

North Somerset Council Decision



Decision of: Director of Adult Social Services

In Consultation with: the Head of Strategic Procurement, the Section 151 Officer and the Principal Head of Commissioning, Partnerships and Housing Solutions

Directorate: Adult Social Services

Decision No: ASC28 (2022/23 Scheme)

Subject: Contract Award for Diamond Court and Lakeside Court Extra Care Housing Schemes

Key Decision: Yes

Reason:

The decision will result in the council incurring expenditure of over £500,000.

Background:

The council's Housing with Support Strategy details:

In the past the solution for many people who needed care and support was a residential or nursing home where their needs could be fully met in one place. Whilst for some people the need for residential and nursing care will continue the link between wellbeing and independence is well recognised. Skills for Care highlight this in their core principles:

An analysis of projected demand for Extra Care Housing in North Somerset made in 2013 using the Strategic Housing for Older People Analysis Tool from the ¹Housing LIN, indicated that demand would outstrip supply by more than 200% by 2030

It is apparent that there is less Extra Care Housing in North Somerset than would be expected for the population, but demand involves appetite as well as statistics. The steady filling of the most recent development to open at Strawberry Gardens would seem to indicate that there is an appetite for this type of provision in the area, but more work could be done with older people to ascertain the type of accommodation with support that they are looking for and what needs to be in place for them to be able to make a move.

¹ *The Housing Learning and Improvement Network (LIN) is a sophisticated network bringing together housing, health and social care professionals in England, Wales, and Scotland to exemplify innovative housing solutions for an ageing population. Recognised by government and the housing with care sector as a leading 'knowledge hub' on specialist housing, our online and regional networked activities

Decision:

1) It is requested that the contract for Provision of Care and Support into Diamond Court Extra Care Housing Scheme be awarded to: Radis Community Care Ltd. Company Reg: 3587165. Address: Mercia House 15 Galena Close, Tamworth, Staffordshire, B77 4AS.

Contract value: 260.25hrs (per week) x £17.84 (per hour) = circa £242,000 (per year)

Initial Term: 4 years

Optional extension Term: 3 years

2) It is requested that the contract for Provision of Care and Support into Lakeside Court Extra Care Housing Scheme be awarded to: Home Life Carers Limited. Company Reg: 05795650. Address: Cardinal House Abbeyfield Court, Abbeyfield Road, Nottingham, Nottinghamshire, United Kingdom, NG7 2SZ.

Contract value: 250.25hrs (per week) x £19.00 (per hour) = circa £248,000 (per year)

Initial Term: 4 years

Optional extension Term: 3 years

Reasons:

Introduction

Extra Care Housing is housing designed with the needs of older people in mind and is available to people aged 55 and over. Residents of Extra Care Housing have their own self-contained homes, their own front doors and a legal right to occupy the property. Extra Care Housing 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 Extra Care Housing as an alternative to residential care for those people who can no longer manage in their current home due to their care needs. Extra Care Housing 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 is responsible for commissioning the care provider to work within the Extra Care Housing schemes in North Somerset.

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.

The new contracts for Diamond Court and Lakeside Court will mirror the existing contracts and be for a total term of seven years. Each contract details the expectations of the Provider to undertake planned care and support with a 24-hour presence of at least one member of staff.

The Commissioning Plan to tender for the care and support contract at Diamond Court and Lakeside Court Extra Care Housing Schemes was approved by The Executive on 27 April 2022.

Award Criteria

As agreed in the Procurement Plan in May 2022, the following criteria was used to evaluate the tenders received.

Quality = 60%

	Method Statements	%
A4	Company Ethos and Managing Culture	8%
A5	Partnership Working	8%
A6	Health and Wellbeing	11%
A7	Staffing and Service Implementation	10%
A8	Monitoring and Outcomes	8%
A9	Climate Emergency	5%
A10	Social Value	10%
	Total Score	60%

Pricing = 40%

The standard cost evaluation method, which is widely used within the Council was followed. The tender with the lowest total price received the maximum score weighted at 40%, and the prices of all other tenders were expressed as a percentage of the maximum score.

Pricing schedule:

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

Procurement procedure and publishing information

The route to market used was the Find a Tender Open Procedure under the light touch regime. A one stage process was followed including a selection questionnaire (SQ) & Tender and published on our e-tendering portal - Supplying the South West.

The following indicative timeline will be followed:

STAGE	DEADLINE
Award Report agreed	August 2022
Successful/unsuccessful notifications	August 2022
Implementation period	Sept-Oct 2022
Contract starts	1 November 2022

Seven suppliers responded to the tender for the Diamond Court scheme and six suppliers responded to the Lakeside Court scheme.

