

North Somerset Council Decision

Decision Of: Deputy Leader of the Council, Executive Member for Adult Services, Health & Housing



With Advice From: Director of Adult Social Services and Head of Strategic Procurement

Directorate: Adult Social Services

Decision No: ASC085

Subject: Procurement Plan for a Care and Support Provider for Diamond Court and Lakeside Court Extra Care Housing Development in Worle

Key decision: No

Reason:

This procurement plan is covering the route to market only, the Commissioning Plan covered authority to proceed with the project. This commission will not affect more than one community/ward significantly.

Background:

The proposal is to procure a contract to deliver care provision in Extra Care Housing (ECH). The housing is designed with the needs of older people in mind and is available to people aged 55 and over. Residents of ECH have their own self-contained homes, their own front doors, and a legal right to occupy the property. ECH is not a care home. There is an onsite care provider who will deliver care and support to the residents of the development with a view to enabling clients to remain as independent as possible in their own home. The care provider is also available for any emergency calls required by the clients.

North Somerset Council is committed to offering ECH as an alternative to residential care for those people who can no longer manage in their current home due to their care needs. ECH should be a vibrant place to live with activities and facilities available for residents and the local community. Although the care provider is not responsible for this, they will be expected to work closely with the housing provider to achieve this.

The Council currently has nominations to 5 ECH developments:

Development	Landlord	Care Provider	Number of nominated flats
Diamond Court, Worle	Housing and Care 21	Homelife Carers	53
Lakeside Court, Worle	Hanover Housing	Homelife Carers	33
Waverley Court, Portishead	Hanover Housing	Nobilis Care	45
Tamar Court, Worle	Alliance Homes	Access Your Care	33
Sandford Station, Sandford	St Monica Trust	St Monica Trust	15
Strawberry Gardens, Yatton	Housing and Care 21	Radis Community Care	60

ECH eligibility criteria:

The eligibility criteria and application process does not apply to lease/shared ownership flats.

Applicants must:

- be 55 or over
- be eligible to receive care from North Somerset Council
- be eligible for North Somerset council funding
- have a current application for housing via North Somerset Council's Home Choice Development
- be resident in North Somerset

People with exceptional circumstances may be considered on a case-by-case basis.

The Council is responsible for commissioning the care provider to work within the ECH schemes. This fits in with the Council's Corporate Plan and Housing Strategy.

Decision:

Approve this Procurement Plan, to proceed with a legally compliant tender for 2 Care & Support contracts that will be delivered in Extra Care Housing (Lakeside & Diamond Court) - which will be published on the councils Supplying the Southwest procurement portal.

Reasons:

Introduction

The current contracts have run successfully in North Somerset since September 2015. Full Council approved the award of the contract for the delivery of care into Diamond Court and Lakeside Court Extra Care Housing developments to The Human Support Group. These contracts had an initial term of 4 years with an option to extend for a further 3 years. The additional term was utilised, and the contracts are due to expire on 31 October 2022.

The contracts are currently being delivered by Homelife Carers, with The Human Support Group having novated the contracts to Notaro Homecare in 2016 and Notaro Homecare having novated the contracts to Homelife Carers in April 2021.

Current situation with service delivery;

	Number of flats	Number of flats for NSC nominations	Number of current NSC Service Users	Number of NSC care hours per week
Diamond Court	53 – to be 73	27 plus - to be 47 plus Aug 22	26	315.25
Lakeside Court	33	33	22	256

Commissioning Plan

Commissioning Plan – Agreed at the 27 April 2022 Executive Meeting.

Lessons Learned from previous projects

The Council has experienced issues with the landlord, Housing 21, in not being consistent with the level of nominations they have allowed the council to have into Diamond Court. Recently we have agreed 50% nomination rights into the main building of Diamond Court with 100% nomination rights to the 20 new flats.

The Council has 75% nomination rights into Lakeside Court however Anchor, who is the landlord usually offers 100% nominations unless they have an urgent referral.

The current model of care in Diamond Court and Lakeside Court is that the Council commissions the care provider and funds the care packages delivered to North Somerset Council nominated clients and waking night staff which includes 24-hour cover for emergencies.

