



Report for: Cabinet

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| Date of Meeting: | 11 th November 2020 |
| Subject: | People Services Strategic Commissioning Extra Care Strategy Up-Date |
| Key Decision: | Yes There will be revenue expenditure in excess of £0.5m and two or more wards of the Borough will be affected |
| Responsible Officer: | Paul Hewitt, Corporate Director People Services |
| Portfolio Holder: | Councillor Simon Brown, Portfolio Holder for Adults and Public Health |
| Exempt: | No |
| Decision subject to Call-in: | Yes |
| Wards affected: | All |
| Enclosures: | None |

Section 1 – Summary and Recommendations

This report updates Cabinet on the progress to implement the Adult Social Care Extra Strategy agreed in November 2018 and outlines the procurement approach to the related services.

Recommendations:

1. Note the progress to date on the implementation of the Extra Care Strategy.
2. Delegate authority to the Corporate Director of People Service and Director of Finance in consultation with the Portfolio Holder for Adults and Public Health and the Portfolio Holder for Finance and Resources, to agree the final procurement strategy and undertake the procurement of the provision of extra care wellbeing services.
3. Delegate authority to the Corporate Director People Services and Director of Finance, following consultation with the Portfolio Holder for Adults and Public Health and the Portfolio Holder for Finance and Resources, to award the contracts for the provision of extra care wellbeing services.

Reason (for recommendations): To progress the development and implementation of the strategy to increase Extra Care housing provision in Harrow.

Section 2 – Report

Introductory paragraph

1. Cabinet agreed the Extra Care Strategy in November 2018. The aim of extra care housing is to meet the housing, care and support needs of older people as an alternative to residential care which are not the most appropriate or cost-effective approaches to meet needs and maintain health and wellbeing. This is particularly important in the context of an ageing population, increasing demand for services and budget challenges in local government.
2. The Extra Care Strategy described the vision for extra care in Harrow, presented the estimated demand for extra care arising from demographic growth and increasing levels of needs and outlined a phase approach to increase provision to meet the additional needs. Options to explore to meet the projected demand for extra care housing in Harrow included new developments and re-commissioning existing older persons housing schemes owned by the Council and housing association partners.
3. This report outlines the progress to implement Harrow's Extra Care Strategy since Cabinet's approval of the Strategy in November 2018.

Options considered

4. The following options have been considered:
 - i. Do Nothing – this will not enable the Council to meet the demands of an ageing population and improve outcomes for older citizens within the current challenging financial context. Therefore, new approaches are required to be considered.
 - ii. Develop new affordable extra care housing - Harrow currently has a very small amount of extra care housing for its older persons population. Extra care housing offers an alternative to costly residential care and is more appropriate and cost effective in meeting needs and maintaining health and wellbeing.
5. Option 2 is the preferred option and is underpinned by the Strategy.

Extra Care Demand

6. The Strategy is underpinned by an assessment of future demand based on the projected population and an assessment of need.
7. In terms of the population, Harrow has an ageing population, with an estimated 15 per cent (38,600) of citizens aged 65+. The number of citizens aged 65+ is projected to increase by 25% over the next 12 years. Dementia rates are projected to increase significantly over the next twelve years by an estimated 37%, from 2500 to just less than 4000. Approximately 67% of the population aged 65+ are White. The largest ethnic minority group is Asian/Asian British (27% of the 65+ population).
8. Harrow will see an increase in the ethnic diversity of its older population. The number of citizens with dementia from Black and Minority Ethnic groups is also predicted to rise, due to the high incidence of high blood pressure, diabetes, stroke and heart disease within these communities, which are risk factors for dementia.
9. To project the estimated further demand for extra care, officers reviewed a range of data including population projections, patterns of social care placements, trends in the primary need of citizens and case studies. The demand data is based on the current care package trends and includes an up-lift for population growth. Three categories of need were considered to indicate future demand:
 - Extra Care as an Alternative to Residential Placements
 - Extra Care as an Alternative to High Cost Community Based Support
 - Extra Care for those Citizens with Higher Level Care Needs
10. A detailed analysis of need and demand was included in the Extra Care Strategy 2018. This modelled a slowly increasing level of demand up to

2025. While projected long term demand for extra care is unchanged there have been short term impacts as a result of Covid-19.

