

---

**REPORT FOR: CABINET**

---

<b>Date of Meeting:</b>	19 November 2015
<b>Subject:</b>	Re-tender of Care Contract at Ewart House Extra Care Sheltered Scheme
<b>Key Decision:</b>	Yes
<b>Responsible Officer:</b>	Bernie Flaherty, Director of Adult Social Services
<b>Portfolio Holder:</b>	Councillor Anne Whitehead, Adults and Older People
<b>Exempt:</b>	No
<b>Decision subject to Call-in:</b>	Yes
<b>Wards affected:</b>	Greenhill
<b>Enclosures:</b>	Appendix A - Extra Care Tender Project Plan and High Level Selection Criteria  Appendix B – Equality Impact Assessment

## **Section 1 – Summary and Recommendations**

This report sets out detailed information relating to the recommendation for approval by Cabinet to re-tender the Care Service Contract at Ewart House.

**Recommendations:**

Cabinet is requested to:

1. Give approval for the re-procurement of the Care Contract at Ewart House Extra care sheltered Scheme. This will be for a period of 5 years with a contractual clause to terminate with 6 months' notice to the provider at any time.
2. Approve an additional four month extension on the current contract for the period 1<sup>st</sup> January 2016 to the 30<sup>th</sup> April 2016 to allow for the continuity of the current service whilst the procurement exercise is undertaken.
3. Delegate authority to the Corporate Director for People in consultation with the Portfolio Holder for Adult and Older People, together with the Portfolio Holder for Finance and Major to award a contract for Ewart House. This will ensure that the tendering process is undertaken without delay and that new services are commissioned with a view to commencing in May 2016.

**Reason: (For recommendations)**

The contractual arrangements for the provision of the Extra Care Service at Ewart House with Creative Support will come to an end 31<sup>st</sup> March 2016 (subject to approval by cabinet of recommendation 2).

Commissioners would like to ensure future provision of the service is of high quality and represents value for money. Consequently it is considered in the best interest of the council to undertake a procurement exercise to identify the provider of this service from the 1<sup>st</sup> May 2016.

## **Section 2 – Report**

### **Introductory paragraph**

To enable the re-tender of a contract for the provision of extra care support at Ewart House to ensure continuity of care to the vulnerable adults in the scheme.

The council's vision is to offer an innovative service that will offer choice, promote independence and a healthy lifestyle to service users.

The Harrow Council contract procedure rules require that public procurement must be based on value for money which should be achieved through competition. The contract is also subject to the Public Contracts Regulations 2015 ('the Regulations'), as the contract being tendered is for 'health, social and related' services, listed in Schedule 3 of the Regulations, the procurement only needs to comply with the new light-touch set of procurement rules (Regulation 74 -77). This allows the Council greater flexibility in how it conducts the procurement.

## Options considered

The following options were considered:

- Convert extra care support through individual Personal Budgets
- Cease Extra Care Support at Ewart House
- To re-tender for the Care Service Provider at Ewart House.

A review of the options found that transitioning clients to 100% Personal Budgets would not be possible as there is still a requirement for 24 hour 7 day a week on-site support to be available on-call. The current level of support is not possible without a core contract with a provider to always have a minimum of 2 staff day or night available on-call.

The option to cease extra care support would need the re-provision of the service by using more expensive residential care placements.

Following a review of the options above it is recommended to re-tender the care provision but instead of a large block contract for the whole service to re-tender the contract based on a 'Core & Flexi' model. This will reduce the overall contract sum and enable more choice of provider by individual service users for the flexible care component. This will also allow the Council the flexibility to reduce or increase the level of support needed as the need of individual service user's change.

This means that the core element is funded through a much smaller block contract and where one to one hours are commissioned these are billed as direct care hours through someone's personal budget, as opposed to a block contracting arrangement.

It is proposed to procure the new service at a minimum core 320 hours and allow flexible hours up to a maximum of 350 hours (total 670 hours 'core + flexi'). By procuring the new service on the basis set out above, Adult Services can ensure that the service delivered and paid for is in line with the needs of clients at Ewart House, with the flexibility for this to be varied according to the changing needs of individual clients, whilst at the same time being able to offer potential providers a minimum core level of service sufficient for them to meet the requirements of delivering the required 24/7 service.

## Background

Ewart House is a modern extra care housing provision for older people who are physically or mentally frail at Richards Close, Harrow. The scheme was given planning consent in December 2008 and the scheme was completed in autumn 2010. The scheme was developed by Harrow Churches Housing Association (HCHA) in partnership with Octavia Housing. This complex won the coveted accolade Best New Place to Live in London in the 2010 London Planning Awards run by the Mayor of London.

