



## Notice of Non-key Executive Decision

<b>Subject Heading:</b>	Approval to extend the Extra Care contract for 3 months to allow sufficient time to complete the tender process.
<b>Decision Maker:</b>	Barbara Nicholls, Director of Adult Social Care
<b>Cabinet Member:</b>	Councillor Gillian Ford, Cabinet Member for Adults and Health
<b>SLT Lead:</b>	Barbara Nicholls, Director of Adult Social Care
<b>Report Author and contact details:</b>	Suzanne West, Commissioning & Project Manager, Joint Commissioning Unit – T: <a href="tel:01708434670">01708434670</a> E: <a href="mailto:suzanne.west@havering.gov.uk">suzanne.west@havering.gov.uk</a>
<b>Policy context:</b>	<p>At a local level, this contract supports Havering Council to meet its Communities Theme priorities in its Corporate Plan. This plan sets out how the Council intends to invest and transform the borough with an emphasis on helping young and old fulfil their potential through high-achieving schools and by supporting people to live safe, healthy and independent lives. In summary, this contract will ensure the Council fulfils its aim of ensuring that the needs of our most vulnerable residents are identified and met and that Havering residents are healthy and active.</p> <p>As outlined in the Joint Health &amp; Well Being Strategy 2019/20 - 2023/24, the Council's vision is that everyone in Havering enjoys a long and healthy life, and has access to the best health and care services. For Extra Care housing, the Council's vision is for quality housing</p>

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	for older people who wish to live independently with high quality care and support services that promote well-being, meet individual needs, lifestyles and inclusive communities.
<b>Financial summary:</b>	<p>The 3 month extension will cost the Council an estimated £325,300.</p> <p>The budget for this procurement will come from existing revenue social care budgets.</p>
<b>Relevant OSC:</b>	People's OSSC
<b>Is this decision exempt from being called-in?</b>	The decision will be exempt from call in as it is a Non key Decision

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**The subject matter of this report deals with the following Council Objectives**

Communities making Havering	<input checked="" type="checkbox"/>
Places making Havering	<input type="checkbox"/>
Opportunities making Havering	<input type="checkbox"/>
Connections making Havering	<input type="checkbox"/>

## Part A – Report seeking decision

### DETAIL OF THE DECISION REQUESTED AND RECOMMENDED ACTION

To agree to extend the contract for the provision of care and support services with Careways Limited for the three Extra Care Schemes which is due to end on 31<sup>st</sup> March 2023 for a period of 3 months at a cost of £325,300.

### AUTHORITY UNDER WHICH DECISION IS MADE

#### 3.3 Powers of Members of the Senior Leadership Team

Members of the Senior Leadership Team (SLT) have delegated authority to act as follows within the assigned service service/portfolio of responsibilities, subject to the general provisions and limitations set out in section 3.1 above.

#### General powers

(a) To take any steps necessary for proper management and administration of allocated portfolios.

#### Contract powers

- b) To award all contracts with a total contract value of between £500,000 and £5,000,000 other than contracts covered by Contract Procedure Rule 16.3.

### STATEMENT OF THE REASONS FOR THE DECISION

#### 1. Background

Havering Council, through its Housing Strategy, is committed to supporting older people to make choices through the availability of trustworthy options and continues to develop a range of services that seek to prevent dependency, encourage independence and promote an active lifestyle in later life, to enable greater numbers of individuals to remain as independent as possible within their own homes.

Extra Care housing is one of the range of options for people aged 55 and over who require some care and support but wish to retain the independence of living in their own home, rather than having to move into a care home setting. Extra care housing can provide a more intensive level of support than standard sheltered housing, normally with a 24 hour care team on site. Extra care housing may suit people who need a significant level of personal care or support, as well as those with relatively low

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support needs, but who are otherwise able, and wish, to live independently on their own.

An Extra Care housing scheme is a group of flats built on the same site, providing specialised accommodation with care and support services on hand 24 hours a day. The borough's three extra care schemes are as follows;

- 1) Paines Brook Court (Harold Wood)
- 2) St Ethelburga Court (Harold Wood)
- 3) Dreywood Court (Gidea Park)

Extra care can offer a number of benefits to residents including improving health and wellbeing, quality of life and allowing the continued involvement of family carers. In addition, there are a number of other key benefits that distinguish extra care housing from residential care settings:

- a) Extra Care can offer cost savings to local authorities as households maintain independence that reduces or prevents the need for residential care.
- b) People live in their own self-contained homes, which they have legal rights to occupy and which are underpinned by housing law.
- c) It is self-contained accommodation - one or two bedrooms
- d) Couples are able to stay together
- e) Residents come and go as they choose, in the same way as they would if they were living in the community
- f) The provision of care and support is separated from the provision of accommodation
- g) Care and support is based on an individual assessment of needs and can be more easily tailored to the individual and the on-site staff are empowered to be flexible in their delivery of care and support.

The current contract comes to an end on 31<sup>st</sup> March 2023.

The formal decision to commence a tender for a new contract was approved in September 2022. With the support of Procurement, Commissioners have been following the tender timetable and preparing the necessary documentation for the tender. Following feedback from the market and stakeholders, the tender timetable now needs to be revised to allow additional time to develop the service model, method statements and allow sufficient time to mobilise the new contract. A 3 month extension to the existing contract will therefore ensure that the Council continues to provide support to promote independence, prevents the need for more costly care and support interventions, makes the most of existing personal and community resources and fulfils the Council's duties under the Care Act 2014 to help vulnerable people remain safe in their homes.

The incumbent provider, Careways Limited, has confirmed they are able to continue to provide the current service under the same terms and conditions until 30<sup>th</sup> June 2023.