Evaluation Panel Members

The evaluation panel members included officers from the Adult Social Services Directorate:

- Contracts and Commissioning Officer
- Contracts and Commissioning Officer
- Supported Living and Extra Care Housing Co-ordinator

The following officers provided the evaluation panel members with expert opinions on specific award criteria:

- Senior Accountant – reviewed supplier pricing schedules
- Climate Emergency Officer – provided advice and guidance to the panel with regards the Climate Emergency section
- Procurement Manager – reviewed the Social Value assessment that had been carried out by the Procurement Officer

Evaluation outcome

All evaluation panel members attended the moderation meeting to agree final scores and comments for each bidder. The moderation meeting was hosted by the Strategic Procurement Team who provided independent facilitation.

The Councils standard scoring methodology was used to assess responses against the method statements:

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.

The evaluation of the tenders resulted in the bidders receiving the following scores:

Diamond Court Extra Care Housing						
Tenderer	Quality Weighting (%)	Actual Quality Score (%)	Price Weighting %	Actual Price Score %	Total Weighted Score %	Overall Ranking
Bidder A	60%	41.64%	40%	37.76%	79.40%	3
Bidder B	60%	40.95%	40%	36.97%	77.92%	4
Bidder C	60%	42.52%	40%	38.37%	80.89%	2
Bidder D	60%	32.33%	40%	38.41%	70.74%	7
Bidder E	60%	35.27%	40%	36.10%	71.37%	5
Bidder F	60%	25.83%	40%	36.06%	61.89%	6
Radis Community Care Ltd	60%	42.00%	40%	40.00%	82.00%	1

Lakeside Court Extra Care Housing						
Tenderer	Quality Weighting (%)	Actual Quality Score (%)	Price Weighting %	Actual Price Score %	Total Weighted Score %	Overall Ranking
Bidder A	60%	42.02%	40%	39.58%	81.60%	2
Bidder B	60%	40.51%	40%	39.38%	79.89%	4
Home Life Carers Ltd	60%	42.01%	40%	40.00%	82.01%	1
Bidder D	60%	37.35%	40%	38.44%	75.79%	5
Bidder E	60%	27.08%	40%	38.40%	65.48%	6
Bidder F	60%	42.00%	40%	39.50%	81.50%	3

Radis Community Care Ltd was the highest scorer for Diamond Court and Home Life Carers Ltd for Lakeside Court.

As the tables above show, the scores achieved by the highest scoring bidders in both schemes were extremely close, elements of the evaluation process were revisited to ensure that the right decision had been made and that any potential challenge could be defended. The following actions were undertaken:

- The Climate Emergency method statements of all bidders were assessed by a member of the Climate Emergency Team for their expert guidance (their guidance was then discussed and ratified by the core evaluation team.)
- The Social Value scoring was shared with the Principal Head of Commissioning, Partnership & Housing Solutions and also reviewed by the Procurement Manager which identified some further clarifications, which were raised with bidders. The scores were subsequently unaffected.
- Pricing schedules were reviewed by the Finance Business Partner which identified some further clarifications, which were raised with bidders. The scores were subsequently unaffected.
- The evaluation panel reviewed all of the scores agreed during the original moderation session to ensure a consistent and fair approach was taken. This review was again moderated by the Procurement Lead.

Social Value details:

See appendices for the successful Provider’s tender response including commitments.

Contract Management

The contract will be managed by a Contracts and Commissioning Officer. Following contract award a contract management plan will be produced by the Strategic Procurement team with input from the Contracts and Commissioning Officer. See appendices for details.

Implementation of contract

See appendices for successful Provider's implementation plans.

Options Considered:

In making our recommendations the following was considered;

- What is working and not working currently
- The council's Housing with Support strategy
- Housing LIN guidance and information

Consideration was given to implementing the Core and Add-on model for the new contracts for Diamond Court and Lakeside Court however due to the developments being well established with residents who have lived there for long periods of time, we do not feel it would be viable to implement at this time.

Consideration was given to applying the weekly payment for new residents that move in so over time, every resident would pay a weekly charge and the council could reduce its funding to the care provider. This creates an inequality in the developments and could cause issues between residents who pay and residents who do not.

Consideration was given to other ways of reducing the cost to the council of funding the 24-hour emergency cover within the schemes. We have reviewed the possible use of Acoustic Monitoring, which is a technology that the council is looking to implement within care homes in North Somerset. Acoustic Monitoring is a unit that is placed in residents' rooms which identifies what is normal for each resident, down to breathing pattern. The system will alert staff if there are changes to what is normal. The benefits of this being that staff in care homes only need to enter a resident's room if the system detects a change, rather than routinely during the night. The theory of Acoustic Monitoring in Extra Care is a good one however, having discussed the details of the system, the residents of Extra Care are more active and are not just confined to one room, like in a care home. The system would not cope with this and therefore it is not a viable option.

There is future scope for considering working with the council's emergency response service to have a roving waking night team who will respond to emergencies across all Extra Care Housing schemes in North Somerset. This will need careful consideration and consultation with the landlords of the schemes, care providers and residents. Research was undertaken by reviewing advice on best practice by the Housing LIN.