11. Because of the pandemic we have seen increased provision of long-term care services to both citizens coming out of hospital and from community referrals.
12. While it is hoped this is temporary, the current levels of demand for extra care are likely elevated as more citizens leave hospital with increased frailty, long term health complications and other circumstances necessitating increased support. For example, Covid-19 is adding pressure on family carers, citizens are experiencing social isolation while most day services remain closed or curtailed and the social care teams are working remotely and unable in many cases to see citizens face to face, making assessment of citizens' needs more difficult.
13. It is not possible to quantify this increased demand because the impacts are likely temporary following the first spike during April and May and ongoing effects thereafter, notwithstanding any major "second wave" of infections. There are also too many unpredictable factors such as an extreme reluctance during the height of the pandemic of relatives to allow citizens to be placed in any sort of "care home", the effect of closure of neighbourhood groups and facilities, the availability of improved treatments or vaccines, etc.
14. These and other factors all contribute to changes in the presenting needs of citizens we see, but this temporary increase in demand for extra care is likely to persist until medical solutions for the pandemic are available.

Extra Care Current Provision and Pipeline

15. The implementation of the Extra Care Strategy is a long-term plan combining both capital and revenue investment that will impact on the landscape of provision in Harrow. It is important that there is flexibility in the delivery and where opportunities arise, they can be incorporated accordingly.
16. A phased approach was adopted within the Strategy for a range of reasons: to ensure that the provision meets evolving and changing needs, achieves expected outcomes for citizens and to avoid an oversupply of units leading to a higher level of voids following completion. It also allows for new opportunities to be explored.
17. There is currently one extra care provision in Harrow; Ewart House with 47 units and Windridge Court is planned to open in the summer 2021.
18. Since November 2018, the pipeline for extra care units has been updated to reflect the current provision and opportunities. The table below summarises the current and indicative pipeline provision:

| Current Schemes | Housing Provider | No of Homes | Timescales |
|-------------------------------|-------------------------------------|--------------------|-------------------|
| Ewart House | Harrow Churches Housing Association | 47 | Operational |
| Windridge Court | Harrow Churches Housing Association | 56 | Summer 2021 |
| Pipeline Schemes | Housing Provider | No of Homes | Timescales |
| Wolstenholme | Harrow Churches Housing Association | 59 | TBD |
| Harrow View East (Kodak site) | To be appointed | 60 | Estimated 2023-24 |

19. An Extra Care provision of 60 units is to be provided at Affordable Rent as part of the S106 for the Harrow View East site. This scheme is being provided within block D2 of the plans and will be built as part of Phase 6. The timescale for phasing is being considered.
20. Upon appointment of a Housing Provider by the Developer for Harrow View East, officers will meet will to progress the requirements for the scheme.

Commissioning Wellbeing Care and Support Services and Accommodation

21. The following service functions are required for extra care schemes:
- the delivery of the accommodation and housing support services
 - the wellbeing care and support service
22. Extra Care schemes are delivered either by a single organisation with separate housing and care and wellbeing services or a separate housing provider and care support provider. All must be registered with the appropriate regulated bodies for the service they are providing e.g. housing (Regulator of Social Housing) and care and support services (CQC). The registered housing provider for Ewart House and Windridge Court is Harrow Churches Housing Association. The provider for the Care and Wellbeing Support Services will be procured.
23. Through the procurement and market engagement processes officers will explore options to secure the most cost effective and quality providers across these two facilities. As there is a pipeline of supply planned, officers may in the future explore a procurement framework approach for the commissioning of the care and wellbeing support services.

24. The care and wellbeing support service will need to be flexible to meet the changing needs of citizens and to meet the diverse cultural needs in Harrow.

Performance Issues

25. Provision of extra care will reduce reliance on moves from the community to residential care and improve outcomes associated with quality of life among long term service users.

26. In addition, Extra Care will impact on the local and national performance indicators:

- Reductions in residential care would be reflected positively in the national performance indicators.
- The Council's results in national surveys of users and carers of citizens who use long term services indicate room for improvement in social care outcomes associated with quality of life, such as feeling in control of everyday life, social interaction, feeling safe etc. It is expected that extra care will improve this indicator because it creates an alternative to residential services.

27. In the commissioning of the Care and Wellbeing service there is a requirement for the provider to have a minimum CQC rating of 'Good'.

28. If the extra care strategy was not continued for citizens who receive long term support services and their carers, a lack of extra care capacity will mean increased reliance on high levels of home care in the community and unavoidable admissions to residential care, which may impact on individuals' outcomes.