Extra-Care housing is an alternative to other forms of housing support and social care. People placed in these schemes must be eligible for these services. They therefore do not represent additional costs as Adult Services and Supporting People would have to make other provision for these people in any case. Extra-Care housing is more cost effective than residential care, as people meet their own accommodation costs, either through rent or the purchase of a lease. All lettings at Ewart House are referred by and approved by Adult Social Care, Harrow Council.

Extra-Care schemes promote and support Independent Living and Lifetime Neighbourhoods. Benefits include enabling residents to live in a home of their own for longer, enabling couples to stay together, building sustainable communities and preparing for the demographic challenges facing Harrow Council.

Evidence of the benefits of Extra-Care schemes is now being recognised. A report from the International Longevity Centre<sup>1</sup> found that those living in extra care were less likely to be hospitalised, experienced a lower number of falls, and better health outcomes as reflected in reduced care packages. Whilst a report from the University of Kent Personal Social Services Research Unit study<sup>2</sup> indicated that living in an extra care scheme improves mortality and survival rates when compared to more traditional residential care settings.

The cost of the current contracts at Ewart House are already being paid and met from existing social care budgets.

Ewart House Extra Care Sheltered Scheme is currently commissioned on a block contract model provided by the following Provider/organisations:

- Care Provider – Creative Support
- Housing Related support – Harrow Churches Housing Association

## **Current situation**

London borough of Harrow has a contract with Creative Support to provide 24/7 care support to tenants at Ewart House Extra Care Sheltered Scheme. The scheme has 47 self contained flats, which is fully occupied.

This contract has been in place since October 2010 and has been extended until end December 2015 in order for work to be carried out to re-tender the service. A further four months extension (up to 30<sup>th</sup> April 2016) is being requested to give sufficient time to complete the procurement process.

The current cost of the contract is just over £501,000 annually and is based on a block contracted 690hrs of care support per week (140hrs night 550hrs day).

---

<sup>1</sup> Kneale, D., *Establishing the Extra in Extra Care: Perspectives from three Extra-Care housing providers* 2011

<sup>2</sup> *Improving Housing with Care Choices for Older People: An Evaluation of Extra Care Housing*, 2011

A timetable and high level selection criteria for the re-tender of the extra care service is attached in Appendix A.

### **Why a change is needed**

The current contract period has reached its full term including extensions.

The service needs to be re-commissioned as it provides extra care support to vulnerable adults whom otherwise would need to be placed in more expensive residential care placements.

### **Implications of the Recommendation**

A more flexible service that meets the future needs of the service.

### ***Considerations***

#### **Resources, costs**

The current contract provides 690 hours of care and support per year at an annual cost of £501,000.

Benchmarking hourly rate costs from West London Framework for Extra Care Service is between £11.16 and £15.94

#### **Staffing/workforce**

The current workforce is as follows;

Project Manager 37.5 hours per week  
Support Co-ordinator 37.5 hours per week  
2 Senior Care/Support workers of which 35.5 hours direct support per week  
4.23 WTE Support workers 158.5 hours per week  
7.44 WTE Support Workers 279 hours per week

#### **Performance Issues**

Weekly monitoring information is submitted by Creative Support, which confirms performance in terms of number of people being supported, any hospitalisation, incidents/accidents etc.

There are no performance issues identified regarding current provider and the care provided at Ewart House. Going forward quarterly review meetings will commence to ensure good partnership working continues between Care Provider and Housing Related Support Provider/Landlord.

#### **Environmental Implications**

Ewart house is a 47 bed sheltered accommodation that is positioned central to all local facilities.

There should be no environmental implications based on this request to go to tender.

#### **Risk Management Implications**

Risk included on Directorate risk register? No  
Separate risk register in place? Yes

## **Legal Implications**

Section 1 of the Care Act places a general duty on the Council when exercising its functions, to promote an individual's well-being relating to their physical and mental health, emotional well-being and personal dignity. The Care Act 2014 replaces the existing duties in respect of assessing and meeting an individual's eligible care needs.

Section 8 provides that those eligible needs may be met in a number of ways, including care and support at home or in the community, and by providing the service itself, arranging another provider to provide the service, or direct payments.

The procurement route advised would satisfy the Council's procurement duties both under European and domestic law, particularly the requirements of the Public Contracts Regulations 2015, and also under the Council's internal procedures.

Cabinet are requested to allow a three month extension of the existing contracts in order that the new service provider may mobilise the new contracts prior to commencement. As the service falls within Schedule 3 of the Regulations 2015 and only subject to the light-touch regime and the value of the extension is less than 50% of the overall contract cost, this does not risk offending the Regulations. The extension is considered to be appropriate, as it is purely for practical reasons and is not intended to avoid competition. The new contracts are intended to commence within the specified timeframe and following a compliant procurement.

