

WEST NORTHAMPTONSHIRE COUNCIL CABINET

13th FEBRUARY 2024

CABINET MEMBER FOR ADULT CARE, WELLBEING AND HEALTH INTEGRATION - COUNCILLOR MATT GOLBY

Report Title	Recommissioning of Extra Care Services
Report Author	Ashley Leduc, Assistant Director Commissioning and Performance

List of Approvers

Monitoring Officer	Catherine Whitehead	24 th January 2024
Chief Finance Officer (S.151)	Martin Henry	24 th January 2024
Deputy Chief Executive Executive Director of People Services, (DASS)	Stuart Lackenby	24 th January 2024
Communications Lead/Head of Communications	Becky Hutson	24 th January 2024

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Appendix A – Options appraisal

1. Purpose of Report

- 1.1. The purpose of this report is to seek Cabinet approval to procure care and support services for people who reside within extra care schemes in West Northamptonshire.
- 1.2. The report will outline the intended approach to secure safe and sustainable services over the medium term.

2. Executive Summary

- 2.1 West Northamptonshire Council (WNC) currently purchase care and support within three extra care schemes via call-off from two framework agreements: the Care and Support in Specialist Housing (CSSH) Framework and the Home Care Framework.
- 2.2 Both call-off arrangements were due to expire on 31 March 2024 but have been extended to 31 August 2024 to enable sufficient time to undertake a robust procurement process.
- 2.3 The Council's current annual expenditure on these services is £1,166,867. The proposed seven-year (5+1+1) contract value is approximately £16,511,603 (approximately £2,358,800 pa). This increase is to allow for future new developments that are anticipated to be completed during the life of the contract as well as inflationary and demographic growth.
- 2.4 The Commissioning Team have engaged both internal and external stakeholders to inform the model and requirements of the new contract, supporting delivery of a model that meets the current and future needs of individuals living within extra care schemes in West Northamptonshire.
- 2.5 Having reviewed the current provision and WNC's strategic priorities, it is recommended a single framework for care and support within extra care schemes is commissioned on a five-year basis with the option to extend by a further two 12-month periods, giving a maximum contract term of seven years.
- 2.6 A single framework will allow the Council to call-off for each scheme, enabling the specifications to be tailored to the individual schemes whilst providing a minimum service level across all provision, supporting equity. It will also allow future schemes to be called-off the framework, providing an efficient procurement approach that supports growth.
- 2.7 Following a robust procurement process, providers will be awarded contracts having been assessed against a range of quality criteria, minimising risk to the Council.

3. Recommendations

- 3.1 It is recommended that Cabinet:

- i. Approve the procurement of a single framework for the provision of care and support delivered within extra care housing in accordance with the Contract Procedure Rules.
- ii. Delegate authority to the Executive Director for People Services (DASS), in consultation with the Cabinet Member for Adult Care, Wellbeing and Health Integration, to take any further decisions and actions required to conclude this procurement and award the contract.
- iii. Approve a proposed contract term of five years with an option to extend for a further period of 12 months + 12 months resulting in a maximum framework duration of 7 years.

4. Reason for Recommendations

4.1 The recommendations seek to enable:

- i. WNC to meet its statutory duties under the Care Act 2014.
- ii. WNC to have a robust purchasing arrangement in place for the future development and provision of care and support in extra care schemes in West Northamptonshire.
- iii. Timely conclusion of the procurement via delegated authority to award

5. Report Background

- 5.1 Extra care housing provide self-contained homes that are specifically designed to support the delivery of care and support, promoting self-care and independent living for as long as possible. Schemes provide a mixture of tenure types including leasehold, part-ownership and tenancies and give people access to care and support 24 hours a day. As a housing model, the care and support delivered is separate to the housing, ensuring security of tenure and housing rights.
- 5.2 Currently the care and support delivered within existing extra care provision is commissioned via two legacy frameworks, commissioned by Northamptonshire County Council.
- 5.3 The Care and Support in Specialist Housing (CSSH) framework provides for the delivery of care and support within two of the three extra care schemes in West Northamptonshire. This contract is due to expire 31 March 2024.
- 5.4 The third extra care scheme has care and support delivered by a home care provider via call-off from the legacy home care framework. This contract is also due to expire 31 March 2024.
- 5.5 Extension to 31 August 2024 was agreed to enable sufficient time to effectively engage with stakeholders, supporting a collaborative approach to service design and recommissioning.