Environmental Implications

29. Under Policy 5.2 of the current London Plan, all development is expected to achieve at least a 35% reduction in carbon emission through on-site measures. Any remaining residential carbon emissions are to be offset by way of monetary contribution to ensure that the residential element of the development is zero carbon.

30. The three consented extra care schemes (Windridge Court, Wolstenholme and Harrow View East) achieve at least a 35% reduction through on-site measures. The energy strategies for these schemes implement the three-step energy hierarchy outlined in the London Plan, namely to:

- a. 'Be Lean' by reducing energy demand – achieved by way of enhanced building fabric performance for walls, floors, roofs, windows and air permeability;
- b. 'Be Clean' by supplying energy efficiently – achieved by connection to a heat network currently under construction and/or by use of a

- Combined Heat and Power (CHP) engine, which produces both heat and electricity locally;
 - c. 'Be Green' by using zero carbon technologies (i.e. renewable energy) – achieved by measures such as solar PV panels.
31. Further active measures are proposed including lower energy light fittings, enhanced lighting controls, high efficiency boilers and control systems and a number of broader sustainability measures, including water efficiency.
32. All three schemes also provide a payment to offset any carbon reduction that is not achieved on-site.

Data Protection Implications

33. None

Risk Management Implications

34. Risk included on Directorate risk register? No
35. Separate risk register in place? Yes
36. The key risks to this phase of the Extra Care Strategy in procuring the care and wellbeing support service and establishing the new provision are:
- A lack of interest by providers to provide care and wellbeing services for the two facilities
 - Unaffordable specification for care and wellbeing support services.
 - Prolonged period of voids impacting on financial modelling
37. The mitigation actions undertaken are as follows:
- Officers have engaged with providers to promote and stimulate the market through a Prior Information Notice (PIN)
 - The specification is being developed and procurement options are being considered and explored to secure best value for money.
 - Through the ASC Panel officers are identifying potential citizens and developing transition processes and planning for the citizens to take up placements within the new extra care provision (Windridge Court)
 - Staff training is being planned to ensure that there is knowledge and understanding about the provision
 - A communications strategy being implemented to promote the availability of extra care housing as an option available to citizens.

Procurement Implications

38. There are two components to the delivery of the extra care schemes: the building and the care and wellbeing support service. These can be provided by separate providers or a single organisation with separate housing and care support services.
39. The registered housing provider for the current scheme Ewart House and the new provision Windridge Court is Harrow Churches Housing Association (HCHA). The registered provider, HCHA issue the tenancy for the resident and provides a range of support and services to tenants to maintain their tenancy.
40. Harrow Council currently commissions a care and wellbeing support provider for the existing extra care provision, Ewart House. The contract ends in May 2021.
41. At this time it is anticipated that officers will undertake a procurement exercise to appoint a single provider for the care and wellbeing support service at both Windridge Court and Ewart House including London Living Wage (LLW), any changes will be referred back to the delegations for agreement. The procurement strategy will be agreed and either the Council will run a competitive process or agree another suitable procurement route to market.
42. An outline timeline for procurement is as follows:

| Procurement Activity | Timeline |
|---|--|
| Commence Procurement | Mid-November/December 2020 |
| OPEN Procedure (to be confirmed) Published on the London Tenders Portal (all tender documentation to be available) | Mid-November/December 2020 |
| Submission Deadline | December 2020/January 2021 |
| Tender Evaluation | January 2021 (2 weeks) |
| Moderation | 2 days |
| Internal Governance – Approval to award | January 2021 |
| Award | January 2021 |
| Mobilisation and Transitional Arrangements | February – May 2021 (Ewart House) February - June 2021 (Windridge Court) |

43. The top-level evaluation criteria will need to ensure that the services provide value for money and secure outcomes for citizens.

Legal Implications

44. Under the Care Act 2014, local authorities are under a duty to carry out their care and support responsibilities with the aim of joining-up the services provided or other actions taken with those provided by the NHS and other health-related services (for example, housing or leisure services). This general requirement applies to all the local authority's care and support functions for adults with needs for care and support and for carers. The duty applies where the local authority considers that the integration of services will:

- promote the wellbeing of adults with care and support needs or of carers in its area
- contribute to the prevention or delay of the development of needs of citizens
- improve the quality of care and support in the local authority's area, including the outcomes that are achieved for local citizens

45. Public Sector Equality Duty

46. The public sector equality duty is set out in s149 of the Equality Act 2010. A public authority must, in the exercise of its functions, have due regard to the need to:

- a. Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
- b. Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and
- c. Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

47. Having due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:

- a. Remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic;
- b. Take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it; and
- c. Encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low

48. Any procurement exercise to be undertaken will be subject to and conducted in accordance with the Public Contracts Regulations 2015 (PCR) and the Council's Contract Procedure Rules. The procurement

exercise will also be subject to the EU Treaty principles of equal treatment, fairness and non-discrimination.

