

AWARD OF CONTRACT: PROVISION OF CARE IN EXTRA CARE SCHEMES IN PETERBOROUGH
COUNCILLOR WAYNE FITZGERALD, CABINET MEMBER FOR ADULT SOCIAL CARE, HEALTH AND PUBLIC
December 2020
Deadline date: N/A

Cabinet portfolio holder:	Wayne Fitzgerald, Deputy Leader and Cabinet Member for Adult Social Care, Health and Public Health
Responsible Director:	Wendi Ogle-Welbourn, Executive Director, People & Communities
Is this a Key Decision?	YES If yes has it been included on the Forward Plan: YES Unique Key decision Reference from Forward Plan: KEY/9NOV20/01
Is this decision eligible for call-in?	YES
Does this Public report have any annex that contains exempt information?	NO
Is this a project and if so has it been registered on Verto?	NO

R E C O M M E N D A T I O N S

The Cabinet Member is recommended to authorise the award of contract to Longhurst Group for the delivery of care and support in two extra care schemes, Bishopsfield in Walton and St Edmunds Court in Hampton. This contract will be for a period of 3 years, with an optional one year extension.

The contract will start from 1 March 2021 to 29 February 2024 with an optional extension of 12 months. The annual contract value for the fixed elements of the service (i.e. waking nights and floating support/activities) will be £205,787. The contract value for the assessed care hours is subject to fluctuation as it is dependent upon the care needs of people living in the schemes – in October 2020, the annualised amount for this aspect of the contract was £520,916.

1. SUMMARY OF MAIN ISSUES

- 1.1 Extra care housing is defined as specialist accommodation designed to maximise the independence of older people by providing a safe, secure and stimulating environment. Extra care housing is a cost effective alternative and produces better outcomes than residential care.

1.2 Currently there are five extra care schemes in Peterborough where the Council commissions a 24/7 care contract. Longhurst hold the contract in three schemes and Hales Group Ltd hold the contract for the other two schemes and the latter were tendered in October.

1.3 There is no separate budget for the assessed care element of the extra care contract as the funding is part of the homecare spend and this is derived from actual commitments in the ISP (Independent Sector Provision) spend. Based on current occupancy, the annual spend for 21/22 would be £520,916.

2. PURPOSE OF THIS REPORT

2.1 This report is for the Cabinet Member for Adult Social Care, Health and Public Health to consider exercising delegated authority under paragraph 3.4.8 of Part 3 of the Constitution in accordance with the terms of their portfolio at paragraph (b).

3. TIMESCALES

Is this a Major Policy Item/Statutory Plan?	NO	If yes, date for Cabinet meeting	N/A
---	-----------	----------------------------------	-----

4. BACKGROUND AND KEY ISSUES

4.1 Currently the Council commissions 24/7 waking night service in each of the schemes and there is an additional element for floating support. The latter element of the service is to enable a response to service user related emergencies, support with ad hoc activities not necessarily identified within care and support plans and support for people not in receipt of the care service. The final element of the contract is not guaranteed in that it is the planned calls as identified in people's assessed care and support plan, so this element of the contract can vary from scheme to scheme and from month to month.

5. THE BUDGET REVIEW

5.1 During the budget review which was subject to public consultation in the last financial year, reducing the level of night provision was considered but was determined as inappropriate as it would result in people with higher care needs or planned night care having to move into residential care which would be more costly for the Council. However, it was determined that savings could be made by reducing the floating/activity element of the contract (£141,781 across 5 schemes). Accordingly, savings have been set against floating/activity funding. The savings for 20/21 are £47,000 and a further £24,000 for 21/22. These savings have been incorporated into the contract.

6. THE PROCUREMENT PROCESS

6.1 These services are classified in the Common Procurement Vocabulary under Schedule 3 of Public Contract Regulations 2015, Light touch Regime. A competitive contract notice was issued as a result. This procurement utilised the Open Procedure in accordance with the Public Contracts Regulations 2015 and comprised of the following elements:

A Selection Questionnaire including

- Financial Standing
- General Data Protection Regulation (GDPR)
- Modern Day Slavery
- Insurances
- Safeguarding

A Quality Element – The maximum score available was 100 points and a weighting was given to each question. The quality threshold score was 60% of the total was required from bidders. The questions that were asked within the quality element related to the following areas:

- Mobilisation and implementation
- Staff training and competency
- Business Continuity Planning
- Social cohesion and reducing social isolation
- Use of technology and daily living equipment.