Financial Implications:

Extra care nominations provide savings to the council as they avoid / delay 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. £200k are expected to be made as a result of the extension of Diamond Court and are included in the Medium Term Financial Plan over a two-year period.

As described below, this particular procurement exercise is estimated to save around £26,000 (5%) per annum, when compared with the current costs.

Costs

The hourly rate for Diamond Court submitted by Radis Community Care Ltd is £17.84. This makes the approximate cost for the Service over the full term £1,695,000.

The current hourly rate for Diamond Court is £19.37. There are 20 weeks of the financial year left from the contract start date to 31 March 2023. Therefore, the new hourly rate for Diamond Court will make an in-year saving of approx. £8,000, with a full year impact of c. £21,000

The hourly rate for Lakeside Court submitted by Home Life Carers Ltd is £19.00. This makes the approximate cost for the Service over the full term £1,735,000.

The current hourly rate for Lakeside Court is £19.37. There are 20 weeks of the financial year left from the contract start date to 31 March 2023. Therefore, the new hourly rate for Lakeside Court will make an in-year saving of approx. £2,000, with a full year saving of c. £5,000.

These details are summarised in the table below and indicate an overall annual saving of c. £26,000 (5%), which will be considered as part of the 2023/24 MTFP and budget setting process.

	Current rate	Annual Hours	Current Annual Cost	New Rate	Annual Hours	New Annual Cost	£s saving whole year	% saving	£s saving 2022/23	Total New Cost Over 7 years
Diamond Court	£19.37	13,570	£262,854	£17.84	13,570	£242,092	£20,762	7.9%	£7,986	£1,694,644
Lakeside Court	£19.37	13,049	£252,754	£19.00	13,049	£247,926	£4,828	1.9%	£1,857	£1,735,484
TOTAL/ Weighted Average	£19.37	26,619	£515,609	£18.41	26,619	£490,018	£25,590	5.0%	£9,842	£3,430,128

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. As illustrated in the table above, costs are expected to be c. 5% lower than the current costs.

Legal Powers and Implications:

The services considered in 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.

The Legal team reviewed the terms and conditions of the contract to ensure their compliance with the latest legislation and guidance and were consulted regarding questions received during the ITT phase. No contract changes were agreed during this time.

Climate Change and Environmental Implications:

See appendices for the successful Provider's tender response including commitments.

Consultation:

No formal consultation has been undertaken around the commissioning of the care provision.

During a contract compliance visit in August 2021 a number of 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 spoken with 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 Extra Care Housing Schemes and will keep them updated on the contract award and implementation.

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

The Strategic Procurement Service and Legal team were consulted in the preparation for this tender.

Risk Management:

Risk	Mitigation
Provider challenge	The tender was conducted using the open tender process allowing any provider to tender who wished to do so. ITT queries were responded to in a timely way and published to all bidders. The evaluation was completed in a transparent and fair manner. Robust moderation sessions, including positives/areas for improvement and relative advantages of winning bidder included in feedback letters.
Provider failure	Robust contract monitoring and compliance of the contract. Performance indicators will be monitored by the contracts and commissioning team.
Financial risk	All community-based care and support is paid in arrears which lowers the risk of financial loss to the Council.
TUPE transfers/contract implementation (including a new provider) -	Careful management of the transfer should mitigate any drop in service quality.

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:

The North Somerset Corporate Plan 2020-24 considers various areas of key focus including:

- A great place for people to live, work and visit
- A commitment to protect the most vulnerable people in our communities
- A focus on tackling inequalities and improving outcomes
- Partnerships which enhance skills, learning and employment opportunities
- Engage with and empower our communities
- Manage our resources and invest wisely
- Embrace new and emerging technology
- Collaborate with partners to deliver the best outcomes

Appendices:

Appendix 1 - Schedule 3 Contract Management
Appendix 2 - Schedule 6 Performance Indicators
Appendix 3 – XX Implementation Plan
Appendix 4 - XX Implementation Plan
Appendix 5 – XX Climate Emergency Response
Appendix 6 – XX Climate Emergency Response

Background Papers:

EXE 107 27/04/22 Commissioning Plan
ASC085-Procurement Plan

Signatories:

Decision Maker(s):

Signed:

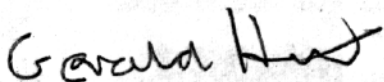


Title: Director of Adult Social Services

Date: 22 August 2022


In Consultation With:

Signed:



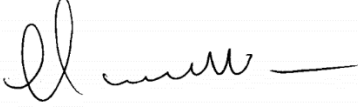
Title: Principal Head of Commissioning, Partnerships and Housing Solutions

Date: 22 August 2022

Signed: 

Title: Section 151 Officer

Date: 23 August 2022

Signed: 

Title: Head of Strategic Procurement

Date: 23 August 2022

Footnote: Details of changes made and agreed by the decision taker since publication of the proposed (pre-signed) decision notice, if applicable:

* Evaluation score table for Diamond Court updated for bidder D (error on quality score rectified – report updated).