



Author/Lead Officer of Report:
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Report of: *Alexis Chappell, Director of Health and Adult Social Care*

Report to: *Co-operative Executive*

Date of Decision: *22 September 2021*

Subject: *Extension to the Extra care Housing Care and Support Contracts*

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? Health and Social Care				
Which Scrutiny and Policy Development Committee does this relate to? Healthier Communities and Adult Social Care				
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>(Insert reference number)</i>				
Does the report contain confidential or exempt information?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
If YES, give details as to whether the exemption applies to the full report / part of the report and/or appendices and complete below:-				
<p><i>“The (report/appendix) is not for publication because it contains exempt information under Paragraph (insert relevant paragraph number) of Schedule 12A of the Local Government Act 1972 (as amended).”</i></p>				

Purpose of Report:

The purpose of the report is to request an extension of 12 months to the current care and support contracts for the four, council-contracted Extra care Housing Schemes – Guildford Grange, The Meadows, Roman Ridge and White Willows, which are due to expire on the 1st October 2021.

The report will highlight the importance of ensuring continuity of care that meets the needs of people in the city by extending the current contracts while the future services are developed, procured and made ready for implementation.

The report will highlight how the extension is needed to ensure the design of the extra care model of support and accommodation contributes longer term to a diverse, quality and sustainable care market that delivers on our ambitions for people in Sheffield.

Recommendations:

It is recommended that the Co-operative Executive:

- Approve the proposed 12-month extension to the current Extra care contracts as outlined in this report.
- Approve the issue of 12 month contract extensions to the current care provider for all four Extra care Schemes.

Background Papers:

(Insert details of any background papers used in the compilation of the report.)

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>Anne Hardy</i>
	Legal: <i>Laura Garvin-Smith</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	EMT member who approved submission:
	<i>Alexis Chappell</i>

3	Cabinet Member consulted:	<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.	
Lead Officer Name: <i>Sarah Swinburn</i>		Job Title: <i>Commissioning Officer</i>
Date: 24-08-21		

1. PROPOSAL

1.1 Proposal

- 1.1.1 Extra care services enable older people to continue to live independently within their own self-contained accommodation, with the added peace of mind from care and support services on site 24 hours per day if required. Schemes offer onsite facilities such as cafes, communal spaces and the opportunity to connect with a wide range of social activities, reducing the risk of social isolation and loneliness, plus also continuing to be a citizen within the wider community, resulting in a positive impact on the wellbeing of older people. Extra care has been remarkably resilient throughout the Covid-19 pandemic.
- 1.1.2 Extra care is a type of 'housing with care' which supports people to retain as much independence as possible while also supporting with care activities such as washing, dressing, going to the toilet or taking medication, where tenants have an assessed eligible need, plus the availability of unplanned care. Sometimes referred to as 'wrap around care', or 'overarching support', the unplanned care is available to all tenants, including tenants who are fully independent and not in need of assistance with any activities of daily living.
- 1.1.3 A thorough service review has been completed which has identified key areas for service development across the 4 schemes that will underpin the long-term sustainability and quality of the services and maximise people's independence in line with our Statutory Duty under the Care Act 2014. To effectively develop the new services, a 12-month extension to the present contracts with the care provider is required.
- 1.1.4 The current extra care services benefit from a high quality, resilient care provider, with all 4 contracts currently in a steady state. The proposed 12-month contract extension will allow for continuity of the care and support services in the 4 existing Sheffield Extra care Housing Schemes – Guildford Grange, The Meadows, Roman Ridge and White Willows.
- 1.1.5 The care provider has demonstrated a willingness to support the proposed

12-month contract extension. We have a strong, trusted collaboration with the provider who is actively helping (without prejudice and amongst a range of stakeholders) to inform and shape our future commissioning intentions.

1.2 Current Market Intelligence

- 1.2.1 201 tenants reside in the 4 extra care schemes, of which 118 are in receipt of adult social care services. The market remains stable despite the challenges of the pandemic.
- 1.2.2 The main impact of the pandemic in extra care has been the difficulty in filling vacant flats, which has seen the number of voids rise. This has been the result of many prospective tenants being reluctant to take up the tenancies being offered, choosing to postpone any moves until the effects of the pandemic have abated.