Price – The most economically advantageous price of those bidders that scored equal to or above the minimum quality threshold.

- 6.2 All bidders that met the selection criteria within the Selection Questionnaire proceeded to the tender evaluation stage. Tenders submitted were evaluated on a minimum quality threshold then via the most economically advantageous price evaluation mechanism. This means that out of a maximum score of 100, bidders would need to score at least 60% (60 points) of the total available to have their price for the services considered. The bidder with the most economically advantageous price after having achieved at or above the threshold quality score would have submitted the winning bid.
- 6.3 The Quality element of the tender was evaluated and scored independently by a panel. This panel was made up commissioners and contract staff from Peterborough City Council and Cambridgeshire County Council, all of whom were supported by the Peterborough Serco Procurement Service.
- 6.4 The panel members individually considered the bidders' responses and provided an initial score providing a rationale for the score awarded. A moderation of those scores was then led by the Procurement Service. A consensus score and rationale was determined following a moderation meeting.
- 6.5 A total of nine tenders were received and of those four bids met the minimum quality threshold of 60%.
- 6.6 The overall summary of the results was as follows:

Provider	Quality score	YES or NO (met or exceeded the minimum quality threshold of 60%)	Most economically advantageous price Rank
Provider A	71%	YES	3
Provider B	83%	YES	1
Provider C	72%	YES	2
Provider D	27%	NO	Not Applicable
Provider E	35%	NO	Not Applicable
Provider F	80%	YES	4
Provider G	36%	NO	Not Applicable
Provider H	27%	NO	Not Applicable
Provider I	47%	NO	Not Applicable

- 6.7 Prices submitted were within the range which was published with the procurement documentation.

7. CONSULTATION

- 7.1 Whilst significant changes were not made to the current service at the schemes consultation will be undertaken with service users as soon as the restrictions due to Covid-19 make this practicable.

8. ANTICIPATED OUTCOMES OR IMPACT

- 8.1 Extra care is more cost effective for the council as the alternative option for some people would be to move into residential care which is more costly.

9. REASON FOR THE RECOMMENDATION

- 9.1 The tender process was compliant with procurement legislation and the service was procured in accordance with the Public Contract Regulations 2015. The contract to be awarded is recommended as it represents good value for money and provides services that meets the quality standards.

10. ALTERNATIVE OPTIONS CONSIDERED

- 10.1 Public contracts must be exposed to competition when their current contractual arrangements end in accordance with Public Procurement Regulations 2015 and indeed to comply with the Council's Standing Orders.

11. IMPLICATIONS

11.1 Financial Implications

- 11.1.1 The total estimated cost of the contract will be £2.2m (based on the current actual commitments) for the three year contract from 1 March 2021 to 29 February 2024. However, this amount can fluctuate as the needs of the individuals living within the schemes change. The tender process ensures that value for money has been achieved.
- 11.1.2 Based on the current annual spend derived from actual commitments in the ISP (Independent Sector Provision) spend the current annual budget for these schemes is £520,916 for 21/22. On this basis the new contract will deliver savings of £24,500.
- 11.1.3 Bidders were advised there would be no uplift to the price for the first 12 months of the contract. Thereafter, the provider will have to apply for an increase to the price, for example due to changes in the National Living Wage (NLW). The additional cost based on projected increase of NLW which is announced annually from year 2 onwards will be included into the budget.

11.2 Legal Implications

- 11.2.1 Advice from Legal Services has been obtained throughout the procurement process. The procurement has been conducted in accordance with the Public Contracts Regulations 2015.

11.3 Equalities Implications

- 11.3.1 There are no equalities implications.

11.4 Carbon Impact Assessment

- 11.4.1 Following completion of the Carbon Impact Assessment, no specific implications have been identified.

12. DECLARATIONS / CONFLICTS OF INTEREST & DISPENSATIONS GRANTED

12.1 None.

13. BACKGROUND DOCUMENTS

Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985) and The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.

13.1 None.

14. APPENDICES

14.1 None.