

MUNICIPAL YEAR 2014/2015 REPORT NO. 88

MEETING TITLE AND DATE:

Cabinet: 22nd October, 2014

REPORT OF:

Director of Health, Housing and Adult Social Care

Agenda – Part: 1

Item: 14

Subject: Award of contract for care and support service at Skinners Court

Wards: All

Key Decision No: 3824

Cabinet Member consulted: Cllr McGowan

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1. EXECUTIVE SUMMARY

- 1.1 Skinners Court is an extra care independent living scheme providing social care and housing related support services to vulnerable older people. The current contract is in its last year.
- 1.2 This report updates on the outcome of the procurement process. Six high quality organisations were invited to tender. The procurement process and its outcome are subject to EU Procurement regulations and therefore are commercially sensitive. They are therefore detailed in the Part 2 report.
- 1.3 A new 'Core and Flexi' service model will improve overall value and promote increased use of direct payments. Enhancing service users' independence will help manage demand for services while realising financial efficiencies. Service users have been highly engaged in service design and have played a direct and significant role in tender evaluation.
- 1.4 The 'Core and Flexi' service model is consistent with the Council's operating principles of 'Enabling work to be delivered with fewer resources', 'Continuing to partner with other organisations and agencies to help deliver better services at a reduced cost' and 'Empower our customers to help them resolve their own requests and thus managing demand more effectively'.
- 1.5 Service users and key stakeholders have contributed throughout the planning process. Service users directly contributed to contract award recommendations.

2. RECOMMENDATIONS

- 2.1 Cabinet is asked to note the contents of this report and to approve the recommendations for award of contract in the accompanying Part 2 report.

3. BACKGROUND

- 3.1 Extra care housing is a key mechanism to support vulnerable people to remain independent and living in the community. It reduces the number of people who go into long term residential & nursing care and reduces preventable hospital readmissions. It facilitates timely hospital discharge, enabling people to die at home with dignity. Unlike other service areas, there is no single robust definition of Extra Care. However some consistent defining features are; integrated social care and housing related support, 24hr care availability and communal facilities. There is therefore a requirement on commissioners to apply the extra care concept to each scheme's specific circumstances.
- 3.2 Skinners Court is located off Fox Lane, in the Palmers Green part of the borough. It provides 48 units of self-contained accommodation for older people with varying degrees of eligible social care and housing related support needs. The scheme mainly supports older adults. However those with additional needs such as learning disabilities, dementia and other neurological conditions can access the service where they are able to live independently with support under the terms of a license agreement.
- 3.3 The scheme opened in October 2006, replacing an old sheltered Almshouse scheme. Enfield had secured £3 million in government funding to support the building of two extra care schemes in Enfield, including Skinners Court. The new building was developed by the Skinners Company, the owner of the site and original sheltered scheme, in partnership with Enfield Council and Hanover Housing Association, the original housing management provider.
- 3.4 The Council has 100% nominations rights to the service as part of its longstanding partnership agreement with Skinners Company. Skinners Company is a livery company with charitable interests based in the city of London and now also provides direct housing management services at the scheme.
- 3.5 Skinners Court is used as a community hub and meeting space for the Council and other external bodies. It also benefits from a communal lounge, shop, restaurant, cinema, library, IT suite and games room.
- 3.6 Care and support Services are mainly provided by Metropolitan, a registered social landlord. In addition, a number of people also have direct payments for their care. Metropolitan's contract is in its last year, having been extended to the maximum possible term in recognition of good quality service delivery. The council has close working relationships with Metropolitan, who is committed to a smooth transition to new contractual arrangements.
- 3.7 The range of care agencies working at the scheme, as well as the partnership arrangement between the Council and Skinners Company,

is characteristically unique in Enfield. There is therefore no direct like-for-like comparison with any other service in the borough. This includes the council's other external extra care service at Alcazar Court where care and support are provided under a single block contract and housing issues are managed remotely by a registered social landlord.

- 3.8 The procurement process has now finished. Six organisations were invited to tender: all demonstrating robust financial viability and strong track records of providing similar services to high quality standards. Tender evaluation and the outcome of the procurement process are included in the Part 2 report. Tender evaluation criteria include relevant requirements of the Social Value Act such as the local economic, social and environmental benefits. Use of volunteers and an ambition to meet the London Living Wage have been encouraged. Ability to develop strong partnerships across the statutory and local voluntary sector agencies also feature strongly.
- 3.9 Providers were consulted on the 'Core and Flexi' service model early in the service design process and before procurement began. The Core and Flexi model maximises financial efficiencies and increases service user choice and control. All current care packages were reviewed as part of the service design process to ensure appropriate levels of care were provided and would continue to be so under the new contract. Providers were highly engaged and feedback on the possibilities for innovation in service delivery under the new model was positive.
- 3.10 The Core & Flexi model is more responsive to service users' needs: combining the security of a core onsite provider with increased flexible use of direct payments where care needs increase or where this is a service user's preference. Service users can choose to use their direct payments with the Core contracted provider if they are happy with their provision but can also choose a different provider for additional care if they prefer. The Core provider will continue to offer a coordinating hub for all agencies, ensuring clear lines of responsibility.
- 3.11 Officers met regularly with service users and carers since the earliest planning stages and incorporated their views into the service model and contract. Service users were highly engaged with tender evaluation: interviewing and scoring shortlisted providers on their ability to provide quality services. Service users' scores are independent of the council's own quality evaluation and account for a significant part of the contract award recommendation in the part 2 report.

