

EXTENSION OF CONTRACT FOR CARE & SUPPORT IN EXTRA CARE SCHEMES
JOHN HOWARD, CABINET MEMBER FOR ADULT SOCIAL CARE, HEALTH AND PUBLIC HEALTH
NOVEMBER 2022
Deadline date: N/A

Cabinet portfolio holder: Responsible Director:	John Howard, Cabinet Member for Adult Social Care, Health and Public Health Charlotte Black, Executive Director People Services
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/7NOV22/01
Is this decision eligible for call-in?	YES
Does this Public report have any annex that contains exempt information?	Yes
Is this a project and if so has it been registered on Verto?	NO

RECOMMENDATIONS
<p>The Cabinet Member is recommended to:</p> <ol style="list-style-type: none"> 1. Approve the contract extension with Longhurst for the provision of care and support services at Friary Court, The Pavillions and The Spinney extra care schemes from 2 February 2023 to 1 December 2024. The current annual contract value is £1,901,635 which equates to £3,480,253 over the life of the extension.

1. PURPOSE OF THIS REPORT

- 1.1 This report is submitted to 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).
- 1.2 The attached annex (A) is NOT FOR PUBLICATION in accordance with paragraph 3 of Schedule 12A of Part 1 of the Local Government Act 1972 in that it contains commercially sensitive information relating to the contracts and information relating to the financial or business affairs of any particular person (including the authority holding that information).

The public interest test has been applied to the information contained within the exempt annex and it is considered that the need to retain the information as exempt outweighs the public interest in disclosing it as to do so.

2. TIMESCALES

Is this a Major Policy Item/Statutory Plan?	NO	If yes, date for Cabinet meeting	N/A
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3. BACKGROUND AND KEY ISSUES

3.1 On 24 July 2020 a CMDN was signed (JUL20/CMDN/18) to directly award three services to the incumbent provider for 2½ years until 1 February 2023. The intention was that these services would then align with extra care services in Cambridgeshire which were due to expire at the same time. Subsequently, it was agreed that the Peterborough schemes would be re-tendered as a separate lot within the 'Pseudo Framework for the Provision of Care in the Home in Peterborough and surrounding areas' which would include homecare, supported living and extra care.

3.2 The plan was for the new Pseudo Framework to be in place from March 2023 but this has now been delayed by 12 months to March 2024, whilst the Fair Cost of Care Exercises mandated by the Department of Health & Social Care, are being undertaken as this will inform future funding arrangements for these services. Therefore, the existing extra care contract which was going to be called off from the new framework will need to be extended.

3.3 Extra care housing schemes are specialist housing schemes for older people that have been specifically designed to maximise independence. All tenants have their own apartment with a front door and yet also benefit from the availability of the onsite care and support service. The supportive environment in extra care enables older people to live independently for longer. It is an important aspect of the prevention agenda as people's health and wellbeing is maintained thereby delaying or preventing the use of residential care.

3.4 The Council commissions the waking night service in each of the schemes and a floating support element. 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. There is no specific 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. The table below provides a breakdown of the contract.

Service	Waking Nights and Floating Support (Block) 1 year 10 months	ISP hours (based on care hours Jul 2022) 1 year 10 months	Total
Friary Court	£177,027	£929,922	£1,106,949
The Pavillions	£177,027	£671,049	£848,076
The Spinney	£177,027	£1,054,275	£1,231,302
Total Spend	£531,081	£2,655,246	£3,186,327

3.5 Step Up/Step Down provision

The Pavillions also includes six Step Up/Step Down flats for people discharged from hospital who are unable to return to their home. The estimated cost for the lease for the flats for the period of the proposed extension will be £146,600. There are no guaranteed hours for the provision as the care costs are also part of the ISP as described in the previous paragraph. Based on the usage as at July 2022, it is estimated that the commitment for 2022/23 will be £80,500 and on that basis approximately £147,326 for the extension period being requested. In total, the cost of the Step Up/Step Down flats is estimated to be £293,926.

4. COUNCIL PRIORITIES

4.1 Care and support services in extra care housing supports the Council's following priorities:

Our Places & Communities

- Health and Wellbeing – Extra care schemes are designed to maximise people's independence and the on-site care and support service supports people's health and wellbeing.

