

# Portfolio Holder Decision Meeting

## AGENDA

**DATE:** Tuesday 10 August 2010

**TIME:** 9.00 am

**VENUE:** Committee Room 5,  
Harrow Civic Centre

### MEMBERSHIP

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Deputy Leader

**Contact:** Miriam Wearing, Senior Democratic Services Officer  
Tel: 020 8424 1542 miriam.wearing@harrow.gov.uk

## **AGENDA - PART I**

### **1. DECLARATIONS OF INTEREST AND DECLARATIONS OF ANY DISPENSATIONS GRANTED BY THE STANDARDS COMMITTEE**

To receive declarations of personal or prejudicial interests, arising from business to be transacted at this meeting, from:

- (a) all Members of the Committee, Sub Committee, Panel or Forum;
- (b) all other Members present in any part of the room or chamber.

### **2. MINUTES (Pages 1 - 2)**

That the minutes of the meeting held on 9 July 2010 be taken as read and signed as a correct record.

### **3. PETITIONS**

To receive petitions (if any) submitted by members of the public/Councillors under the provisions of Executive Procedure Rule 15 (Part 4D of the Constitution).

### **4. PUBLIC QUESTIONS**

To receive questions (if any) from local residents or organisations under the provisions of Executive Procedure Rule 16 (Part 4D of the Constitution).

### **5. MATTERS REFERRED TO THE EXECUTIVE MEMBER**

In accordance with the provisions contained in Committee Procedure Rule 40 (Part 4B of the Constitution).

### **6. REPORTS FROM THE OVERVIEW AND SCRUTINY COMMITTEE OR SUB-COMMITTEES**

(If any)

### **7. THE PROVISION OF CARE IN THE EXTRA CARE SETTING OF RICHARDS CLOSE (EWART HOUSE) (Pages 3 - 14)**

Report of the Corporate Director Adults and Housing.

#### **Local Government (Access to Information) Act 1985**

In accordance with the Local Government (Access to Information Act 1985, this meeting is being called with less than 5 clear working days' notice by virtue of the special circumstances and grounds for urgency stated below:-

#### **Special Circumstances/Grounds for Urgency**

To delay this to the next Cabinet meeting would be financially prejudicial to the interests of the council as the scheme would not be operational until January 2011 and the council would be liable for the void costs.

## **AGENDA - PART II - NIL**

# **PORTFOLIO HOLDER DECISION MEETING MINUTES**

## **9 JULY 2010**

**Chairman:** \* Councillor Bill Stephenson

**In attendance:** Brian Gate Minute 6  
**(Councillors)**

\* Denotes Member present

### **1. Declarations of Interest and Declarations of any Dispensations Granted by the Standards Committee**

**RESOLVED:** To note that

- (1) there were no declarations of interests;
- (2) there were no declarations of any dispensations granted by the Standards Committee.

### **2. Minutes**

**RESOLVED:** That the minutes of the meeting held on 18 March 2010, be taken as read and signed as a correct record.

### **3. Petitions and Public Questions**

**RESOLVED:** To note that no petitions or public questions had been received.

### **4. Matters referred to the Executive Member**

**RESOLVED:** To note that no matters had been referred to the Executive Member for reconsideration.

**5. Reports from the Overview and Scrutiny Committee or Sub-Committees**

**RESOLVED:** To note that no reports had been received.

**RESOLVED ITEM**

**6. School Term Dates Academic Year 2011/12**

The Leader of the Council considered a report of the Director Schools, Quality Assurance and Commissioning, which set out proposed School Term Dates for the academic year 2011/12, as recommended by the Education Consultative Forum.

Two models had been proposed to members of the Forum. Model A was in line with the Local Government Authority Standard School Year and Model B, which was the preferred option, was compliant with the 'Harrow Principles'. Under Model B, which was recommended by the Education Consultative Forum, the school term would begin on 1 September 2011 and there would be an extra day's holiday after Christmas, with the Summer term ending on 20 July 2012.

