



**Author/Lead Officer of Report:**  
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**Report of:** *Executive Director, People*

**Report to:** *Co-operative Executive*

**Date of Decision:** *20 April 2022*

**Subject:** Procurement of Social Care services in Extra Care Schemes.

Is this a Key Decision? If Yes, reason Key Decision:-	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
- Expenditure and/or savings over £500,000	<input checked="" type="checkbox"/>	
- Affects 2 or more Wards	<input checked="" type="checkbox"/>	
Which Cabinet Member Portfolio does this relate to? <b>Health and Social Care</b>		
Which Scrutiny and Policy Development Committee does this relate to? <b>Healthier Communities and Adult Social Care</b>		
Has an Equality Impact Assessment (EIA) been undertaken?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
If YES, what EIA reference number has it been given? <i>EIA - 959</i>		
Does the report contain confidential or exempt information?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>

**Purpose of Report:**

The purpose of this report is to seek approval to develop a procurement strategy and then to tender for new contracts for the delivery of personal care and support services for tenants in the 4 existing Sheffield Extra Care Housing Schemes – Guildford Grange, The Meadows, Roman Ridge and White Willows. The current contracts end in October 2022.

The report also seeks approval from the Co-operative Executive to delegate authority to the Director of Adult Health and Social Care to take the necessary steps to implement the Procurement Strategy and award the contract for 4 Extra Care schemes.

The report highlights the importance of ensuring the continuing delivery of care and support services that meet the needs of the people within the Schemes, by procuring a care and support provider able to fully meet the requirements of the Service Specification.

**Recommendations:**

It is recommended that the Co-operative Executive:

1. Approves the procurement of the Care and Support services in Extra Care as set out in this report.
2. Delegates authority to the Director of Adult Health and Social Care in consultation with Director of Finance and Commercial Services to agree appropriate contract terms and following the procurement approve contract awards and thereafter to enter into such contracts.
3. Delegates authority to the Director of Adult Health and Social Care in consultation with Director of Finance and Commercial Services and the Executive Member for Health and Social Care to take such other necessary steps not covered by existing approvals to achieve the outcomes outlined in this report.
4. Notes that, following on from the Education Health and Care Transitional Committee dated 3<sup>rd</sup> March 2022 where the approach to development of extra care and supported living solutions to support more independent living were endorsed, the Director of Adult Health and Social Care and the Director of Housing will bring forward a delivery plan for approval setting out how this will be achieved.

**Background Papers : NONE**

Lead Officer to complete		
1	I have consulted the relevant departments in respect of any relevant implications indicated on the Statutory and Council Policy Checklist, and comments have been incorporated / additional forms completed / EIA completed, where required.	Finance: <i>Ann Hardy</i>
		Legal: <i>Henry Watmough-Cownie</i>
		Equalities: <i>Ed Sexton</i>
<i>Legal, financial/commercial and equalities implications must be included within the report and the name of the officer consulted must be included above.</i>		
2	<b>EMT member who approved submission:</b>	<i>John Macilwraith</i>
3	<b>Cabinet Member consulted:</b>	<i>George Lindars-Hammond</i>
4	I confirm that all necessary approval has been obtained in respect of the implications indicated on the Statutory and Council Policy Checklist and that the report has been approved for submission to the Decision Maker by the EMT member indicated at 2. In addition, any additional forms have been completed and signed off as required at 1.	
	<b>Lead Officer Name:</b> <i>Sarah Swinburn</i> <i>Andy Hare</i>	<b>Job Title:</b> <i>Commissioning Officer</i> <i>Strategic Commissioning Manager</i>
	<b>Date: 28 March 2022</b>	

## 1. PROPOSAL

- 1.1 The broad strategic direction supporting the provision and development of Extra Care Housing (ECH) in Sheffield is well established and was recently re-emphasised by a discussion paper presented to the EHC transitional committee in March 2022, which advocated Social Care and Housing working closer together to develop more housing with care options for people over the next 10 years.
- 1.2 We know that people want to remain as independent as possible in their home of choice but moving to supported accommodation with care which they can either rent or purchase is a viable option for many.
- 1.3 This paper pertains to the care provision across the 4 **existing** Council run schemes

<b>Scheme</b>	<b>Location</b>	<b>Landlord</b>	<b>Units</b>
White Willows	Jordanthorpe	SYHA	60
Roman Ridge	Wincobank	Sanctuary	80
Guildford Grange	Norfolk Park	Places for People	40
The Meadows	Shirecliffe	SYHA	39