In the most recent Extra Care Housing development contract for Strawberry Gardens in Yatton, the Council only funded care delivered as part of an agreed package of care. 24-

hour emergency cover is funded via a weekly payment of £23, made by every resident of the development, to the care Provider. This is known as a Core and Add-on model. This model was able to be used due to Strawberry Gardens being a new development and is working well.

Requirement

It is proposed that the new contracts for Diamond and Lakeside Court will mirror the existing contracts. We will commission one or two care providers, one per scheme (1 provider could win both), to undertake planned care and support with a 24-hour presence of at least one member of staff.

Diamond Court is currently being extended with an additional 20 flats being built and will be available in the summer of 2022.

The new contracts will commence on 1st November 2022. The initial term will be 4 years with an optional extension of 3 further years to be awarded in 1 block.

Diamond Court: circa £359,000 per year (total: c£2.5M)

Lakeside Court: circa £316k per year (total: c£2.2M)

It is anticipated that TUPE will apply to this contract.

Route to market

It is proposed to use the Find a Tender Open Procedure, which has a 1 stage approach. The outcome of the procurement will result in awarding two contracts, one per scheme (one provider could win both contracts). The new contract will commence on 1 November 2022.

Timescales

- Release Advert: mid-May 2022
- Tender Return: mid-June 2022
- Evaluate Responses: End June – Early July 2022
- Moderation Session: 6/7 July 2022
- Possible clarification interviews if needed: Mid July 2022
- Award Report Approved by Director: July/Aug 2022
- 10 Day Standstill Period: July/Aug 2022
- Contract Start: 1 November 2022

Governance

- Commissioner: Adult Social Services Contracts and Commissioning Officer

- Strategic Procurement Service: Procurement Officer & Procurement Support Officer
- Finance: Finance Business Partner for Adult Social Services
- The contract award report will be signed off the Director of Adult Social Services, The S151 Officer & The Head of Strategic Procurement.

Market / Suppliers

There are several existing care and support providers in the North Somerset area. Following a competitive procurement procedure in 2019, 7 bids were received for the Strawberry Gardens ECH Care Provision tender. Having good knowledge of the market, we expect a number of these local providers to bid, with the possibility of Bristol & other Southwest providers being interested. Two landlords of our current ECH Schemes are also care providers - it's quite likely they could bid.

Social Value, TOMs, Sustainability & VCSE

In discussion with the project team, it has been agreed to utilise the principles of the Social Value Portal (SVP) TOMS methodology. The project team will be assessing the social value responses and suppliers will not be charged a fee. The responses will be assessed as follows:

- Quantitative 70% - What monetary value are they offering NSC
- Qualitative 30% - How are they going to delivery what they are offering

SVP uses the TOMs (themes/outcomes/measures) method which attributes monetary value to each social value commitment offered by suppliers. The Contracts and Commissioning Officer will contract manage the social value commitments of the successful provider/s in the overarching contract management activities following award. There will be a 10% weighting associated to Social Value within the overall criteria.

Example of TOMs that will be used (but not limited to):

- More local people in employment
- More opportunities for disadvantaged people
- Improved employability of young people
- Improving staff wellbeing and mental health
- More working with the Community
- Carbon emissions are reduced

Evaluation

60% Quality

Tenders will be evaluated using a 40% Cost and 60% Quality Model. Quality will be assessed using responses to the following Method Statements:

Stage 1 – Method Statement Questions (for both contracts)

Method statement breakdown:

- Company Ethos and Managing Culture (8%)
- Partnership Working 8%
- Health and Wellbeing 11%
- Staffing and Service Implementation 10%
- Monitoring and Outcomes 8%
- Climate Emergency 5%
- Social Value 10%

Possible Stage 2 – clarification interviews

- We will reserve the right to exclude bidders that score below 3 on one or more method statement question.
- There will be a few pass/fail questions.
- The following standard NSC scoring below will be used:

Score	Classification	Award Criteria
5	Excellent	A response that inspires confidence; specification is fully met and is robustly and clearly demonstrated and evidenced. Full evidence as to how the contract will be fulfilled either by demonstrating past experience or through a clear process of implementation.
4	Good	A response supported by good evidence/examples of the Bidders' relevant ability and/or gives the council a good level of confidence in the Bidders' ability. All requirements are met and evidence is provided to support the answers demonstrating sufficiency, compliance and either actual experience or a process of implementation.
3	Satisfactory	A response that is acceptable and meets the minimum requirement but remains limited and could have been expanded upon.
2	Weak	A response only partially satisfying the requirement with deficiencies apparent. Not supported by sufficient breadth or sufficient quality of evidence/examples and provides the council a limited level of confidence in the Bidders' ability to deliver the specification.
1	Inadequate	A response that has material omissions not supported by sufficient breadth and sufficient quality of evidence/examples. Overall the response provides the council with a very low level of confidence in the Bidders' ability to deliver the specification.
0	Unsatisfactory	No response or response does not provide any relevant information and does not answer the question.

40% Price

For evaluating the overall price from each supplier, it is proposed to use the standard cost evaluation method, which is widely used within the Council.

The tender with the lowest total price will receive the maximum score weighted at 40%, and the prices of all other tenders will be expressed as a percentage of the maximum score.

Pricing schedule:

Suppliers will be required to bid a price per hour (against an approximate guide number of hours).

Contract Management

The contract will be managed by the Contracts and Commissioning Officer in the Adult Social Services Directorate. The Contract Manager, with the support of the Procurement team will develop a contract management plan at the end of the tender process.

The following meetings will be held:

- Quarterly KPI meetings, and data reports
- Yearly – full reports including social value

Options Considered:

Options considered:

As part of the procurement process consideration was given to the following options:

- Do Nothing – not an option as we have a duty of care to our residents
- Run a full procurement to create a new contract – preferred option (detail below)

1. Keeping the same model as existing developments where the council funds care packages and 24-hour cover for emergencies.

2. Implementing a weekly charge for 24-hour emergency cover paid for by Clients and

- Collected by the housing provider
- Collected by the care Provider
- Fully paid for by the Client
- Subsidised by the council

In recommending option 2, consideration was given to North Somerset Council subsidising the core charge for council-funded clients. However, this may then result in there being minimal re-charge of a core charge based on the percentage of council-funded Clients living within the development. Feedback from Housing 21 is that they have this model in several their developments; all Clients pay the same charge, and it has not caused any issues.

The reason for our recommendation of the care provider collecting the core charge and not the housing provider is that the care provider is the party providing the staffing for the emergency cover.

Financial Implications:

	Current Hourly rate	Number of NSC care hours per week	Cost of care per year	Waking Night Costs per year	Total Cost per Year	Cost over the full Term
Diamond Court	£18.21	315.25	£285,498.72	£46,526.55	£359,169.20	c.2.5M
Lakeside Court	£18.21	256	£ 242,995.48	£46,526.55	£316,665.96	c.2.2M

We recognise that the hourly rate at tender may be higher, and that the number of care hours being delivered in Diamond Court will increase with the additional flats due for nomination in summer 2022. The average size of a care package at Diamond Court is 12 hours per week. This means that the number of care hours being delivered in Diamond Court may increase by up to 240 hours per week. This could take the value of the contract over the full term to circa 2.7/2.8M.

Extra care nominations provide savings to the Council as they avoid more expensive residential placements. Financial information gathered from the nominations into Tamar Court have indicated that the target expectation for the next Extra Care Housing development is that for every five placements there will be one cash saving of an average £275 per week (someone who moves from residential care) and three cost avoidance savings of an average £225 per week (clients who would have required a residential placement if extra care had not been available). On this basis, annual savings of c. £225k are expected to be made and are included in the published Medium Term Financial Plan over a 2-year period.

Costs:

Funding:

Funding will come from the Adult Social Care Budget and as described above, is expected to be more cost effective than other forms of care, such as residential care.

Legal Powers and Implications:

The service considered within this procurement are statutory requirements (Care Act 2014, Mental Capacity Act 2005, Mental Health Act 1983 as amended in 2009). Local Authorities cannot provide these services themselves as the legislation requires them to be provided independent of the Local Authority or NHS Providers.