4. ALTERNATIVE OPTIONS CONSIDERED

4.1 A number of options were considered, informed by national guidance for Extra Care and a review of Metropolitan's contract:

- a. *Continuance of current service model*: This was not considered consistent with Best Value requirements. Developments in extra care have identified more financially efficient ways of commissioning these services.
- b. *Convert all service packages to spot purchasing and direct payments*: This was not popular with the service user community at the scheme and did not provide enough stability or flexibility of care delivery that is established by a core onsite provider. Research evidence also suggests that moving to 100% direct payments risks undermining the sense of community and security that is inherent to extra care.
- c. *Replicate service model from other extra Care schemes in Enfield*: This option was incompatible with the variety of direct payment arrangements already in place at Skinners Court in addition to the main block contractor.

5. REASONS FOR RECOMMENDATIONS

5.1 The 'Core & Flexi' service model offers the best opportunity to improve service quality, realise financial efficiencies and facilitate service user control over how their outcomes are delivered and by whom. Existing direct payment arrangements are normalised.

5.2 The new contract includes the potential for greater uptake of direct payments in future and for the block contract amount to decrease accordingly. Commissioning recommendations in this regard would be informed by a review of the new contract model in practice.

5.3 Services across different agencies will be better coordinated, improving the service user experience. People with complex needs are supported to live independently for longer, preventing or delaying referral to more expensive residential or nursing care.

6. COMMENTS OF THE DIRECTOR OF FINANCE, RESOURCES AND CUSTOMER SERVICES AND OTHER DEPARTMENTS

6.1 Financial Implications

6.1.1 Award of the contract is to be made to the provider who scored highest on all elements of the assessment, and whose bid represents the best value for money for the Council.

6.2 Legal Implications

6.2.1 The Council is the Social Services Authority for the London Borough of Enfield, within the meaning of the Local Authority Social Services Act 1970, and has the responsibility as defined under the National Health Service and Community Care Act 1990 to provide community care services.

6.2.2 The Council is empowered to procure care services pursuant to Section 1 of the Local Government (Contracts) Act 1997, Section 29 of the National Assistance Act 1948, Section 45 of the Health Service and Public Health Act 1968 and the Localism Act 2011. The procurement of care and support services at Skinners Court is in accordance with the above legislative powers.

6.2.3 As care and support services are categorised as a Part B Services, the Council is not subject to the full rigours of the Public Contracts Regulations 2006. Notwithstanding, throughout the procurement it must ensure compliance with the EU treaty principles of transparency, proportionality, equal treatment and non-discrimination.

6.2.4 The Council is required to procure the care and support services in accordance with its Constitution, in particular the Contract Procedure Rules and it must ensure that best value is achieved in accordance with the Local Government Act 1999.

6.2.5 The resultant contract must be in a form approved by the Assistant Director of Legal Services.

7. KEY RISKS

7.1 Financially, the key risk is that failing to adequately address the current spend on Skinner's Court will result in increased budget pressures in care purchasing. Commissioners have taken care to balance the need for a high quality service with the requirements to work within a tight financial envelope.

- 7.2 The key reputational risk for the council will be the failure to award a contract at the end of the process. This was mitigated in December 2013 under delegated authority granting an extension to the Metropolitan contract in line with the procurement timetable. Care must be taken to ensure the current procurement timetable proceeds within current timeframes.
- 7.3 All key risks are identified within the project risk log and managed in accordance with the Council's risk management strategy.

8. IMPACT ON COUNCIL PRIORITIES

8.1 Fairness for All

- 8.1.1 Approval of these recommendations will provide high quality, affordable and accessible services for vulnerable people in Enfield.

8.2 Growth and Sustainability

- 8.2.1 Approval of these recommendations will bring growth, jobs and opportunity to the borough

8.3 Strong Communities

- 8.3.1 Approval of these recommendations promotes active citizenship; shows we have listened to the needs of local people and are being open and accountable. It also shows we are also working in partnership with others to ensure Enfield is a safe and healthy place to live

9. EQUALITIES IMPACT IMPLICATIONS

- 9.1 An equalities impact assessment has been undertaken in support of these recommendations. The key impact is that the recommendations promote equality of opportunity and foster good relations between different community groups. It further notes the positive impact for all service users through consultation on the new service model and their involvement in the decision making process to award a new contractor.

10. PERFORMANCE MANAGEMENT IMPLICATIONS

- 10.1 The contract contains a robust performance management framework with measures to assure quality and with an emphasis on service user involvement and developing relationships with key partners and other care and support agencies.

11. PUBLIC HEALTH IMPLICATIONS

- 11.1 Good quality, safe, secure and supportive accommodation is a key determinant in people's health and wellbeing. This project seeks excellent outcomes in this area and will support older people with complex needs to remain independent in the community for longer.

Background Papers

None.