### 1.4 **Extra Care in Sheffield**

- 1.4.1 The Council supports 5 ECH schemes in the city, the four referenced above plus the “Care village” at Brunswick Gardens in Woodhouse which is grant funded and will be the subject of a separate review.
- 1.4.2 Presently 237 tenants reside in the 4 extra care schemes, of whom 108 are in receipt of adult social care services. The schemes remain stable and represent a good quality offer to those living there, despite the challenges of the pandemic.
- 1.4.3 A new Retirement Living scheme, Buchanan Green provides 158 units for people over 60, and 8 for people with a Learning Disability is being built by the Council in Parson Cross and will be opening in Summer 2022, with more schemes in the pipeline.
- 1.4.4 Up to 140 of the tenants living in the existing schemes will have an eligible care and support need. The proposal in this report is for the re-procurement of a care provider to deliver
- planned pre-assessed care and support services between 7am and 10pm on offer for those 140 tenants, and
  - onsite, unplanned care and support 24 hours a day to all 219 tenancies regardless of social care needs.

- 1.4.5 Pre-assessed planned care through the night will continue via the Care at Night service which has been procured separately.
- 1.4.6 The current contract ends in October 2022. The features of the specification will include:
- The availability of care and support services to all tenants as mentioned above.
  - Outcome based services to provide tenants with highly flexible and person centred care.
  - A seamless service through an integrated model of service with the care and housing providers working closely together.
  - Onsite social activities.
  - *Tech Enabled Care* - offering interactive tech-based activities.
  - Support for tenants to live with dementia in a supportive, independent living community.
  - Connecting tenants within their immediate community and the wider local community through activities such as cinema evenings.

## 1.5 **Overnight onsite support**

The issue of onsite overnight support has been raised as a potential area for change. Due to the prioritising of other work during the Covid pandemic, it has not been possible to conduct a full consultation with tenants in time for the end of the current contract and therefore it is proposed that no changes are made to the onsite cover at this point in the process, but that a review of the level of unplanned care required at each scheme is followed by full consultation and a contract variation if this is deemed appropriate. This will be included in the contract.

## 1.6 **Benefits of Extra Care Housing**

- 1.6.1 There is a large body of evidence now which shows ECH as having many beneficial outcomes. Reduced hospital admissions and shorter stays is one that will have resonance with commissioners at the moment.
- 1.6.2 Avoided or delayed admissions into care homes is another hugely important impact for individuals as well as for commissioners. Well-run ECH can enhance the wellbeing of people living there as well as being a valued asset for the community and are a key part of our vision for adult social care.

## 1.7 **Peace of mind**

The immediate availability of overnight support is crucial to many people living in the schemes. A recent survey of tenants highlighted this as one of the most important factors for people, providing reassurance and a sense of safety for tenants and families alike (including those with no care and support needs). This is vital for many including those with dementia who may need regular reassurance and support.

## 1.8 **Charging**

Tenants drawing on the planned social care support will be charged in accordance with the existing means tested contribution calculations. At present there is no charge to tenants for the 24 hour onsite cover but there are proposals to fully explore “peace of mind” charging options.

## 1.9 **Getting the balance right**

1.9.1 The 4 schemes are currently run with a higher than optimal number of people with no, or few care needs. This has happened gradually over several years and is having an impact on the cost effectiveness of the schemes. The unit costs of a call-out of the 24 hour onsite cover for unplanned support become more expensive the fewer of them there are. This needs to change and there should be a concerted effort to bring new tenants into the schemes who have a greater need to draw on social care than at present.

1.9.2 Following the service review it was concluded that the current balance of care and support levels requires revision.

1.9.3 The table below details the proposed new preferred balance of care for the 4 contracted extra care schemes.

<b>Proposed Service Levels</b>	<b>Proposed Balance of Care</b>	<b>Description of care/support needs</b>
1	35%	No Care Needs
2	20%	up to 7 hours per week of planned personal care and support
3	30%	7+ to 14 hours per week of planned personal care and support
4	10%	14+ to 21 hours per week of planned personal care and support
5	5%	21+ to 35 hours per week of planned personal care and support

1.9.4 The proposed new balance of care will ensure a vibrant independent living environment, which differentiates them from care homes and is key to attracting people to extra care and independent living schemes.

1.9.5 The balance of care will be reviewed regularly to ensure that it continues to deliver this outcome and revised in partnership with the provider.

## 1.10 **Financial implications**

- 1.10.1 Given the proposal to broadly retain the current care model for the reprocured service, it is not anticipated that the cost to the Council will change significantly.
- 1.10.2 An hourly rate for planned care will be sought in the tender plus a “support fee” to cover the unplanned support through the day and night as well as accommodation and office costs within the schemes.
- 1.10.3 The current model entails each scheme is paid for at a fixed amount for a number of minimum guaranteed hours plus a support fee. Additional to this is the costs for any eligible care hours above the minimum guaranteed.
- 1.10.4 For illustrative purposes, the table below shows the current fixed guaranteed hours and support fee for each of the 4 Extra Care Schemes.