**RESOLVED:** That the School Term Dates for the Academic Year 2011/12 be approved as recommended by the Education Consultative Forum:

<b>Autumn Term 2011</b>	Thursday 1 Sept 2011 to Friday 21 October 2011 (37 days)
	<i>Half Term Monday 24 October 2011 to Friday 28 October 2011</i>
	Monday 31 October 2011 to Friday 16 December 2011 (35 days)
<b>Spring Term 2012</b>	Wednesday 4 January 2012 to Friday 10 February 2012 (28 days)
	<i>Half Term Holiday Monday 13 February 2012 to Friday 17 February 2012</i>
	Monday 20 February 2012 to Friday 30 March 2012 (30 days)
<b>Summer Term 2012</b>	Monday 16 April 2012 to Friday 1 June 2012 (34 days)
	<i>Half Term Holiday Monday 4 June 2012 to Friday 8 June 2012</i>
	Monday 11 June 2012 to Friday 20 July 2012 (30 days)
<b>Total</b>	<b>194 School Days including INSET days</b>

**Reason:** In accordance with the Education Act 2002, Local Authorities have the responsibility to agree dates of school terms and holidays.

(Note: The meeting, having commenced at 10.00 am, closed at 10.05 am).

(Signed) COUNCILLOR BILL STEPHENSON  
Chairman

**Ref PHD 007-10**

**SUBJECT:**                      **The Provision of Care in the Extra Care  
setting of Richards Close (Ewart House)**

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<b>Responsible Officer:</b>	Paul Najsarek – Corporate Director Adults and Housing
<b>Portfolio Holder:</b>	Councillor Bill Stephenson - Leader of the Council
<b>Key Decision:</b>	Yes
<b>Urgent/Non Urgent:</b>	Urgent – To delay this to the next Cabinet meeting would be financially prejudicial to the interests of the council as the scheme would not be operational until January 2011 and the council would be liable for the void costs.
<b>Power to be exercised:</b>	Portfolio Holder Responsibilities (Allocation of Responsibilities) - Paragraph 3(i) of Delegated Powers of Portfolio Holder, Appendix to the Executive Procedure Rules, Part 4D of the Constitution.
<b>Exempt:</b>	No
<b>Decision subject to Call-in:</b>	No
<b>Enclosures:</b>	Appendix 1 - Procurement Process Appendix 2 - Affordability Study

## Section 1 – Summary and Recommendations

This report sets out an overview of the competitive tendering process undertaken to seek a new contract for the delivery of an extra care sheltered housing support service.

### **Recommendations:**

It is proposed that a contract should be awarded to:

- Creative Support limited  
5<sup>th</sup> Floor Dale House  
35 Dale Street  
MANCHESTER  
M1 2HF

and authorize the Corporate Director of Adults and Housing to seal a contract for a term of 2 and a half years with the option to extend for a further three years at 12 monthly intervals.

**Reason:** Harrow Council in partnership with Harrow Churches Association (HCHA) have developed a an Extra Care Sheltered Housing scheme which will provide an alternative to residential care for older people living in their own homes; and through a tender process a preferred provider was selected to provide the extra support care within the premises of Ewart House at Richards Close, Harrow.

A competitive tender process was conducted according to the EU procurement rules for contract values above the OJEU threshold.

A complex, pre-defined evaluation model was constructed to fairly evaluate each tender against a set of criteria established by the project team, represented by Anne Mosley, Jane Fernley, Nick Davies and Miles Partridge (representing HCHA) and Corporate Procurement as the most important aspects of the service specification (please see enclosed evaluation criteria).

The council followed a restricted tender two phased process – the PQQ stage and Invitation to tender stage. Creative Support limited scored the highest in terms of quality and the highest overall combined score for quality and price.

## Section 2 – Report

### Introductory paragraph

The decision to award this contract will support the council to achieve its vision to:

- **Improve support for vulnerable people**
- **Deliver “Our Health, our care, our say” a new direction for community services (DoH, January 2006)**  
By ensuring we award the contract to the highest scoring bidder who has demonstrated their qualities and ability to provide a high quality service in supporting our service users within the community that is competitively priced.
- **Provide value for money**  
The evaluation criteria was designed in a way to identify bids that offered value for money.

### Background

Harrow council in partnership with Harrow Churches Housing Association and Octavia are building a modern extra care provision of 47 units due to open in Harrow in October 2010. The care provider to be awarded this contract will work in partnership to provide an outcome focussed service to meet the Council's self directed support agenda. The council's vision is to offer an innovative service that will offer choice, promote independence and healthy life style to service users through personalisation.

### Tender Process

#### Pre Qualification Stage

An advert inviting expression of interest from prospective care providers was posted on the Community Care and the Council's websites in October 2009. We had 49 expressions of interest, from which 23 companies submitted filled Pre Qualification Questionnaires (PQQs).

