

Report No.

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: EXECUTIVE

**For Pre-Decision Scrutiny by the Care Services PDS Committee on
21 March 2017**

Date: 22 March 2017

Decision Type: Non-Urgent Executive Key

Title: EXTRA CARE HOUSING CONTRACT AWARD

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Chief Officer: Lorna Blackwood, Director of Health Integration Programme

Ward: (All Wards);

1. Reason for report

- 1.1 This document is a summary to the Part 2, 'Extra Care Housing Contract Award Report' to be considered by the Executive on 22 March 2017 with pre decision scrutiny by the Care Services Policy Development Scrutiny Committee on 21 March 2017.

The summary provides an overview of the process for the tendering of the care and support in Extra Care Housing Schemes at Regency Court, Sutherland Court, Apsley Court, Crown Meadow Court, Durham House and Norton Court in accordance with the Councils' financial and contractual requirements. The Part 2 report recommends a contract award.

2. RECOMMENDATION(S)

- 2.1 Care Services PDS Committee is asked to note and comment on the contents of this report prior to the Council's Executive being requested to:
- 2.2 Note the summary when considering the recommendations in the Part 2 report of the same name.

Corporate Policy

1. Policy Status: Existing Policy: Commissioning Programme
 2. BBB Priority: Excellent Council Supporting Independence:
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Financial

1. Cost of proposal: Up to £3,474k p.a.
 2. Ongoing costs: n/a
 3. Budget head/performance centre: 824 500/501/502, 829***
 4. Total current budget for this head: £3,514k
 5. Source of funding: Core
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Staff

1. Number of staff (current and additional): 49 staff (33.48 FTEs)
 2. If from existing staff resources, number of staff hours: 1205
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Legal

1. Legal Requirement: Statutory Requirement:
 2. Call-in: Applicable:
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected):
Circa 300
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? Not Applicable
2. Summary of Ward Councillors comments:

3. BACKGROUND

3.1 Extra Care Housing (ECH) creates a much needed intermediate step that relieves cost pressures from moving people directly from their home to residential care when an increase in support and care needs occur. From the Council's perspective it should be more economically advantageous to deliver care and support within an ECH Scheme and from the service user's perspective it should offer more flexible care and support arrangements, as well as prevent social isolation and support people to remain as independent for as long as possible.

3.2 Bromley currently has 6 ECH schemes:

Scheme	Number of Units	Current Care/support Provider	Registered Social Landlord
Crown Meadow Court	60	Mears Care/Hanover	Hanover
Regency Court	60	Sanctuary Care/Hanover	Hanover
Sutherland Court	50	Sanctuary Care/Hanover	Hanover
Aspley Court	24	LBB	A2 Dominion
Durham House	30	LBB	Affinity Sutton
Norton Court	45	LBB	Affinity Sutton
Total	269		

3.3 In October 2015 (Report No.CS15923), the Executive agreed to the combined re-tendering of the existing commissioned schemes and the market testing of the LBB schemes in two lots.

Lot 1 Sutherland Court
Regency Court
Apsley Court

Lot 2 Crown Meadow Court
Durham House
Norton Court

3.4 A report in September 2016 (Report No. CS17031) updated Members on this tendering process and extended the current commissioned services contract to allow more time for the financial evaluation to be completed. The Council has now completed the tender evaluation and a recommendation to award contracts is now being made.

4. INFORMATION ON THE TENDER

4.1 In accordance with the Council's financial and contractual requirements, and following Executive approval, the care and support in the 6 schemes were subject to a full tender process.

4.2 The tender process was undertaken using Pro-Contract the Council's electronic tendering system. The tender required a minimum of 2 providers, one for each lot to deliver care and support. The housing management functions are undertaken by the respective landlords.

4.3 Currently the service provided in the commissioned Extra Care Housing Schemes is split between care and support, with separate providers for each. This is now considered an artificial split as the services are complementary and need to be delivered seamlessly. As such the tender required providers to bid with one hourly rate for providing both care and

support. Bidders were also asked to include within their hourly rate provision of 'core services', which includes the overheads of managing an Extra Care Housing Scheme (such as being on site 24/7, supporting service users moving in, liaising with relatives etc.).

- 4.4 Bidders were required to submit their proposal based on a specified level of care hours per week being provided at each scheme. As needs can change, and therefore hours can vary, an average number of hours were taken over a fixed period of time, and for the purposes of consistency this is what was used in the financial evaluation. As the needs in a scheme are different, the number of care hours differs for each lot.
- 4.5 The tender followed a 2 stage open tender procedure. With 11 suppliers submitting compliant Selection Questionnaires. The second stage of the tender process was evaluated on the basis of Award Criteria questions in accordance with the Public Contracts regulations 2015 and the suppliers submitting pricing schedules. The tender submissions were evaluated on a 60% price and 40% quality split. The evaluation of the 40% quality scoring was undertaken against the following subject areas that were weighted as shown in the table below:

4.6

1	Financial Resources & Contract Affordability	5%
2	Assessment of Ability / Service User Wellbeing	20%
3	Service Delivery	20%
4	Care Support Plans	15%
5	Community Living	10%
6	Extra Care Housing Environment	10%
7	Added Value	5%
8	Experience of Undertaking TUPE	5%
9	Service User Feedback	10%

