

	Officer Key Decision
	Report to the Operational Director of Adult Social Care
Authority to extend and vary the Care and Support Contract with Notting Hill Genesis at Visram House for a further one year.	
Wards Affected:	Stonebridge
Key or Non-Key Decision:	Key Decision
Open or Part/Fully Exempt: (If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)	Open
No. of Appendices:	None
Background Papers¹:	None
Contact Officer(s): (Name, Title, Contact Details)	Lorraine Regan Programme Manager - Commissioning, Contracting and Market Manager Lorraine.Regan@Brent.gov.uk Mob:07776 664522

1.0 Purpose of the Report

- 1.1 This report seeks approval for the Council to extend a contract for care and support services at Visram House, for the period of 1 year and to vary the contract in accordance with Contract Standing Order 112.

2.0 Recommendation(s)

That the Operational Director of Adult Social Care:

- 2.1 Approves the extension to the current contract for care and support with Notting Hill Genesis for a period of 1 year from 4th February 2022 to 3rd February 2023.
- 2.2 Approves the variation of the current care and support contract with Notting Hill Genesis during the period detailed in recommendation 2.1 by reducing both the support to be provided under the contract and contract price as detailed in paragraphs 3.2 - 3.5.

3.0 Detail

- 3.1 Visram House has 99 units (of which 15 flats are for two people) and is a purpose built extra care scheme located in the Stonebridge ward.

The current support contract (delivered by Notting Hill Genesis (“NHG”)) was tendered on a block contract arrangement commencing 4th February 2019 to 3rd February 2022 as an initial three year contract, with the option to extend for a further two years on a one plus one basis.

- 3.2 Visram has never been at full capacity and as of 18 December 2021, there were only 44 units occupied within the scheme, leaving a total of 55 voids. As such, the contract is not providing value for money as the Council is currently paying for more support than is needed. The contract also has higher levels of management than officers believe are required. Officers have however managed to reduce the contract price slightly for 22/23, if the extension is approved, although this is the provider’s best and final price based on a contract variation by mutual consent.
- 3.3 The only other way to reduce the contract price further without mutual consent is to serve notice on the contract and re-tender. There are significant efficiencies that can be achieved by re-tendering this contract and only paying for what is delivered as well as reducing management costs in line with the support hours.
- 3.4 A twelve month extension will ensure that the vulnerable service users residing in Visram House will not experience any disruption in service delivery and allow officers to work with our partners, stakeholders and most importantly service users to redesign the service model to reflect the care and support needs of our existing service users and future nominations. The twelve month extension will also provide stability to ensure a consistent service for service users and the workforce.
- 3.5 The current contract value is £1,630,872 with the value of the renegotiated 12 month extension value being £1,443,906 for the twelve months thereby providing a saving of £186,996. This reduction reflects the current demand and voids in the service but officers are confident that the level of service provided to those in occupation will remain high.
- 3.6 Under section 3(b) of the table at paragraph 9.5 of Part 3 of the Constitution, Strategic Directors and Operational Directors are able to extend and vary contracts and agreements without the need for Cabinet approval:
 - (a) provided that the extension and variation would not be in breach of the Procurement Legislation.
 - (b) provided that the extension and variation does not substantially alter the terms and conditions of the contract.

- (c) provided that there is sufficient existing budgetary provision.
- (d) provided that in the case of any variation (other than an extension):
 - (i) the total value of the variation is less than £1 million; and
 - (ii) if the total value of the variation is more than £50k it is not more than 50% of the original contract value (calculated over the life of the contract including any extensions or possible extensions and adjusted in accordance with any price review mechanism provided for in the contract).
- (e) if the extension goes beyond the period of extension provided for in the contract (if any) or is otherwise not in accordance with the extension provisions in the contract:
 - (i) in the case of any contract, agreement, deed or other transaction with a life of not more than one year (including any possible extension provided for in the contract) the extension shall not exceed a period of six months; or
 - (ii) in the case of any contract, agreement, deed or other transaction with a life of more than one year (including any possible extension provided for in the contract) the extension shall not exceed a period of one year.
- (f) the relevant cabinet member shall be consulted prior to a decision within (d) (i) or (ii) and (e) (i) and (ii) above and may request that the decision instead be referred to them.