1.3 The Need for Change

- 1.3.1 The extra care 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.
- 1.3.2 The recent service review highlighted the challenges associated with the unplanned care element of the service. The unplanned care interventions are costly to provide due to low demand and a permanent carer presence on site throughout the night, with only a small number of these care interventions meeting their intended purpose.
- 1.3.3 The cost of unplanned care needs to be more affordable, with discussions taking place with other commissioners in Leeds, North Yorkshire and Grimsby local authorities to learn from their experiences.
- 1.3.4 The current care and support services are constrained by a procurement model that means homecare is commissioned based on 'time and task'. The wider strategic shift, driven by our home care transformation programme, to outcome-based service delivery will support person-centred care, ensuring services are more flexible and responsive in meeting people's needs.
- 1.3.5 One of the key challenges in extra care is maintaining the right balance of care, to promote a vibrant independent living community which is inclusive. It is important that these inclusive communities support and enable tenants with dementia to live well and be active participants.

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.

1.4 Transformational ambitions

The challenges and ambitions set out above need to be resolved to ensure the long-term delivery of sustainable and affordable services, which deliver the best possible outcomes and service experience for people in receipt of care, their families and carers.

- Tenants are placed at the centre of all our practices
- Health, Housing and Social Care activities are integrated, with tenants experiencing a seamless service.
- The right information, at the right time, in the right format, supports care professionals to make well informed, timely decisions and interventions.
- Tenants are connected within their immediate community and their wider local community through activities such as cinema evenings.
- Outcome based services provide tenants with person centred care.
- Tenants are supported to live well with Dementia in a supportive vibrant independent living community.

There are ongoing challenges associated with the pandemic which continues to put pressure on the available capacity in the commissioning team alongside the procurement exercise to support the new Independent Living Scheme Buchanan Green, which is currently scheduled to open in Spring 2022.

It is important that the design of the extra care services for the future is developed with the engagement of existing tenants to help inform and influence changes to services, and to mobilise the new contracts.

Therefore, it is requested that an extension of 12 months is granted to the 4 current contracted services, to allow sufficient time for engagement and to procure and mobilise the new services.

Key Milestones

Co-operative Executive approve proposed 12 Month Contract Extension	22 September 2021
Engagement Phase – People in receipt of care, family, and carers	September to December 21
Soft Market Testing	Jan to Feb 22
Service Specification	March April 22
Co-operative Executive Approval Procurement	16 March 22
ITT	April 22
Contract Award	July 22
Contract Mobilisation	July 22
Contract Go Live	1 October 2022

2. HOW DOES THIS DECISION CONTRIBUTE?

- 2.1 Customer satisfaction is at the centre of the transformational change we are driving in homecare and extra care. The work on the new service design is supported by an 'Expert by Experience' with an Alzheimer's diagnosis and draws on the feedback gathered from Sheffield citizens as part of the emerging Adult Social Care Strategy for the city.
- 2.2 The 'Outcomes Based Test Bed' currently being pioneered in The Meadows extra care Scheme is supporting the strategic shift from 'time and task' to outcome-based service delivery with the aim of expanding this to all tenants at the four extra care schemes. This outcome-based approach also supports the development of the blueprint for our new 'Care and Wellbeing Service' which is being developed through the Home Care Transformation Programme.
- 2.3 The overarching principles of the transformational ambitions detailed in section 1.4 are consistent with the Corporate Plan, the emerging Adult Social Care Strategy and the Adult Social Care Transformation Programme.
- 2.4 The planned transformational developments to this model of care are expected to reduce health inequalities, with the new services subject to a stringent Equality Impact Assessment.
- 2.5 Provision of effective, efficient extra care will contribute to achieving these aims by supporting adults to live more independently in their own extra care home. The services will be delivered to adults over 55 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.
- 2.6 Extra care is a model of housing with care which enables Health and Social Care services to provide managed care in the person's home and prevent unnecessary hospital admission and readmission.
- 2.7 This proposal also assists the council to meet its statutory duties under the Care Act 2014.

3. HAS THERE BEEN ANY CONSULTATION?

- 3.1 Consultation has not been completed specifically in relation to the extension of the contract. However, we will be undertaking a range of consultation and

engagement in support of the new service developments, which will be further detailed in the report seeking approval for the procurement of the new service next year.

4. RISK ANALYSIS AND IMPLICATIONS OF THE DECISION

4.1 Equality of Opportunity Implications

- 4.1.1 An ongoing Equality Impact Assessment has been undertaken (EIA 959) in respect of the re-procurement of the extra care contracts. This has been reviewed and updated to take account the proposed 12 month extension to the contracts.
- 4.1.2 Should the extension not be approved, resulting in the expiry of contracts (no onsite presence, planned or unplanned care services), there would be significant negative implications.
- 4.1.3 All tenants (total of 201 across the 4 schemes) would be affected by the expiry of the service, whether they have care or non-care needs. 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.
- 4.1.4 Tenants would be anxious and worried, with potential damage to Sheffield City Council's reputation in relation to Extra care. Tenants could move out of the schemes, with less interest in Extra care, with the consequential voids making the schemes financially unviable. This would also damage the excellent working relationships and collaborations with the scheme landlords.
- 4.1.5 Alternative care and support provision would need to be secured for example from the Home Care Framework. It would require focused communication and collaboration with tenants, their family/friends, plus landlords. All of which would put further demands on the commissioning service during a critical time, in continuing to manage the challenges presented by the pandemic.