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**OTHER OPTIONS CONSIDERED AND REJECTED**

**Retender the Extra Care Service by 1<sup>st</sup> April 2023**

Given the timescales, there is insufficient time to award a contract by 1<sup>st</sup> April 2023.

**Do nothing and let the contract expire**

To do nothing would mean the service would expire on 31<sup>st</sup> March 2023. Allowing the existing contract to lapse would lead to a potential destabilisation of the current service. This is not a practical option and would lead to the Council not being fully compliant with its existing obligations to provide these services.

**PRE-DECISION CONSULTATION**

The incumbent provider has agreed to provide the service during the extension period.

**NAME AND JOB TITLE OF STAFF MEMBER ADVISING THE DECISION-MAKER**

Name: Suzanne West

Designation: Joint Commissioning Unit

Signature:

Date: 7<sup>th</sup> November 2022



## Part B - Assessment of implications and risks

### LEGAL IMPLICATIONS AND RISKS

The Council has the power to vary contracts under s111 of the Local Government Act 1972 which permits the Council to do anything which is calculated to facilitate, or is conducive or incidental to, the discharge of any of its functions.

The Council may also vary contracts in pursuance to its general power of competence under Section 1 of the Localism Act 2011, which allows the Council to do anything an individual can do, subject to any statutory constraints on the Council's powers. None of the constraints on the Council's s.1 power are engaged by this decision.

When originally procured, the contract was an above threshold contract for the purposes of the Public Contracts Regulations 2015 (PCR). The proposed variation is therefore caught by the full PCR regime.

The contract is already in a 2 year extension period and no further extension period is provided within the contract. The Council may extend the contract via a variation to the contract subject to the variation falling within one of the safe harbours provided by Regulation 72 of the PCR.

Regulation 72 (1)(f) of the PCR 2015 permits variation to a contract where the value of the modification has to be below the relevant PCR 2015 threshold (the contract is light touch and the relevant threshold is £663,540); and below 10% of the initial contract value for service and supply contracts.

The 3-month extension is estimated to be £325,300 which is below the PCR 2015 threshold of £663,540 and the costs of the 3-month extension is also below 10% of the initial value of the contract of £6,312,930.61.

For the reasons set above, the Council may extend the contract with Careways Limited for a duration of 3 months.

### FINANCIAL IMPLICATIONS AND RISKS

The paper seeks approval to extend the Extra Care contract for 3 months to allow sufficient time to complete the tender process. The extension value of £325,300, was calculated as the 3 month portion of current full year forecast.

The extension is required to enable sufficient time to retender the service incorporating feedback from market engagement. The tender timetable needs to be revised to allow additional time to develop the service model, method statements and allow sufficient time to mobilise the new contract without there being a gap in service.

The social care market is facing significant cost of living inflationary pressures, which in turn translate into funding requests to the Council. The Council need to ensure the market is funded sufficiently to sustain it. If a provider does leave the market, there is

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a possibility the alternative provision will cost more as there will likely be limited time to negotiate or find alternative solutions.

The financial impact of the extension will be covered by the existing Adult Social Care budget, which is overspending. The proposed extension is part of the currently declared budget pressure.

### **HUMAN RESOURCES IMPLICATIONS AND RISKS (AND ACCOMMODATION IMPLICATIONS WHERE RELEVANT)**

There are no implications or risks anticipated to council staff as the employees involved in the delivery of the current service are employed directly by the existing Provider.

### **EQUALITIES AND SOCIAL INCLUSION IMPLICATIONS AND RISKS**

The Public Sector Equality Duty (PSED) under section 149 of the Equality Act 2010 requires the Council, when exercising its functions, to have due regard to:

- (i) the need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;
- (ii) the need to advance equality of opportunity between persons who share protected characteristics and those who do not, and;
- (iii) foster good relations between those who have protected characteristics and those who do not.

Note: 'Protected characteristics' are: age, sex, race, disability, sexual orientation, marriage and civil partnerships, religion or belief, pregnancy and maternity and gender reassignment.

The Council is committed to all of the above in the provision, procurement and commissioning of its services, and the employment of its workforce. In addition, the Council is also committed to improving the quality of life and wellbeing for all Havering residents in respect of socio-economics and health determinants.

The action undertaken will include monitoring how the service meets the needs of all eligible users, including those from ethnic minority communities and the disabled. The Council will also ensure that potential providers have undertaken equality training and adhere to the Council's Fair to All Policy or their own equivalent.

### **ENVIRONMENTAL AND CLIMATE CHANGE IMPLICATIONS AND RISKS**

The Council's Social Value Framework will be used to assess the environmental impact and plans of those suppliers bidding for this contract. As a result, suppliers will be required to describe how they intend to minimise impact on the environment by:

- Ensuring that all waste is correctly recycled
- Utilising public transport



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- Employing locally wherever possible to reduce the environmental impact of travelling to work
- Employing digital solutions to reduce the need for manual recording and disposable materials.

**BACKGROUND PAPERS**

None

**APPENDICIES**

None

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**Part C – Record of decision**

I have made this executive decision in accordance with authority delegated to me by the Leader of the Council and in compliance with the requirements of the Constitution.

**Decision**

Proposal agreed

**Details of decision maker**

Signed



Name: Barbara Nicholls

SLT Member title: Director of Adult Social Care

Date: 23/11/2022

**Lodging this notice**

The signed decision notice must be delivered to Democratic Services, in the Town Hall.

**For use by Committee Administration**

This notice was lodged with me on \_\_\_\_\_

Signed \_\_\_\_\_