

**PROCUREMENT OF CARE AND SUPPORT SERVICES IN EXTRA CARE SCHEMES –
BAIRD LODGE, EDEN PLACE, MILLBROOK HOUSE, NESS COURT AND SOMERS
COURT**

To: **Adults Committee**

Meeting Date: **22 May 2019**

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

Electoral division(s): **All**

Forward Plan ref: **2019/026** *Key decision:* **Yes**

Purpose: **To outline the case for tendering the care and support services in Baird Lodge, Eden Place, Millbrook House, Ness Court and Somers Court extra care housing schemes.**

Recommendation: **The Committee is recommended to:**

- a) Agree to tender the care and support services in Baird Lodge, Eden Place, Millbrook House, Ness Court and Somers Court extra care housing schemes.**
- b) Delegate award of the contract to Executive Director for People & Communities for decision.**

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1.0 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. Appendix A includes several case studies from two of the schemes.
- 1.2 Five services for care and support in extra care schemes were tendered in 2013. Previously, the care service at these schemes was provided in-house and later transferred to Cambridgeshire Community Services (CCS). The services had to be tendered as CCS served notice to the County Council that it would no longer intended to continue to operate home care services.
- 1.3 Radis was successful in bidding for the tender and staff employed at the schemes were transferred to the company as part of the Transfer of Undertakings (Protection of Employment) Regulations (TUPE). TUPE regulations meant that Radis had to employ any staff that were wholly or mostly employed on the service being transferred. The current contract expires 31 December 2019.

2.0 MAIN ISSUES

- 2.1 The Best Value Authorities Staff Transfers (Pensions) Direction 2007 states that where local government staff were being transferred to another organisation that either the service provider would have to provide a broadly comparable pension scheme or they would need to seek 'admitted body status' to the LGPS, in this case, Cambridgeshire Pension fund.
- 2.2 As Radis did not have a comparable pension scheme, they were admitted into the Cambridgeshire Pension Fund. A bond was put in place which is reviewed regularly. The purpose of the bond is to provide protection for the local authority, against redundancy related pension costs, in case of the termination of the admission agreement due to Radis becoming insolvent.

3.0 TUPE

- 3.1 In total 58 staff on local government and NHS terms and conditions transferred to Radis on their existing employment contracts. Staff who transfer under TUPE are protected by the regulations and changes can only be made to their terms and conditions legally for an 'economic, technical or organisational' (ETO) reason. The ETO defence is narrow and changes to TUPE staff terms and conditions can put the provider at risk of a claim of constructive dismissal. There are still significant TUPE issues but these are reducing over time. There are currently 25 TUPE staff employed across the five schemes. The reduction in the TUPE staffing has reduced the cost of the contract from £2.074m per annum to £1.54m, saving over £500K per annum.

4.0 DETAILS OF THE SERVICES

4.1 Details of the services are below:

Scheme	Landlord	District	No. of units
Baird Lodge, Ely	Sanctuary Housing	East Cambs	35
Eden Place, St Ives	Luminus	Huntingdonshire	55
Millbrook, Soham	Sanctuary Housing	East Cambs	87
Ness Court, Burwell	Sanctuary Housing	East Cambs	27
Somers Court, Wisbech	Clarion Group	Fenland	38

5.0 CHANGES TO THE SERVICES

5.1 Eden Place is a new extra care scheme which opened in November 2016. The care contract at the scheme was originally provided at Broad Leas Court but fortuitously the new scheme was only 5 minutes' walk away and therefore it was agreed the Broad Leas contract would be transferred to the new scheme. This avoided the Council tendering for a new service at Eden Place and the contract is utilised more effectively as the cohort of service users is larger in the new scheme.

5.2 Radis have worked positively with the Council to explore options to deliver savings to the Council. Previously they had explored buying out some terms and conditions but there was a risk that the proposed changes would trigger enhanced redundancy payments. In addition, the Council would have had to underwrite the costs of the compensation package and as the contract only had a further 18 months to run it was not progressed.

6.0 CONTRACT DETAILS

6.1

Scheme	No. of TUPE staff remaining	Annual Contract Total
Baird Lodge	2	£298,663
Eden Place	2	£187,598
Millbrook	12	£394,411
Ness Court	4	£289,083
Somers Court	5	£370,305

6.2 The Somers Court contract also includes the catering service and this relates back to when the scheme was jointly developed by Fenland District Council and the County Council in the early 1990s. The original contractual agreement between the councils

was that CCC would deliver the care and catering service. Tenants pay the landlord, Clarion Housing Group a service charge for the catering service and then CCC invoices the landlord.

- 6.3 Advice was sought from LGSS Law as to whether the County Council could end the obligation for the provision of the meals service leaving the rest of the Agreement intact. LGSS Law have advised that there is only provision for either party to terminate the whole agreement by giving 18 months' notice on the anniversary of the signing of the agreement (31 March). Therefore if notice was to be served in February 2019, the agreement would terminate on 31 March 2021. There is no express provision within the agreement to terminate only the catering service and the advice was that it would be unlikely that such a provision could be implied. Additionally, Clarion have confirmed they are not willing to take over responsibility for the provision of the catering service.