3.7 Subject to the relevant cabinet member being consulted regarding the variation and extension and not requesting the decision is referred to them, it is considered that you have delegated authority based on paragraph 3.6(a) (b) (c) (d) (e) of the above as:

- (a) the proposed extension was specifically provided for when the contract was procured and therefore meets the requirements of Regulations 72(1)(a) of the Public Contracts Regulations 2015 ("PCR 2015"). The proposed variation is considered to meet the requirements of Regulation 72(1)(e) of the PCR 2015. Therefore neither the extension or variation would be in breach of Procurement Legislation.
- (b) although the level of support and price has been negotiated down, the extension will be on the same terms and conditions as the current contract and the extension and variation is not considered to substantially alter the terms and conditions of the contract.
- (c) there is sufficient budgetary provision for the extension.

- (d) the total value of the variation is more than £50k but is not more than 50% of the original contract value.
- (e) the proposed extension does not exceed the maximum one year period specified in sub-paragraph (d)(ii) above.

4.0 Financial Implications

- 4.1 It is anticipated that the annual cost of this contract will be funded from existing Adult Social Care budget.
- 4.2 Value for money has been considered and reviewed as part of the proposed extension of the contract and has achieved a small saving, whilst providing time to carry out the review of any future arrangements given the level of voids to ensure the best approach is taken.
- 4.3 To ensure that Brent residents receive the best value in these services, the Council follows a competitive tendering process and conducts open and transparent procurement exercises. Awarding contracts by the process of seeking competing bids from more than one firm helps to ensure a more efficient process and that procurement is carried out in a fair and transparent way whilst also ensuring value for money is gained for public services.

5.0 Legal Implications

- 5.1 Officers recommend the variation and extension of the contract for care and support at Visram House with Notting Hill Genesis by 12 months from 4th February 2022.
- 5.2 The value of the original contract is such that it is subject to full application of the Public Contract Regulation 2015 (PCR 2015).
- 5.3 The contract contains express provision allowing for the extension as set out in Recommendation 2.1 and as such extension is permitted in accordance with the PCR 2015.]
- 5.4 Recommendation 2.2 seeks authority to vary the contract by reducing the level of service and consequent cost for the reasons detailed in Section 3. This variation is permitted in accordance with Regulation 72(1)(e) of the PCR 2015.
- 5.5 The Operational Director is authorised pursuant to Paragraphs 9.5 and 9.7 of Part 3 of the Constitution to extend and vary contracts subject to the conditions set out in paragraph 3.6 above. As set out in paragraph 3.7 above and subject to the relevant cabinet member not requesting the decision to vary be referred to them, none of these conditions preclude the Operational Director agreeing the recommended

extension.

6.0 Equality Implications

- 6.1 The Council must, in the exercise of its functions, have due regard to the need to:
- (a) eliminate discrimination, harassment and victimisation
 - (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and
 - (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it,

pursuant to s149 Equality Act 2010. This is known as the Public Sector Equality Duty.

- 6.2 Under the Public Sector Equality Duty, having due regard involves the need to enquire into whether and how a proposed decision disproportionately affects people with a protected characteristic and the need to consider taking steps to meet the needs of persons who share a protected characteristic that are different from the needs of persons who do not share it. This includes removing or minimising disadvantages suffered by persons who share a protected characteristic that are connected to that characteristic.
- 6.3 The Public Sector Equality Duty covers the following nine protected characteristics: age, disability, marriage and civil partnership, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
- 6.4 The proposals in this report have been subject to screening and Officers believe that there are no adverse equality implications.

7.0 Consultation with Ward Members and Stakeholders

- 7.1 The Lead cabinet member for Adult Social Care has been consulted.

8.0 Human Resources/Property Implications (if appropriate)

- 8.1 This service is currently provided by an external contractor and there are no implications for Council staff arising from extending the contract.

Report sign off:

Claudia Brown
Operational Director Adult Social Care