

PROCUREMENT OF CARE AND SUPPORT SERVICES IN EXTRA CARE SCHEMES

To: **Adults Committee**

Meeting Date: **8 March 2018**

From: **Executive Director, People & Communities**

Electoral division(s): **All**

Forward Plan ref: **2018/010** *Key decision:* **Yes**

Purpose: **To outline the case for tendering the care and support contracts in extra care housing schemes.**

Recommendation: **The Committee is recommended to agree to tender the care and support as flexible 'core and add-on' services in:**

**a) Ditchburn Place
b) Moorlands Court
c) Dunstan Court
d) Doddington Court.**

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1. BACKGROUND

- 1.1 Extra care housing is defined as specialist accommodation designed to maximise the independence of older people by providing a safe, secure and stimulating environment. Living in an extra care environment enables people to retain the independence of having their own home and, at the same time, benefit from the availability of around the clock social care and housing support. Extra care housing is a cost effective alternative and produces better outcomes than residential care.
- 1.2 The allocations into extra care housing are managed with the aim of developing a balanced and stimulating community that supports and promotes independence. Applications are usually considered by a multi-agency panel which consists of a representative from the respective older people's locality team, the housing provider, a representative from the district council may be involved (but this varies from district to district) and the care provider will usually attend in an advisory capacity.

2.0 RECOMMISSIONING OF THE SERVICES

- 2.1 The Council tenders for a flexible core and add-on contract. Generally this would be for a total of 203 hours per week, which provides 140 daytime hours and 63 hours waking night cover. This ensures that during peak day time hours, more than one member of staff will be available to provide care. Any additional hours above the daytime core of 140 are dependent upon the assessed care needs of the tenants.
- 2.2 Usually there are a healthy number of responses to tenders in extra care schemes and therefore the Council would expect to achieve a competitive rate for the contracts.

3.0 DITCHBURN PLACE

- 3.1 Ditchburn Place is located just off Mill Road in Cambridge. The extra care scheme for older people consists of 36 extra care flats and there are an additional 15 sheltered housing flats within the same complex.
- 3.2 The City Council received support from the Homes & Communities Agency to refurbish Ditchburn Place and £4m has been committed to the project. The refurbishment work started in January 2017 and is expected to take just over 2½ years to complete. Potentially this could expand the provision of extra care beyond the current 36 flats.
- 3.3 The current annual value of the contract is £554,605 and is being provided through a management agreement with the City Council. The extra care service at Ditchburn Place is significantly more expensive than comparable services in Cambridgeshire which are operated by independent sector providers (approximately £175K per year more). Initially there were concerns that the service would not be attractive to the market due to the TUPE (Transfer of Undertakings [Protection of Employment] Regulations) implications but subsequent soft market testing has demonstrated that there is interest.

- 3.4 The response from the soft market testing had some common themes. The organisations stated they could not accept responsibility for any deficits in the Local Government Pension Scheme (LGPS) or liability for redundancy payments. They also advised they would require a longer contract than the usual three years.
- 3.5 The Monitoring Officer has agreed that a 10 year contract could be used for the service with a break clause after 5 years.
- 3.6 Throughout the discussions a strong partnership has developed with the City Council and the County Council has been involved in meetings with tenants at the scheme as well as a staff team meeting to explain the proposed approach.
- 3.7 It is recommended that the Council tenders and care and support contract at Ditchburn Place for 10 years, with a break clause at 5 years.

4.0 MOORLANDS COURT

- 4.1 Moorlands Court is an extra care scheme which has 35 self-contained flats and the building is well served by communal facilities. The scheme was opened in 2008 and is located in Melbourn in South Cambridgeshire. Day centre services are also available nearby.
- 4.2 The contract value for the core care service of 203 hours is £178,303 per annum. The current contract expires on 31 August 2018.
- 4.3 It is proposed that the following three contracts (Moorlands, Dunstan and Doddington Courts) are tendered at the same time thereby reducing overall procurement costs. It is recommended that the Council re-commissions the contract for Moorlands for 3 years with an option to extend for a further year.

