the successful bidders for the onsite care and support service within two existing Extra Care schemes.

## **2. Recommendations**

- 2.1 To agree to undertake a single stage competitive tender for the onsite care and support services (including the peace of mind service) and the award of five-year contracts for the two Extra Care schemes at Honey Tree Court, Loughton and Helen Court, Witham.
- 2.2 To agree that the contracts shall be competitively procured using a single stage tender, which complies with the 'light touch' regime in the Public Contracts Regulations 2015, using a price:quality ratio of 60:40.
- 2.3 To agree that the Executive Director, Adult Social Care is authorised to award the contracts for the two schemes if he is satisfied that the contracts represent best value and are within budget when costed at expected volumes.

## **3. Summary of issue**

- 3.1 Extra Care schemes support the Council's strategic aim to 'help people get the best start and age well.' They are mainly for people over the age of 55, who are in receipt of six hours or more of domiciliary home care per week and would benefit from a home environment with 24-hour onsite care and support that enables their continued independence. These schemes provide a number of benefits, including helping to:

- Reduce social isolation and loneliness for residents through a sense of built communities that are tailored to their needs.
  - Reduce the risk of falls, anxiety and depression and unplanned hospital admissions.
  - Improve the lives and resilience of carers.
  - Provide better working environments and conditions for staff; improving recruitment and retention.
- 3.2 Helen Court is a 55-unit Extra Care scheme in Witham. The Council has nomination rights for 42 of the units within the scheme. Honey Tree Court is a 40-unit Extra Care scheme in Loughton. The Council has nomination rights for all 40 of the units within the scheme. The contracts for the onsite care and support services provided at both schemes are due to expire on 18<sup>th</sup> September 2021.
- 3.3 There are two components to the contracted onsite care and support service provided within all Extra Care schemes:
- i. the provision of planned care for residents who wish to receive their personal care package through the onsite care and support provider; and
  - ii. the delivery of a 'peace of mind' service. This provides a 24/7 presence to respond to any unplanned care needs/emergencies. This service is available to all residents.
- 3.4 The two schemes included in this decision paper were part of a previous decision (FP/369/02/19). This previous paper recommended that the care contracts were awarded to the Landlords in line with the Landlords' wishes at the time. The reason for this subsequent request is that the Landlords would be required to have a Care Quality Commission (CQC) registration in order to subcontract to their chosen onsite care and support provider. This was not a responsibility either Landlord was willing to take on.
- 3.5 The Landlords of Honey Tree Court and Helen Court have now confirmed that they are prepared to allow the Council to contract for the provision of care within these two schemes and will allow the successful care providers to have access to the necessary facilities to provide the onsite care and support service.
- 3.6 The Council will ensure that it holds a current nomination agreement with the Landlord for each scheme. There will not be a direct contractual relationship between the Landlord and the onsite care and support provider relating to the provision of care at the scheme, but there will need to be an agreement between the Landlord and the onsite care and support provider relating to the use of facilities within the building, access and working arrangements etc.
- 3.7 The onsite care and support contracts at each scheme will commence on 19<sup>th</sup> September 2021 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.

- 3.8 The contractual arrangements for the provision of onsite care and support services across the two schemes will not tie the Council or residents into having to purchase care packages from the onsite care and support provider. Residents and the Council will be able to choose another care provider or carer to provide their planned care as required. The provider of the peace of mind service will not be optional, however, and residents will have their peace of mind service delivered by the onsite care and support provider.
- 3.9 The service specification and performance standards within the care and support contract will require that the onsite care and support providers for both schemes, as a minimum, meet the Council's quality 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.
- 3.10 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. All bidders procured will be assessed on the basis of a 60%:40% price:quality split. It is considered that 10% of the quality split should assess social value as this is necessary to reflect the most economically advantageous tender:

Price Criteria	Quality Criteria	Social Value
<p>The price element will be based on the following areas and rates:</p> <ul style="list-style-type: none"> <li>Care rates (per hour)</li> <li>Peace of mind rate</li> </ul> <p>Pricing matrices (appended to this report) will be issued for hourly care rates and any bids outside the range will be disregarded. These matrices are consistent with previous Extra Care tenders.</p>	<p>The quality criteria will be based on technical questions, which focus on their proposed service model for the delivery of the care and the peace of mind service within the scheme, mobilisation of the contract, use of schemes as community assets, the promotion of social inclusion, innovative practice, use of technology etc. For all bids submitted, minimum criteria must be met. Bids below these will fail and be discounted.</p>	<p>The social value 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>

- 3.11 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. Options**

### **4.1 Option 1: Do nothing and let the contracts expire.**

This approach is not recommended, as it would result in the onsite care and support service ceasing and the scheme being unable to operate as an Extra

Care scheme. This could result in the Council needing to source new placements for residents, which may include Residential Care.