49. The Council's Legal Services, HB Public Law will be instructed to advise on the tendering process and completion of the contracts for the services to be procured and awarded under this report.

Financial Implications

50. The current costs of residential care reflect both accommodation and care costs. The extra care model effectively separates costs, with the accommodation costs being funded by the resident (generally through rental and service charge payments to the accommodation provider) and the costs of care being provided by the Council, for eligible service users, through the procurement of the care and wellbeing service provider.
51. At 29th September 2020 (excluding Learning Disabled and Sancroft placements) there were 196 residential placements (181 of which were over 65 years of age). The full year cost of these placements totals approximately £8m and client contributions reduce the cost to the Council to £6.5m.
52. The aim of the implementation of the extra care strategy is to reduce, over time, the number of residential placements, an approach which seeks to balance the need for appropriate care provision, within available financial resources.
53. Windridge Court will have 56 beds. The annual requirement for the care hours in the extra care setting is estimated to be in the region of between 45,000 to 60,000¹ care hours. However, the contract is not expected to guarantee hours of care, so that the Council will only pay for assessed care hours as required, rather than 24hr costed care for residential placements.
54. Home care is currently commissioned in 30 minute blocks in the community, however it is expected that care can be provided more flexibly in the extra care setting given the availability of on-site staff ie; actual time to administer medicines rather than the minimum charge out cost. This should enable the provider to deliver the care planned hours more efficiently and to provide a cost effective solution.
55. The procurement process will determine the rate for this type of care and the impact on the adults budget assessed before the contract is awarded.
56. This strategy will not deliver immediate benefits or savings and it is likely that in the early years of the scheme, costs will be increased. These

¹Reviews of the care being provided in Ewart House currently indicates approximately 45,000 hours of care annually, however there are a number of citizens (transferred following the closure of Watkins House) who currently receive no care at all and self funders who pay for their own care. A range is proposed to capture the increased costs of complexity, with 60,000 hours representing an average of 20 hours per week.

increased costs reflect the impact of transition costs in relation to potential void units, and the increased hourly rate of care. In addition, it is expected that the contract be linked to the London Living Wage to ensure sustainability and ability to attract suitably qualified staff to deliver the care needs.

Equalities implications / Public Sector Equality Duty

57. An initial review of equalities impact has been undertaken and the overall conclusion of these assessments is that the implications are either positive or neutral. In particular an increase in suitable accommodation for an increasing population of over 65-year olds is positive for this age group. The commissioning of the wellbeing and care services will ensure that the provider is able to meet the needs of Harrow's ethnically diverse groups. Officers will complete an EQIA as part of the procurement process.

Council Priorities

58. The implementation of the Council's Extra Care Strategy contributes to the following Council Priorities:

- **Building homes and infrastructure** that will support vulnerable citizens to live as independently as possible locally in Harrow.
- **Addressing health and social care inequality** by providing high quality care for an increasing proportion of Harrow's aging population.
- **Thriving economy** to create opportunities for local employment and business development.

Section 3 - Statutory Officer Clearance

Statutory Officer: Donna Edwards
Signed on behalf of the Chief Financial Officer

Date: 30th October 2020

Statutory Officer: Sharon Clarke
Signed on behalf of the Monitoring Officer

Date: 29th October 2020

Statutory Officer: Lisa Taylor
Signed on behalf of the Head of Procurement

Date: 29th October 2020

Statutory Officer: Paul Hewitt
Signed by the Corporate Director

Date: 27th October 2020

Mandatory Checks

Ward Councillors notified: NO as it impacts on all Wards

EqIA carried out: No

An initial review of equalities impact has been undertaken and the overall conclusion of these assessments is that the implications are either positive or neutral. The EQIA will be incorporated into the co-production process to review and redesign services in preparation for procurement and subsequent service delivery.

Section 4 - Contact Details and Background Papers

Contact: Kim Chilvers, Strategic Commissioning Manager Older People and Carers, kim.chilvers@harrow.gov.uk

Background Papers:

[Extra Care Housing Strategy](#)

[Cabinet Report November 2018](#)

Call-in waived by the Chair of Overview and Scrutiny Committee

NO