<b>Extra Care Housing Scheme</b>	<b>Weekly Minimum Guaranteed Hours</b>	<b>Annual Costs Guaranteed Hours*</b>	<b>Annual Support Fee</b>
<b>Guilford Grange</b>	210	£190,117	£78,000
<b>The Meadows</b>	210	£190,117	£71,760
<b>Roman Ridge</b>	450	£407,394	£96,408
<b>White Willows</b>	210	£190,117	£78,000

\*The annual guaranteed hours are based on the Extra Care hourly rate for 2021-22 £17.41, additional to this is any eligible care costs above the guaranteed minimum hours.

- 1.10.5 NB Equivalent planned care services procured from the Home Care Framework, via a Direct Payment or Direct Award, are generally charged for at a higher rate.

## 1.11 **Contract Model**

- 1.11.1 The current contracts for care and support services in the four schemes are being delivered by a single provider (Premium Care – formerly Carewatch). The proposal for re-procurement is to keep this single provider arrangement, which will be the most efficient and sustainable model. The successful provider will potentially be able to operate with a single management team rather than one for each scheme which would be the case were the 4 contracts let to different providers.
- 1.11.2 The new contract will have a 5 year duration using a “3+1+1” format.

## 1.12 **Improving Extra Care in Sheffield**

- 1.12.1 The Independent Living and Extra Care Schemes services are important in that they support individuals to live independently, safe, and well, preventing avoidable admissions to hospital and preventing or delaying the need for residential care.
- 1.12.2 Under the 2014 Care Act, the Council has a duty to facilitate a vibrant, diverse and sustainable market for high quality care and support, for the benefit of their whole local population. This includes accommodation-based care and support services for older people. Extra Care services support the fulfilment of this duty through the 24/7 care and support services offered to all residents.
- 1.12.3 There needs to be more consistency throughout the extra care schemes from a best practice perspective. An integrated approach to the delivery of care and support services across Health, Housing and Social Care will deliver the best possible service experience and promote better outcomes for the tenants.
- 1.12.4 The Education Health and Care Transition Committee dated 3<sup>rd</sup> March looked at housing and social care approach to independent living and endorsed the direction towards further development of extra care and supported living housing and care solutions. This procurement aims to support this strategic direction by setting out a shift and approach which promotes outcome based commissioning.
- 1.12.5 Current care and support services are constrained by our traditional procurement model that means care is commissioned based on 'time and task'. The wider strategic shift, driven by our homecare transformation programme, is to a more outcome based service delivery which will support person-centred care, ensuring these services are more flexible and responsive in meeting people's needs.

## 1.13 **Proposed Timeline**

<b><u>Activity</u></b>	<b><u>Date</u></b>
Decision	20 April 2022
Publish ITT	29 April 2022
Closing date	30 May 2022
Evaluation	June 2022
Contract award	4 July 2022
Implementation (3 months)	
Contract start	Oct 2022

## 2. **HOW DOES THIS DECISION CONTRIBUTE?**

- 2.1 Included in the aims of the Sheffield Place Based Plan are:
- To develop Sheffield as a healthy and successful city.
  - Increase Health and Wellbeing.
  - Reduce Health Inequalities.

Provision of an effective efficient Extra Care Services will contribute to achieving all four of these aims by supporting adults to live more independently in their own home in the Extra Care Developments. The services will be delivered to adults over 50 years of age with a wide range of physical, medical and other health and care needs; supporting people to increase and to maintain their independence and wellbeing leading to improved outcomes for individuals.

Extra care is a model of housing with care which enables Health and Social Care services to provide managed care in the individual's home and prevent unnecessary hospital admission and readmission.

- 2.2 The imminent Adult Social Care Strategy strongly supports the principles of ECH as a place that people can call home which allows them to live as independently as possible.

### **3. HAS THERE BEEN ANY CONSULTATION?**

- 3.1 As part of the Extra Care service review, an engagement exercise was undertaken with people living in the existing four schemes and their family and carers. The survey was based around gathering opinions and satisfaction levels on the current services within the Extra Care schemes. The survey provided relevant information about the planned and unplanned care provision.