- 5.6 Total capacity within the three schemes is 427 apartments, however at the time of writing¹ WNC only fund support to 78 individuals. The forecast annual expenditure for 2023/24 is £1,166,603.
- 5.7 To support the recommissioning, a project group was established, and a review of current provision and national best practice and local strategy was undertaken.
- 5.8 The Corporate Plan² identifies “Improved life chances” as key priority for the Council. The provision of extra care helps contribute to this priority, supporting delivery against the following elements:
- Adults supported to live independently
 - Care provided for those that need it
 - Safe and secure accommodation for all.
- 5.9 The proposed model also supports Ambition 9 of West Northants Health and Wellbeing Strategy “Live your Best Life” by removing existing age barriers to the service, thereby “by improving access to health and social care”.
- 5.10 In addition, WNC’s Anti-Poverty Strategy recognises increased incidence of poverty among the following populations:
- Carers and care leavers are more likely to experience poverty as a result of loss of income due to needing to work reduced working hours
 - Adults with disabilities are also more likely to be in poverty than those who are not disabled, which has increased in the past five years.
 - Many older people are also missing out on a range of entitlements due to lack of knowledge or assumptions that they are not eligible.

By having access to the care and support available within extra care schemes, adults with disabilities and carers can be supported to enter / increase their employment opportunities. Older people are also supported to access the benefits they are entitled to.

- 5.11 A range of internal and external stakeholders have already and will continue to contribute to and/or be engaged as part of the recommissioning process. Stakeholders engaged to date include:
- Healthwatch
 - Care and support providers
 - NHS colleagues
 - Adult Social Care
 - Corporate Services (Finance, Legal, Procurement)

¹ December 2023

² [Corporate Plan | West Northamptonshire Council \(westnorthants.gov.uk\)](https://www.westnorthants.gov.uk/corporate-plan)

5.12 Engagement has also taken place with individuals currently living within the extra care schemes ensuring any service improvements have been identified to inform the service specification. An outcome-focussed specification will ensure providers deliver care and support that meets the aims and objectives of the service and the people who live there. These outcomes will include:

- Maintaining and supporting health and wellbeing
- Maximising quality of life
- Maintaining and supporting independence and ability to self-care
- Increased choice and control
- Positive experience of care and support
- Treating people with dignity

5.13 Whilst extra care has predominantly focussed on the provision of independent living for older adults, WNC has identified through its engagement that the benefits of this model, including security of tenure, continuous access to care and support and increased social opportunities should be available to a wider population. As a result, to support the development of the model, people with an eligible care and support need who would benefit from living in an extra care environment will be able to access both existing and future schemes as part of the new contract. The outcomes identified have been designed to cover all future residents of extra care moving forward.

5.14 In addition, whilst Northamptonshire Integrated Care Board do not currently fund any packages within the current schemes, a clause will be added to the contract that will enable them to join the framework during the life of the contract to enable joint commissioning of future packages where applicable.

5.15 Due to its strategic relevance and WNC's commitment to developing a vibrant market of care and support services that meets the needs of its population, the Commissioning Team will work with Housing colleagues to engage and work with housing developers to expand the offer of extra care throughout the life of the contract. An additional 74 units has been built into the contract value as a result of the City Heart development in Northampton.

5.16 Purchasing of effective, sustainable, and affordable provision will enable WNC to fulfil its statutory duties under the Care Act 2014 to meet eligible care needs and shape the local care market.

5.17 WNC will work with providers to stimulate innovation and improvement within extra care schemes through greater focus on maximising independence, technology enabled care, and hospital admission prevention.

5.18 This proposed approach will ensure compliance with the Public Contract Regulations (2015).

6. Issues and Choices

- 6.1 Officers have reviewed the existing contractual arrangements in conjunction with colleagues from the Procurement team. This has confirmed that there are no options to flex or extend the existing contract and therefore, the Council must seek to implement a contractual/purchasing mechanism ready for the 01 September 2024.
- 6.2 Failure to re-commission an effective contractual framework is not an option due to the risk it presents. These are detailed in section 7.3.
- 6.3 The recommendation to procure via the open market will maximise competition and ensure the contract delivers best value for all stakeholders.
- 6.4 The Terms and Conditions will include an option for Integrated Care Board partners to be co-commissioners of the Framework enabling standardised terms for providers.
- 6.5 The proposed service will be advertised to market on 01 March 2024 to ensure continuity of service on 01 September 2024.

7. Implications (including financial implications)

7.1 Resources and Financial

- 7.1.1 The total forecast expenditure for the 5+1+1 contract is £16,511,603. This is already built into the Medium-Term Financial Plan.
- 7.1.2 The anticipated change in model to increase access to extra care support, along with the introduction of new schemes, population and inflationary increases have been considered when determining contract value.
- 7.1.3 The fee rate structure will ensure services are sustainable, whilst delivering best value to the Council. These fee rates will be agreed as part of the annual uplift process.
- 7.1.4 Increases to the contract value caused by either inflation, demographic growth or new schemes will be built into the medium-term financial plan as part of the Council's normal budget setting processes.
- 7.1.5 Expanding our extra care offer will enable us to support people to remain at home for as long as they are able, reducing the need for standard care home placements.