**4.2 Option 2 (recommended):** Undertake a single stage competitive tender for the onsite care and support contract at both schemes.

This is the recommended option because it ensures best value through a competitive tender process and reflects the wishes of the Landlords and maintains Extra Care capacity in the market as an alternative to Residential Care. This option does not tie the Council or residents into having to purchase planned care packages from the onsite care and support provider. However, the provider of the peace of mind service is not optional and will be the onsite care and support provider.

**4.3 Option 3:** The Landlord at each scheme takes on responsibility for the care contract.

This option is not recommended or possible as the Landlord does not wish to take on responsibility for the provision of the onsite care and support contract.

## **5. Links to Essex Vision**

5.1 This report links to the following aims in the Essex Vision

- Enjoy life into old age
- Strengthen communities through participation

5.2 This links to the following strategic aims in the Organisational Plan:

- Help people get the best start and age well
- Help create great places to grow up, live and work
- Transform the council to achieve more with less

## **6. Issues for consideration**

### **6.1 Financial implications**

6.1.1 Based on the needs mix of adults currently in the two schemes, the current cost of care provision is forecast to be £457,000 for 2021/22, inclusive of peace of mind services. The costs are funded by Older People care budgets and are included in the 2021/22 budget. It should be noted that the 2021/22 budget only reflects an increase in cost for package changes, which are based on average rates of churn.

6.1.2 The future cost of personal care provision will fluctuate, based on the prices achieved in the tender, occupancy level and the needs mix of adults in the schemes.

6.1.3 The contracts for care services will not guarantee providers a minimum volume of hours.

- 6.1.4 Requests for inflationary uplifts will be managed as set out in paragraph 3.11. The contract award prices will be fixed for the contract period, although the council reserve the right to review rates during this time.

## **6.2 Legal implications**

- 6.2.1 Personal care / domiciliary Care services fall within 'social and other specific services' within Schedule 3 of the Public Contracts Regulations 2015 and the total contract value is estimated to exceed the threshold of £615,278. As a result, the procurement of personal care services within these schemes is subject to the 'light touch regime' of the Regulations and should be procured in compliance with the light touch regime.
- 6.2.2 The Regulations require the Council to publish its intention to award a contract for social and other specific services by either a Contract Notice or a Prior Information Notice (subject to conditions relating to the contents of both the Contract Notice and Prior Information Notice).

## **7. Equality and diversity implications**

- 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, gender, 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 equality 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**

Appendix One: Equality Impact Assessment  
Appendix Two: Pricing Matrix – Helen Court  
Appendix Three: Pricing Matrix – Honey Tree Court

## **9. List of Background papers**

*Re-procurement of contracts for care and support services at Honey Tree Court and Helen Court Extra Care Schemes*

Cabinet Paper – Re-procurement of Care at Eight Existing Extra Care Schemes for Older People (FP/369/02/19).

<b>I approve the above recommendations set out above for the reasons set out in the report.</b>	<b>Date</b>
<b>Councillor John Spence, Cabinet Member for Health and Adult Social Care</b>	<b>06.04.21</b>

**In consultation with:**

<b>Role</b>	<b>Date</b>
<b>Nick Presmeg, Executive Director for Adult Social Care</b>	<b>31.3.21</b>
<b>Stephanie Mitchener on behalf of Nicole Wood, Executive Director for Finance and Technology (S151 Officer)</b>	<b>26 March 2021</b>
<b>Director, Legal and Assurance (Monitoring Officer)</b>	<b>24.3.21</b>
<b>Katie Bray on behalf of Paul Turner</b>	