Prevention, Independence & Resilience

- Adults – People's health and wellbeing is maintained through the provision of personalised services, thereby delaying or preventing a crisis and keeps people connected to their communities.

5. PROCUREMENT

5.1 Once the new Pseudo Framework is in place, then the extra care contract can be called off. Procurement have advised that 2-3 months would provide sufficient time for the call-off process, which would include the evaluation and a further 3 months for the possible TUPE transfer of staff, should a new provider be successful. They also advised allowing an additional 2 months in the contract extension as a contingency in case of slippage. Therefore, the existing contract would need to be extended for 1 year 10 months i.e. from 2 Feb 2023 – 1 Dec 2024. It is proposed that when the contract is re-tendered it will be for 10 years i.e. 5 years with the option to extend for a further 5 years.

5.2 The alternative would be to tender the contract for the interim period, until the contract could be called off from the new framework. Tendering a contract, which also involves transferring staff into the organisation for such a short period would not be attractive to prospective bidders and the costs of transfer (i.e. TUPE costs) would not be able to be amortised over a longer period, which could potentially deter bidders from participating in the process or would result in much higher costs for the provision.

6. CONSULTATION

6.1 Direct consultation with people living in the schemes was not possible due to Covid but questionnaires were sent to people living in the schemes to help inform a revised specification for the service as part of the preparations for the new Pseudo Framework.

7. ANTICIPATED OUTCOMES OR IMPACT

7.1 The proposed contract extension of these extra care schemes will ensure continuation of the services at a rate that is financially sustainable for the Council. The continuation of these extra care services is more cost effective overall, as the alternative option for some people would be to move into residential care, which is more costly.

8. REASON FOR THE RECOMMENDATION

- 8.1 To extend the current contract to 1 December 2024 which would provide sufficient time to call-off from the proposed Pseudo Framework for the Provision of Care in the Home in Peterborough and surrounding areas. The contract extension will ensure there is continuity of provision for people in receipt of the care service and enable the Council to meet its statutory duty.

9. ALTERNATIVE OPTIONS CONSIDERED

- 9.1 Consideration was given to tendering the contract until it could be called off from the proposed framework. However, this would not be an attractive tender to prospective bidders due to the costs of TUPE transferring staff and is likely to be more expensive.

10. IMPLICATIONS

10.1 Financial Implications

- 10.1.1 There are no additional financial pressures created as a result of this contract extension beyond what has already been incorporated in the Medium Term Financial Plan for 2022/23.

10.2 Legal Implications

- 10.2.1 The current contract does not have the facility to extend but Legal advised that the provision to extend the contract only means that the provider must agree. Where there is no provision for an extension, both parties must agree as the provider cannot be forced to extend the contract.

The Council must ensure it provides care in accordance with the Care Act 2014. The Council has been meeting its duties through the existing contract with Longhurst. The contract will automatically expire on 1 February 2023 unless extended by mutual agreement. Where the Council awards a contract (either via an extension or a new contract) the Council is under a duty under the Public Contract Regulations 2015 to run a procurement to award the contract where the contract value exceeds the OJEU threshold. The Council has been advised that the procurement regime applies. Unless the Council extends the existing contract or enters into a new contract for the services in the interim period, pending a viable procurement exercise, the Council will not have a contract in place to deliver the essential services and meet its obligation under the Care Act, following the expiry of the existing contract.

10.3 Equalities Implications

- 10.3.1 There are no equalities implications.

10.4 Carbon Impact Assessment

- 10.4.1 The care service is operated by Longhurst which is independent from the Council and the 3 extra care schemes are owned by Longhurst, which is a Registered Social Landlord (i.e. these are not PCC buildings). Therefore, there is no impact upon the Council's carbon impact. There is no change to the city-wide emissions, as this proposal is an extension of current arrangements.

11. DECLARATIONS / CONFLICTS OF INTEREST & DISPENSATIONS GRANTED

- 11.1 None.

12. 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.

12.1 None.

13. APPENDICES

13.1 Annex A (Exempt) – Cost information