The Pre Qualification Questionnaire Evaluation panel consisted of the following council officers: –

1. Roger Perez (Health and safety Service Manger) - Health and Safety
2. Nick Davies – Service Manager – contracts & brokerage
3. Anne Mosley - Service Manager Adult's service - Quality Assurance and Capability to deliver the service
4. Varsha Dadlani – Service Manager – Procurement - Equalities, Financial stability and Insurance.

A report on the final PQQ scores and recommendations were presented to the project board by the evaluation team for approval, the 6 highest scored bidders were invited to tender.

**Tender Stage** - Six bidders were invited to submit a bid, they were

Care UK  
Creative Support  
Housing 21  
Nestor  
Sanctuary  
Homecare Partnership

Note: Initially Homecare Partnership were excluded at the evaluation stage. Once a technical error was highlighted the PQQ evaluation panel reviewed the final scores and as a result included Homecare partnership in the tender list. The timetable was also revised to give Homecare partnership the same amount of days as given to others, enabling them to submit their bid.

The Council used Bravo, an e-tendering tool for this tender process ensuring a fair and transparent process that is auditable. The tender bids were evaluated as per the evaluation criteria by a panel of four markers, followed by a presentation by each bidder.

Marker 1 – Jane Fernley  
Marker 2 - Anne Mosley  
Marker 3 – Nick Davies  
Marker 4 – Miles Partridge (Harrow Churches)

Each element outlined in the Specification and the price schedule was evaluated separately. It is envisaged that the contract will be awarded based upon the highest scoring bidder. Appendix 1 details the procurement framework utilised.

## **Consultation**

5% of the evaluation criteria were based on service user's views. Bidders were requested to submit case studies on how they will personalise the services for individuals. The case studies were evaluated and scored by a service user representative group.

## **Implications of the Recommendation**

Awarding the contract to Creative Support will ensure a high quality service and best value. It will also provide an innovative service that will support the council in delivering its enablement and personalisation agenda.

## **Financial Implications**

An Affordability study was undertaken that considered two things:

Firstly was the contract price built robustly in terms of hours, staffing and management costs. In the case of Creative Support the criteria were met.

Secondly we modelled the minimum that the contract costs over 3 years would cost/ save and in this equation considered how the costs of Ewart House compare to the likely cost of alternative provision which would be



homecare or residential care. The minimum net saving over the 2.5 years of the contract would be anticipated as being £144 k. In the case of 2 service users alone the estimated saving is £45k. It is anticipated that with the addition of a strategy of prioritising clients in high cost placements, and with the addition of charging income, that additional savings may be achieved.

## **Performance Issues**

There will be no significant impact on any national indicators. However, this contributes to the strategy of maximising independence for our service users and will reflect positively as follows:

- improved quality of life for service users which will be reflected in user feedback and surveys.
- an improvement in the balance between community based and residential care reflected in our 'use of resources' analysis (note that this balance is already comparatively good for Harrow but will improve further)
- For the purposes of personalisation if a service user exercises their choice to opt into extra care then on the basis that they will receive a personalised service this will be treated as a 'Personal Budget' Harrow held.

## **Environmental Impact**

There is no adverse environmental impact anticipated

## **Risk Implications**

The risk of setting up a new service will be mitigated by a nominations process and a project implementation group.

## **Equalities Implications**

The providers ability to meet the diverse needs of the borough were thoroughly examined in the tender process.

## ***Appendix 1 - Procurement process***

### **Extra Care Sheltered Housing Care – PRO245**

#### **Evaluation Criteria and Process**

The tender process will be conducted to ensure that tenders are evaluated fairly to ascertain the most economically advantageous tender.

This scheme is a new build so there will be a gradual build up of residents and hours within the first 3 months of the contract which is expected to run from July 2010 - July 2012, the provider is asked to price for 620 hours recognising that this is an estimate of the amount of care required when the scheme is full but that flexibility will be required.

In evaluating bids for this contract, the Council will take into account the following issues:

**PRICE 35%**

Threshold (minimum requirement) score = 25%

The Council is seeking '*efficient and effective use of public funds and resources, and value for money*' as well as '*added value*'. Providers are encouraged to consider how they might draw in additional funding or work together to achieve and enhance the outcomes specified for the borough's residents. Sustainability of funding should be considered.

The Proposed Schedule of Rates (Excel spreadsheet) is supplied to quote proposed prices.

It must be possible for the council to calculate, unequivocally, the annual cost of the services provided. Illustrated with a breakdown of costing under each category i.e.: Staff Costs, Non Staff costs, Management fees etc

The Council is committed to introducing and offering self directed support for all adults who are eligible for social care services. Tenders are requested to provide a Business case with innovative strategies on pursuing self directed care as part of this contract.