7.0 RECOMMENDATION

- 7.1 It is recommended that the services are tendered as one lot to avoid potential bidders from cherry picking lots which are more attractive. There are a mix of TUPE staff on NHS and local government terms and conditions and a Pension Information Memorandum (PIM) will be required for the ex-local government staff. The PIM provides information about the contribution rate, approach to funding liabilities and a risk assessment to inform Bond/Guarantor decisions.
- 7.2 With regard to the NHS staff, the pension scheme is funded differently and the successful bidder may need to apply for a Modification Order, which would be processed once the contract was awarded.
- 7.3 It is recommended that the Council re-commissions the contracts for the five schemes for 5 years with an option to extend a total of 5 years i.e. 5 +1 +1+1+1+1. This will help to reduce procurement costs which are inevitably higher because of the complexities of this staff group and provide a greater degree of certainty and continuity for services users and staff. LGSS Law have indicated they are supportive of this, providing a break clause is included at 5 years.

8.0 ALIGNMENT WITH CORPORATE PRIORITIES

8.1 A good quality of life for everyone

- 8.1.1 The report above sets out the implications for this priority in paragraph 1.1.

8.2 Thriving places for people to live

There are no significant implications for this priority.

8.3 The best start for Cambridgeshire's Children

There are no significant implications for this priority.

9.0 SIGNIFICANT IMPLICATIONS

9.1 Resource Implications

There are no financial implications at this stage but in the tender documentation the Council will need to outline its position regarding TUPE and associated issues relating to pension costs and liabilities to enable bidders to respond to the tender.

9.2 Procurement/Contractual/Council Contract Procedure Rules Implications

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

9.3 Statutory, Legal and Risk Implications

There are no significant implications within this category.

9.4 Equality and Diversity Implications

There are no significant implications within this category.

9.5 Engagement and Communications Implications

There are no significant implications within this category.

9.6 Localism and Local Member Involvement

There are no significant implications within this category.

9.7 Public Health Implications

There are no significant implications within this category.

Implications	Officer Clearance
Have the resource implications been cleared by Finance?	Yes Name of Financial Officer: Stephen Howarth
Have the procurement/contractual/ Council Contract Procedure Rules implications been cleared by the LGSS Head of Procurement?	Yes Name of Officer: Paul White
Has the impact on statutory, legal and risk implications been cleared by LGSS Law?	Yes Name of Legal Officer: Fiona McMillan
Have the equality and diversity implications been cleared by your Service Contact?	Yes or No Name of Officer: Will Patten
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 or No Name of Officer: Will Patten
Have any Public Health implications been cleared by Public Health	Yes Name of Officer: Tess Campbell

Source Documents	Location
None	

Appendix 1

Case Study One

Mr Y was living in the community and receiving homecare three times daily, but due to his mobility and dementia he had become very isolated and his family were struggling to care for him between his care calls and felt he needed more support.

Mr Y moved into extra care and a care plan was put in place. He received personal care, support with his medication and preparing meals at tea-time. Mr Y was brought to the dining room for lunch enabling him to socialise with other service users and this meant he became less isolated whilst ensuring he ate a nutritious hot meal at least once a day.

After a few weeks of caring for Mr Y, it soon became apparent that his dementia was much more severe than the family had first thought. His behaviour signalled he could not make safe decisions for himself on a daily basis. He was found wandering outside lost, would often fall over due to poor balance and would not remember to eat or drink through the day.

After speaking to his family and Social Care, the care provider contacted the Technology Enabled Care Team to arrange door alarms to be fitted on Mr Y's front and back doors, he now wears a falls bracelet, as he was unsure how to use his care line pendant and could not call for help if needed. These interventions have enabled the care provider to keep Mr Y as safe as possible. Now if he wanders his door alarms will alert the care staff and if Mr Y falls the bracelet will also alert the staff. His care calls have been increased to encourage Mr Y to eat and drink, and a medication review has taken place to increase his dementia medication.

The outcome of the provision of care and the use of assistive technology has enabled Mr Y to carry on living in an extra care scheme as independently as possible in a safe way.

Case Study Two

Mr & Mrs X moved to extra care from the community as Mr X was struggling to care for his wife who lived with early onset dementia. Although Mrs X did not receive care at that point, Mr X wanted the reassurance that there were carers on site if needed. He also felt very isolated at home and thought extra care was the best option for them. This meant at lunch times they could socialise in the dining room with other service users whilst eating lunch, could also both join in with daily activities and monthly events. Since Mr & Mrs X moved to the scheme it has given Mr X the time and freedom to be able to do things he enjoys, he now writes our monthly newsletters for all the service users and staff.

Over time and after several hospital admissions from falls Mrs X's health declined, her mobility became very poor and she lost the confidence to walk, care was put in place to support Mrs X and to reduce the burden for Mr X.

Over the period of around 6 months we had managed to support Mrs X with walking independently again using her frame, which was a great achievement for her and the care staff. The family were so pleased the care staff had taken the time to work with the physio to encourage Mrs X to walk again with her frame. Unfortunately, Mrs X's health declined further and she was admitted to hospital and was struggling to feed and hydrate herself.

After talking to Social Care, the family and hospital discharge, it was decided that it would be best for Mrs X to return to the extra care scheme. This meant she can continue to be supported by care staff who she already know and her husband. It was important that she was not separated from her husband at this time as the family felt she would only decline even more.

She will now receive double up calls through the day to support with personal care and continence care, also a lunch and tea time call have been put in place to support Mrs X with eating meals. Mr X supports her with drinks through the day and with medication. Food and fluid charts have been put in place along with the daily record books. There is now a hoist in place with an air flow mattress and a hospital bed has been provided for Mrs X to enable staff to provide the best care possible.

Putting this plan in place and working with outside partnerships and family has meant that the extra care scheme has been able to provide a high level of care without Mrs X being placed into residential or nursing care and being separated from her husband.