5.0 DUNSTAN COURT

- 5.1 Dunstan Court has 46 flats and is located in Wulfstan Way in Cambridge. Currently 26 flats are used as extra care and the remaining flats for sheltered housing. In the longer term it is intended that the whole scheme will be used as extra care. The building has been specifically designed for older people and has a number of communal facilities.
- 5.2 The contract value for the core care service of 203 hours is £185,620 per annum. The current contract expires on 31 August 2018.
- 5.3 It is recommended that the Council re-commissions the contract for Dunstan Court for 3 years with an option to extend for a further year.

6.0 DODDINGTON COURT

- 6.1 Doddington Court consists of 50 self-contained flats and 9 purpose-built intermediate / reablement care flats with 10 beds. The current specification for the service was developed with the then Primary Care Trust (PCT) and the County Council tendered the care and support contract.

- 6.2 Since November 2016 the County Council has had an agreement with the Clinical Commissioning Group (CCG) to use up to 10 beds for reablement to assist with social care DTOC (delayed transfers of care). This enables individuals discharged from hospital to receive further reablement intervention on a short term basis where they are no longer acutely unwell but are not ready to return home.
- 6.3 When the scheme was developed, the CCG agreed a ten year lease with Sanctuary Housing, the landlord for the reablement flats at the scheme. The agreement is for the rent, service charges and meal charges for the reablement flats and is due to end 31 March 2023.
- 6.4 The contract value for the core care service is £207,480 per annum. The current contract expires on 31 August 2018.
- 6.5 It is recommended that the Council re-commissions the care and support contract including the reablement beds for Doddington Court for 3 years with an option to extend for a further 18 months so that it coincides with the expiry of the lease for the reablement flats.

7.0 ALIGNMENT WITH CORPORATE PRIORITIES

7.1 Developing the local economy for the benefit of all

There are no significant implications for this priority.

7.2 Helping people live healthy and independent lives

The following sets out the details of the implications identified by officers:

- People will be enabled to live in their own homes for as long as possible
- Potential reduction in the use of residential care.
- Continued use of reablement flats will facilitate timely discharge from hospital.
- Reablement within a supportive environment with its emphasis on activities, daily living skills will increase people's independence enabling them to return home more quickly.

7.3 Supporting and protecting vulnerable people

- 7.4 Extra care housing schemes provide for the availability of 24/7 care to support independent living for some of the most vulnerable members of society.

8.0 SIGNIFICANT IMPLICATIONS

- 8.1 Currently the contract for Ditchburn Place is a block contract and although there are significant TUPE implications, it is envisaged that a flexible core and add-on contract will be more cost efficient for the Council. The services in the other three extra care schemes are already flexible contracts and therefore it is unlikely that there will be any further efficiencies. However, they will be subject to a competitive procurement process.

8.2 Procurement/Contractual/Council Contract Procedure Rules Implications

Work is underway with LGSS Procurement to apply Contract and Procurement Rules and Public Contract regulations.

8.3 Statutory, Legal and Risk Implications

There are no significant implications within this category.

8.4 Equality and Diversity Implications

There are no significant implications within this category.

8.5 Engagement and Communications Implications

There are no significant implications within this category.

8.6 Localism and Local Member Involvement

There are no significant implications within this category.

8.7 Public Health Implications

There is an evidence base that suggests extra care housing improves health and well-being outcomes for older people.

Implications	Officer Clearance
Have the resource implications been cleared by Finance?	Yes Name of Financial Officer: Martin Wade
Have the procurement/contractual/ Council Contract Procedure Rules implications been cleared by Finance?	Yes Name of Financial Officer: Paul White
Has the impact on statutory, legal and risk implications been cleared by LGSS Law?	Yes Name of Legal Officer: Duncan Dooley-Robinson
Have the equality and diversity implications been cleared by your Service Contact?	Yes Name of Officer: Oliver Hayward
Have any engagement and communication implications been cleared by Communications?	Yes Name of Officer: Matthew Hall
Have any localism and Local Member involvement issues been cleared by your Service Contact?	Yes Name of Officer: Oliver Hayward
Have any Public Health implications been cleared by Public Health	Yes Name of Officer: Tess Campbell

Source Documents	Location
None	