Climate Change and Environmental Implications:

Following completion of the climate emergency risk register, it was agreed that the environmental implications are relatively low in relation to this tender and service. Domiciliary care services tend to focus on recruiting local staff. With ECH, staff are onsite and therefore not required to travel between clients. The contract will require the provider to encourage clients living in ECH to recycle wherever possible. The contract will also encourage the provider to use local suppliers. Any waste generated in the provision of the services, such as PPE and clinical waste, will be kept, collected, and disposed of appropriately.

We will be using the following method statement question in the invitation to tender to enable the providers to consider what their own commitments might be which support the councils pledge:

Climate Emergency

North Somerset Council aims to be carbon neutral by 2030, following declaration of a climate emergency in February 2019. See: <https://www.n-somerset.gov.uk/my-services/environmentalprotection/climate-change/climate-emergency/>

By submitting elements 1, and 2 below, bidders are being asked to set out what measures you will implement to minimise the climate impact of the project and ensure environmental net gain for the region. Please include any details of delivery methods/recycling/reuse etc.

Details of the elements you must submit and what will be assessed by the council:

- 1. How you will ensure reduced greenhouse gas emissions are considered in the delivery of the goods/services/works*
- 2. How you propose to reduce greenhouse gas emissions throughout the lifecycle of the goods/services/works (e.g. production/installation/waste/travel)*

Consultation:

During a contract compliance visit in August 2021, several residents and relatives were contacted by the Council to gain feedback about the service being provided by Homelife Carers at both Lakeside Court and Diamond Court.

There were no negative comments given about the care staff at either of the services. Overall, the comments were very positive by both residents and their relatives about the care being provided by Homelife Carers. The residents who responded all found the care workers to be attentive, caring, kind and very competent at their job. Relatives also found the carers to 'excellent' and 'superb' and found the communication within the services to be

very consistent and effective. However, some did comment about the main head office and communication difficulties.

We meet quarterly with the landlords of the ECH Schemes and will keep them updated on the contract award and implementation.

Councillor Crosby and Scrutiny panel have been consulted by the Principal Head of Commissioning, Partnership & Housing Solutions & Contracts and Commissioning Officer.

The Legal team have also been consulted with, in the preparation for this tender.

Risk Management:

<u>Risk</u>	<u>Mitigation</u>
Provider failure	Will be mitigated by robust contract monitoring and compliance of the contract. Performance indicators will be set for the contract with the monitoring of these being undertaken by the contracts and commissioning team.
Payments with no results	All community-based care and support is paid in arrears which lowers the risk of financial loss to the council.
The service does not meet the expectations of the Council	The evaluation process will ensure that all aspects of the service are tested. The contract management plan and associated KPIs will ensure that the contract is effectively managed by the Contract Manager with the provider held accountable.
Risk of suppliers not being able to run the service within the contract price	There will be a robust contract management plan to monitor all aspects of the contract.
Risk of not receiving bids	We have had conversations with potential bidders. The advert will go out via Find a Tender, Contracts Finder & Supplying the Southwest Portal.
Risk of challenge to the procurement process	There will be a transparent and fair process to minimise any challenges.
Brexit	Brexit is currently having a negative impact on many sectors; any impacts will need to be managed and minimised by the contract manager in conjunction with the successful provider/s.
The ongoing impact of the COVID19 pandemic	The uncertainty of pandemic may have an impact on being able to deliver this service. The impact can be minimised with good communication between the provider and contract manager.
TOMs & Climate Emergency	Will be considered throughout the procurement process (include risk assessments) and during Contract Management.

Equality Implications:

Have you undertaken an Equality Impact Assessment? Yes

An EIA summary has been completed

Positive impacts were identified for Disabled people, people of a certain age and informal Carers. There were no negative impacts identified as the aim of the commissioning is to improve the independence of service users, availability of services and achieve best value.

Corporate Implications:

There are no corporate implications.

Appendices:

N/A

Background Papers:

Commissioning Plan

Signatories:

Decision Maker(s):

Signed:



Title: Executive Member for Adult Services, Health and Housing

Date: 18 May 2022

With Advice From:

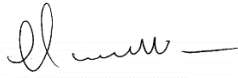
Signed:



Title: Director of Adult Social Services

Date: 18 May 2022

Signed:

A handwritten signature in black ink, consisting of a large initial 'S' followed by several loops and a horizontal line at the end.

Title: Head of Strategic Procurement

Date: 18 May 2022