- **QUALITY - Service Delivery 50%**

Within the Bravo system there is an option for bidders to attach documents in support of their response. This is not mandatory but should bidders attach any documents they will be included as part of the evaluation.

- Quality of Work - Tenderers methodology statement relating to all aspects of Service Specification. Particular focus on reablement, assessment, offering a culturally specific service, safeguarding and personalisation.
- The way in which the service will be personalised flexible and will be sustainable as a fully personalised model after the initial contract period of two years.
- Ability to meet targets and performance indicators and Ability to deliver a high quality service that aims to meet and exceed the National Minimum Care Standards of Domiciliary Care services.
- Staff, their Qualifications and continuous professional development:
- Systems
  - Customer Care
  - Quality Assurance systems
  - Continuous Improvement
  - Commitment and contribution to Monitoring
  - Delivering and evidencing Outcomes
- Effective Partnership working – Working in partnership with the Council and Harrow Churches to achieve the contracts objective

- **SERVICE USER INPUT** **5%**

Service Users views will be taken into account in the assessment of the tenders

- Stakeholder Involvement - service user's families and carers working together to achieve national social care outcomes for service users .

Applicants are asked to provide case studies of how they will personalise the services for individuals that will then be assessed by a service user panel.

- **PRESENTATIONS** **10 %**

Bidders will be invited to do a presentation to the evaluation panel and service user representation.

## **Section 3 - Statutory Officer Clearance**

Name: Donna Edwards	<input checked="" type="checkbox"/>	on behalf of the Chief Financial Officer
Date: 8/7/10		
Name: Sarah Wilson	<input checked="" type="checkbox"/>	on behalf of the Monitoring Officer
Date: 8/7/10		

## Section 4 – Performance Officer Clearance

Name: David Harrington



on behalf of the  
Divisional Director  
Partnership,  
Development and  
Performance

Date: 8/7/10

## Section 5 – Environmental Impact Officer Clearance

Name: John Edwards



Divisional Director  
(Environmental  
Services)

Date: ...7/7/10

## Section 6 - Contact Details and Background Papers

**Contact: Nick Davies – SM SP Contracts and Brokerage**

[Nick.davies@harrow.gov.uk](mailto:Nick.davies@harrow.gov.uk)

0208 424 1895

### Background Papers:

Position: Divisional Director Adults & Housing

Name: Bernie Flaherty

Date: 27/2/10

**For Portfolio Holder/Leader**

- \* I do agree to the decision proposed
- \* I do not agree to the decision proposed
- \* Please delete as appropriate

Notification of personal interests (if any):

(Note: if you have a prejudicial interest you should not take this decision)

Additional comments made by and/or options considered by the Portfolio Holder

Signature: .....

Deputy Leader

Date:

<b>Call-In Waived by the Chairman of Overview and Scrutiny Committee</b>	<b>YES</b>
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## Appendix 2

### 1. Affordability summary of the preferred provider

Creative				
Year	Costs	Savings- OP	Savings- LD& PD	Cost/(savings)
Year 1	243,021	-171,866	-21,422	49,733
Year 2	508,811	-565,038	-46,092	-102,319
Year 3	518,989	-565,038	-45,424	-91,473
	<b>1,270,821</b>	<b>-1,301,942</b>	<b>-112,938</b>	<b>-144,059</b>

## 2. Full Affordability Study

RICHARDS CLOSE EXTRA CARE UNIT												
Older People - 47 flats												
Type of client	No of clients	Cost per week	Annual cost per client	Annual ongoing saving	Savings - Year 1: 6 months only	Notes		Creative				
High need	20	360	18,771	375,429	114,193	Weekly cost based on residential placement	Year	Costs	Savings- OP	Savings- LD & PD	Cost/(savings)	
Medium need	17	171	8,908	151,433	46,061	Weekly cost based on 10.5 hours homecare per week	Year 1	243,021	-171,866	-21,422	49,733	
Low need	9	81	4,242	38,176	11,612	Weekly cost based on 5 hours homecare per week	Year 2	508,811	-565,038	-46,092	-102,319	
Assessment	1	✓	✓	✓	✓	Prevention - so potential savings from going into residential	Year 3	518,989	-565,038	-46,424	-91,473	
				565,038	171,866			1,270,821	-1,301,942	-112,938	-144,069	
Year 1	171,866											
Year 2	565,038											
Year 3	565,038											
	1,301,942											

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