7.2 Legal

- 7.2.1 The Council has a statutory duty to provide care and support for people who meet the eligibility criteria as set out in the Care Act 2014 and supporting legislative framework. This duty sits alongside both Council and NHS strategies and plans. The Council's statutory duty extends to the provision or arrangement of services that could help prevent people developing needs for care

and support or delay people deteriorating such that they would need ongoing care and support. The Council may meet that duty by providing the care and support itself or by arranging for a person other than it to provide a service. The legislation anticipates that needs for care and support can be met in a variety of ways, including Council funded long- term care and support packages.

- 7.2.2 There is no option to extend the current contract within the existing Terms and Conditions.
- 7.2.3 The procurement will follow a compliant procurement process, under the Light Touch Regime as set out in Schedule 3 of the Public Contract Regulations 2015, and the Council's Contract Procedure Rules and Constitution. As such the contract will be advertised to the market via an open tender.
- 7.2.4 The procurement and contractual provisions for the implementation of the recommended option will be undertaken with the advice and support provided by the Council's Legal and Procurement services.
- 7.2.5 The Adult Social Care Reform legislation will be reflected in the Terms and Conditions allowing for any material changes to be made in line with any legislation requirements to future proof the contract.
- 7.2.6 Engagement from the Council's Legal team will ensure a full and appropriate contract is prepared to meet the requirement.
- 7.2.7 The award of the new Framework is subject to the Council's Contract Procedure Rules in that Cabinet approval to award the Framework would be required. This report is requesting that Cabinet delegate authority to award the Framework to the Deputy Chief Executive & Executive Director of People Services, (DASS)

7.3 Risk

- 7.3.1 If the recommended approach is not approved the Council will not have appropriate arrangements in place to purchase care and support services with extra care schemes. This would result in WNC being reliant on spot purchasing arrangements in order to meet its statutory duty which may result in financial uncertainty regarding care costs.
- 7.3.2 Providers may choose not to apply, or their application may be unsuccessful. However, ongoing engagement with the market will continue to try and mitigate this risk. Should no providers apply, the current provider and placements would continue on the existing terms and conditions however new placements would not be made under the legacy terms and conditions.
- 7.3.3 There is a risk to the timely conclusion of the procurement and start of the services if delegated authority is not authorised, to enable further decisions and/or actions to be progressed.
- 7.3.4 Further risks identified during the procurement process will be detailed and mitigations identified as part of the project management process.

7.4 Consultation and Communications

- 7.4.1 Engagement with current providers has been undertaken to gain an understanding of any gaps in provision or development requirements.
- 7.4.2 Benchmarking against other Local Authorities has been completed to review service models and funding arrangements. The outcome of this has informed the proposed approach.
- 7.4.3 Networking and engagement with providers and other authorities has been undertaken through attendance at national best practice events.
- 7.4.4 Engagement sessions with current residents of extra care schemes has been undertaken via meetings and questionnaires. Feedback from these activities have been incorporated into the specification.
- 7.4.5 Internal stakeholders including Adult Social Care, Quality Improvement, Brokerage, Finance, and Procurement have all been engaged in the recommissioning to ensure a sustainable model is developed.

7.5 Consideration by Overview and Scrutiny

- 7.5.1 The procurement process and/or any part of the requirement may be selected for consideration by Scrutiny.

7.6 Climate Impact

- 7.6.1 The specification will set an expectation for provider(s) to commit to WNC's priority within the corporate plan to be "Clean and Green"
- 7.6.2 WNC will work continuously with the provider(s) to ensure the services maximise the use of technology and equipment to minimise the impact on the environment.

7.7 Community Impact

- 7.7.1 WNC will work with the provider(s) to maximise local employment.
- 7.7.2 In addition, providers will support people living in extra care to have continuing access to community resources.

8. Background Papers

- 8.1 None

Appendix A

Options Appraisal

Options	Risks	Benefits	Recommendations
1. Do nothing	<ul style="list-style-type: none"> The current contracts would expire on 31st August 2024 resulting in the Council needing to secure provision via spot-purchasing arrangements. This approach can increase susceptibility to variable pricing and is not the most effective way of managing cost and supply. 	None	Not recommended
2. Procure care and support within extra care schemes via a block contract	<ul style="list-style-type: none"> WNC currently funds a small percentage of the total available capacity and as such block purchasing would not deliver best value. There is limited incentive for providers to innovate to improve efficiency There is limited opportunity to increase supply without needing to re-tender the whole offer or creating a standalone tender. 	<ul style="list-style-type: none"> Costs are fixed enabling robust management of costs and forecasting during the life of the contract 	Not recommended
3. Procure a new framework for care and support in the extra care schemes	<ul style="list-style-type: none"> Providers do not engage within the procurement process. 	<ul style="list-style-type: none"> There is opportunity for different providers to win each Lot creating choice within the market. There is the ability to add new Lots as/when new services come online enabling growth. 	Recommended