- 4.7 The evaluation was undertaken by a panel of Officers and included visits to bidders. Early engagement with service users also included commissioners meetings with residents and feeding their priorities into the tender process and specification.
- 4.8 Members are asked to note that the contract with the providers will include the following key performance indicators:

	Performance Indicator	Target	Provision of monitoring information
1	Percentage of staff team to be permanent.	75%	Quarterly Monitoring Report
2	Agency Staff	No more than 5% of Staff team to be agency.	Quarterly Monitoring Report
	Retention of staff	With no more than 5% staff turnover	Annual Monitoring Report
3	Percentage of staff receiving mandatory refresher training	95%	Contract Compliance Vis
4	Support Independence – through maintain existing levels of needs – no more than 5% increase if care and support hours across schemes, and no more than %% of service users moving into nursing or residential care	<=5%	Bi-Annual Monitoring Report

In addition the following Quality Indicators will be monitored/required and reviewed

Quality Indicators

- Service User satisfaction Levels
- Minimum C or above in Quality Assurance (QAF) monitoring
- Introducing and/or developing new activities that promote Service User wellbeing and reduce Service User isolation
- Evidence of the Provider encouraging family involvement in Service Care and Support.
Evidence of Service User and relatives meetings.
- % of Service Users not requiring increased care and support packages after 4 weeks following hospital discharge

5. JUSTIFICATION FOR AWARD

- 5.1 The result of the evaluation process is shown in the Part 2 Report. This includes a recommendation to award a contract for care and support in all 6 schemes listed in table 3.2.

6. SUSTAINABILITY/IMPACT ASSESSMENTS

- 6.1 The recommendation to award the contracts has been judged to have no negative impact on local people and communities.

7. POLICY IMPLICATIONS

- 7.1 The Council has a statutory duty to meet the needs of the service users supported in the schemes that have been included in the tender as set out in Part 1 of the care Act 'General Responsibilities of Local Authorities'.
- 7.2 Extra Care Housing is designed to meet the Council's objectives within Building a Better Bromley to support independence within the community, particularly for vulnerable people.

8. FINANCIAL IMPLICATIONS

- 8.1 The financial implications of awarding the Contract are included within the Part 2 report.

9. IMPACT ON VULNERABLE PEOPLE AND CHILDREN

- 9.1 Extra Care Housing supports vulnerable adults. The recommendation assumes that there will be no change to the service being available.

10. LEGAL IMPLICATIONS

- 10.1 As Social Care Services above the EU threshold, the tender was subject to the application of the "Light touch" regime under the Public Contracts Regulations 2015 (Regulations). The contract was subject to a competitive tendering exercise in compliance with the Regulations.
- 10.2 It is not anticipated that any award of contract will result in any negative changes to the level of services to individuals as this is determined by care managers and not by the provider. Having

completed the initial stage one screening of the Equality Impact Assessment, there is no indefinable negative impacts on equality of opportunity.

- 10.3 The Council will need to comply with TUPE obligations and the Pensions Direction with regards to staff who may transfer to the new contractors.
- 10.4 The report author will need to consult with the Legal Department regarding the execution of the contract.
- 10.5 There are further considerations in the Part 2 Report.

11. PERSONNEL IMPLICATIONS

- 11.1 There has been regular engagement with staff, trade unions and departmental representatives around the market testing of these services since May 2016. As indicated in previous reports informal engagement with staff and their representatives in relation to the market testing of Extra Care Housing services has been ongoing since 2011 following the publication of the Department Business Plan which outlined the services identified for market testing.
- 11.2 Formal consultation with staff and the trade unions on the detailed proposals outlined in this report commenced on 10 January 2017, and ended on 17 February 2017. This involved meetings with the affected staff groups. Whilst meetings were offered to trade unions during this consultation period, no meetings were requested. A summary of the main points raised during the consultation process and management responses is included in the Part 2 report.
- 11.3 There are 49 staff (33.48 FTEs) employed by Bromley Council working across the in house Extra Care Housing Schemes, along with an additional casual staff who are in scope of these proposals. Any staffing implications arising these proposals or potential award will need to be carefully planned for and managed in accordance with Council policies and procedures and with due regard for the existing framework of employment law. The Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE) as amended (2014) will apply to these proposals and any legal and financial implications arising from this. If Members agree to award the contracts then the staff working in the posts set out in the Part 2 Report would transfer to the commissioned providers.
- 11.4 In the event that Members agree to the recommendations, the post of Group Manager, Extra Care Housing will be deleted and the employee will be at risk of redundancy.
- 11.5 Should the proposed contract award be agreed then a further period of consultation on the detailed transfer proposals would take place with staff and their trade union representatives in accordance with employment legislation and the Council's Managing Change procedures. This will enable staff to explore in more detail the impact of the transfer on their employment situation.
- 11.6 If Members agree to the recommendations in this report, staff and their representatives will be updated as appropriate.

12. PROCUREMENT IMPLICATIONS

- 12.1 The Tender process has been undertaken in accordance with the Council's Financial Regulations and Contract Procedure Rules and completed in compliance with the requirements of the Public Contract Regulations 2015 "Light Touch Regime". Once the Council has made its decision, the Authority will need to issue the appropriate Award Notices, observe the mandatory Standstill Period and issue an OJEU and Contract Finder Award Notice as provided for in the Regulations.

Non-Applicable Sections:	
Background Documents: (Access via Contact Officer)	Adults Social Care Report CS13017 Adult Social Care Update Report No. CS14122)