### **4. RISK ANALYSIS AND IMPLICATIONS OF THE DECISION**

#### **4.1 Equality of Opportunity Implications**

- 4.1.1 An equality impact assessment has been undertaken (EIA 959) and there are no adverse effects as a result of this proposal.
- 4.1.2 Extra care is specifically designed for older people, particularly 55 years and older. Presently 90% of tenants are over 60, with a large proportion having varying mobility issues, it is estimated around 17% have a disability. The majority of people are male (65%), white-British (98%) and of a Christian / Church of England religion
- 4.1.3 All tenants (a total of 237 across the 4 schemes) will be affected by any changes to the onsite contracted care provider, irrelevant of their demographics or whether they have care or non-care needs. Tenants may be anxious and worried, they could move out of the schemes and see reduced interest in Extra care, resulting with consequential voids making the schemes financially unviable. This could have potential damage to Sheffield City Council's reputation in relation to Extra care



and also damage the excellent working relationships with the scheme landlords.

4.1.4 This will require focused communication to provide reassurance of how the new provider will meet needs. In conjunction with an implementation plan which will include regular information sharing, promotion of the successful provider and the review of issues/tenants needs.

4.1.5 The new Provider of the care and support services will be expected to continue to deliver the present high quality standards of services and provide tenants and their family/carers with support to seamlessly settle into the new support services. SCC will need to reassure tenants the care provider will continue to meet their needs and offer a quality outcome focused, person centred service

4.1.6 A robust corporate marketing and promotion strategy is being developed to target all levels and demographics to make schemes representative of the wider community. Currently webinars to increase knowledge and understanding; and to communicate the benefits of living in extra care and independent living schemes are being delivered to teams in SCC Adult Social Care. There are also links being made with cultural and community groups to improve referrals from all demographics.

4.1.7 The tender process will be open and accessible to all, so interested voluntary, community or faith organisations have an equal opportunity to tender for the care and support contracts. The tender publication will be on PIN, the tender process will be completed via the Merzell Tendering Portal and market engagement sessions will be held prior to the tender process.

## 4.2 Financial and Commercial Implications

4.2.1 The current cost (21/22) of the service for these 4 extra care settings is £1.17m a year, which includes the contract payments and the care delivered.

4.2.2 The contract payments are within the budget envelope but the care element is wholly dependent on the clients living in the settings. Any change in mix of clients could alter the care cost elements of these contracts which could also increase the budget pressure to the Council.

4.2.3 The recommended contract length is five years, with break clauses included in years 3 and 4 to ensure flexibility in the contract and the option to vary contracts in line with demand. The new contract for the fixed payments to the 4 providers needs to remain within £325k per annum to stay within budget.

4.2.4 The contract will be procured following a competitive tender process, which will be published on the Merzell Procurement Portal. One single

Lot will be advertised. The tender will follow a two stage, open process governed by the Light Touch Regime (LTR).

- 4.2.5 The tender will be evaluated using a price, quality and social value split and will be awarded to one provider or a consortium of providers on the basis of best value.
- 4.2.6 The tender submissions will be evaluated by Adult Social Care commissioning team members, facilitated by Commercial Services team members.
- 4.2.7 A procurement strategy has been written by Commercial Services which ensures that all commercial requirements are met within PCR and Council standing orders.

#### 4.3 Legal Implications

- 4.3.1 The proposals in this Report will assist the Council in meeting its statutory duties under The Care Act 2014 to provide or arrange for the provision of services, facilities, or resources or other steps, which it considers will contribute towards preventing or delaying the development by adults in its area of needs for care and support and reduce the needs for care and support of adults in its area. The Council fulfils this duty in part through Council arranged services.
- 4.3.2 Extra care is a core element of the local offer of services that support people in their communities and it helps the Council to meet its duty to promote the dignity, physical and mental health and wellbeing of its supported people.
- 4.3.3 As noted above, Procurement is governed by the Public Contract Regulations 2015, therefore the procurement and the contract award process is subject to those Regulations.

#### 4.4 Other Implications

- 4.4.1 None

### **5. ALTERNATIVE OPTIONS CONSIDERED**

- 5.1 Option 'to do nothing' and let the contracts expire so there is no provision for planned or unplanned care and support, resulting in services being purchased on an ad-hoc basis.
- 5.2 Option 'to provide a service via the Home Support Framework'  
Both options scored poorly against strategic fit and are perceived as having a significant negative impact on people living in the schemes.

5.3 Neither option is recommended for further consideration and are not covered in this report.

## **6. REASONS FOR RECOMMENDATIONS**

6.1 The four contracts are due to expire October 2022, and the procurement of the care provider(s) is needed to ensure continuity of the care offer to the tenants living in the four schemes.

6.2 It is necessary to proceed with the tenders as there is no further legitimate contract extension available. The outstanding review work around

- well-being charges
- onsite overnight support,

referenced in this report will be carried out during the first year of the new contracts.

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