4.2 Financial and Commercial Implications

- 4.2.1 The Council's financial position requires all budgets to be tightly monitored and the longer-term changes to the design of extra care is key to achieving positive outcomes within financial constraints.

The cost of the extension will be £1.3m and this is contained within the current financial envelope for Extra care costs. No additional resource will be needed to extend the contract.

4.3 Legal Implications

4.3.1 Under the Care Act 2014, the Council has duties to meet the eligible needs of those in its area. The Council fulfils this duty in part through Council arranged services.

The Council also has functions under the Care Act 2014 to ensure that people in receipt of care:

- receive services that prevent their care needs from becoming more serious, or delay the impact of their needs;
- can get the information and advice they need to make good decisions about care and support;
- have a range of provision of high quality, appropriate services to choose from.

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. The schemes are operated under 4 individual contracts, which are currently vested in one provider. For the purposes of applying the Public Contracts Regulations 2015, however, they are discussed as if one contract.

The preceding contracts for the schemes ran from September 2019 up until 31 March 2021 and included an option for the Council to extend the agreements for a further period of up to 12 months. This option was partially utilised in September 2020, when the agreements were extended up to 1 October 2021. Had the full option been utilised the contracts would be in place until end of March 2022.

These contracts would usually be required, and a full procurement process carried out, in line with the Public Contracts Regulations 2015.

There is scope within section 72 (1) (e) of The Public Contracts Regulations 2015 (PCR 2015) to make modifications to the contract(s):

72.—(1) Contracts and framework agreements may be modified without a new procurement procedure in accordance with this Part in any of the following cases:—

.....

(e) where the modifications, irrespective of their value, are not substantial within the meaning of paragraph (8);

.....

(8) A modification of a contract or a framework agreement during its term shall be considered substantial for the purposes of paragraph (1)(e) where

one or more of the following conditions is met:

(a) the modification renders the contract or the framework agreement materially different in character from the one initially concluded;

(b) the modification introduces conditions which, had they been part of the initial procurement procedure, would have:

(i) allowed for the admission of other candidates than those initially selected,

(ii) allowed for the acceptance of a tender other than that originally accepted, or

(iii) attracted additional participants in the procurement procedure;

(c) the modification changes the economic balance of the contract or the framework agreement in favour of the contractor in a manner which was not provided for in the initial contract or framework agreement;

(d) the modification extends the scope of the contract or framework agreement considerably;

(e) a new contractor replaces the one to which the contracting authority had initially awarded the contract in cases other than those provided for in paragraph (1)(d).

The above assessment is subjective and could potentially be susceptible to challenge.

4.4 Other Implications

4.4.1 None

5. ALTERNATIVE OPTIONS CONSIDERED

5.1 No further options were judged to be feasible at this time.

6. REASONS FOR RECOMMENDATIONS

6.1 The current four contracts for extra care are due to expire October 2021, and there is insufficient time to re-tender for services before this date. The extension to the current framework has been subject to detailed consideration over the last 12 months. This, coupled with the impact of the pandemic upon our internal resources, has had an impact on the timeline for a final decision.

We have previously communicated an informal notice of intent to extend the contracts with the provider, clearly stating that this would be subject to final

approval.

- 6.2 If the contract expires without being re-tendered or extended, we will be placed in a position where we are unable to contract for any further services across the 4 extra care sites, leaving the potential for no planned or unplanned care provision for the 201 tenants.
- 6.3 The withdrawal of this service by the onsite provider would significantly affect 118 tenants in receipt of planned care and support but would also have an additional effect on the capacity of the home care market where the alternative provision will need to be sourced, during an unprecedented period of demand on this sector and workforce.
- 6.4 Extra care housing enables older people to continue to live independently with the security of care and support services on site 24 hours per day. Following expiry of the contracts and until the re-tender process has been completed the onsite care and support presence, which is a key concept of Extra care, would no longer be available thereby undermining the principles of the provision.
- 6.5 In the event of the loss of the dedicated onsite extra care provider, planned care services would need to be procured from the Home Care Framework, or via a Direct Payment or Direct Award. These options will be generally more expensive, impacting on both the tenant and Sheffield City Council at a time of financial pressures.
- 6.6 The additional time sought through this request for an extension will also allow for the procurement of the care and support services at Buchanan Green Independent Living scheme which opens Spring 2022.