## **Financial Implications**

There is currently a revenue budget of £580k across both the Creative Support element of the service and the element funded to Harrow Churches Housing Association (£50k) under the Supporting People Budget for Housing Management Support.

The re-procurement exercise is expected to deliver savings which will contribute towards the Supporting People contract re-negotiation MTFs proposals (subject to Member approval) but also to provide flexibility in the purchasing budget which has an underlying on-going pressure.

A full Open Tender process is proposed and will be supported by the Commercial and Procurement team. The award of contract will detail the savings that will be realised through the procurement process.

## **Equalities implications / Public Sector Equality Duty**

The Council must have due regard to the need to eliminate unlawful conduct under the Equality Act 2010, the need to advance equality of opportunity and the need to foster good relations between persons who share a protected characteristic and those who don't (the public sector equality duty). The EQIA is attached and demonstrates that re-tendering the service will have no negative impact on protected characteristics.

The contract monitoring undertaken in respect of the contract will include monitoring of how the service is meeting needs in respect of the nine protected characteristics covered by the Public Sector Equality Duty. The specification for the service to be contracted for will stipulate a requirement to provide the service in a way that takes proper account of the nine protected characteristics and the evaluation process for the tender will test specific aspects of this requirement.

### **Council Priorities**

The Council's vision:

#### **Working Together to Make a Difference for Harrow**

Please identify how the report incorporates the administration's priorities.

- Making a difference for the vulnerable – the re-tender supports the priority to make a difference for the vulnerable
- Making a difference for communities – the re-tender ensures there is no negative impact on the local community
- Making a difference for local businesses – the re-tender will be open to local business
- Making a difference for families – the re-tender will ensure that loved ones continue to be cared for so that families are not impacted.

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

Name: Donna Edwards	<input checked="" type="checkbox"/>	on behalf of the Chief Financial Officer
Date: 16 October 2015		
Name: Patricia Davilla	<input checked="" type="checkbox"/>	on behalf of the Monitoring Officer
Date: 22 September 2015		

<b>Ward Councillors notified:</b>	<b>YES</b>
-----------------------------------	------------

**EqIA carried out:**

**YES**

**EqIA cleared by:**

Roger Rickman (DETG  
Chair)

## **Section 4 - Contact Details and Background Papers**

**Contact:**

**Chris Greenway, Head of Safeguarding Assurance & Quality Services**

**020 8424 1043 Ext. 2043**

**[Chris.greenway@harrow.gov.uk](mailto:Chris.greenway@harrow.gov.uk)**

**Background Papers:**

- Extra Care Tender Project Plan (see enclosure)
- Ewart House EQIA (see enclosure)

**Call-In Waived by the  
Chairman of Overview  
and Scrutiny  
Committee**

**NOT APPLICABLE**

*[Call-in applies]*



## APPENDIX A

### Extra Care Tender Project Plan and High Level Selection Criteria

Procurement Procedure to be followed is OPEN and will be under the “light touch regime” formerly known as Part B services, social and healthcare

#### Project timetable (anticipated dates, these are subject to change)

Procurement Process	Date
Publish OJEU and ITT	23 <sup>rd</sup> November 2015
Tender Submission Deadline	04 <sup>th</sup> January 2016 12 noon
Evaluate Tender submissions	05 <sup>th</sup> – 19 <sup>th</sup> January 2016
Presentations	20 <sup>th</sup> – 22 <sup>nd</sup> January 2016
Final Scoring and Moderation	25 <sup>th</sup> – 28 <sup>th</sup> January 2016
Award recommendation	28 <sup>th</sup> January – 02 <sup>nd</sup> February 2016
Notification of decision to award	05 <sup>th</sup> February 2016
Standstill period (supplier debriefs)	05 <sup>th</sup> - 15 <sup>th</sup> February 2016
Contract Award	16 <sup>th</sup> February 2016
Contract Mobilisation	17 <sup>th</sup> February – 30 <sup>th</sup> April 2016
Contract “Go Live”	01 <sup>st</sup> May 2016

The evaluation criteria will be between Quality and Price and is anticipated to be:

#### 60% Quality / 40% Price

We will be assessing (evaluation) tenderers by asking a series of questions and sub questions that will be scored under the following high level headings:

##### Qualifying Criteria:

1. Capability and Experience [a series of pass / fail questions]

##### Quality (60%)

2. Capacity
3. Service Delivery
4. Transition and Mobilisation

##### Price (40%)

5. Commercial/Cost Effective Provision