

	Decision of Cabinet Member for Health and Adult Social Care
	Report from the Corporate Director of Adult Social Care & Health
AUTHORITY TO TENDER FOR A CARE AND SUPPORT CONTRACT AT VISRAM HOUSE – EXTRA CARE SCHEME	

Wards Affected:	Stonebridge
Key or Non-Key Decision:	Key decision
Open or Part/Fully Exempt: <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small>	Open
No. of Appendices:	None
Background Papers:	None
Contact Officer(s): <small>(Name, Title, Contact Details)</small>	Name: Martin Crick Job Title: Team Manager Commissioning, Contracting and Market Management – Supported Living. 020 8937 4161 Email: Martin.Crick@brent.gov.uk

1.0 Purpose of the Report

- 1.1 This report concerns the future care and support contract for the Extra Care scheme Visram House. This report requests individual Cabinet Member approval to tender for a new care and support contract at Visram House in accordance with paragraph 13 of Part 3 of the Constitution.

2.0 Recommendation(s)

That the Cabinet Member for Health and Adult Social Care, having consulted with the Leader in accordance with paragraph 13 of Part 3 of the Constitution:

- 2.1 Agrees inviting tenders for a new care and support contract at Visram House on the basis of the pre - tender considerations set out in paragraph 3.12 of the report.

2.2 Approves Officers evaluating the tenders referred to in 2.1 above on the basis of the evaluation criteria set out in section (vi) of the table at paragraph 3.12 of the report.

3.0 Background/Detail

3.1 Visram House is a modern extra care scheme providing care and support to 37 older people with physical, mental health and learning disabilities who meet the eligibility criteria for extra care. Out of the 37 service users, 4 have a learning disability. This scheme was mobilised in February 2019.

3.2 Visram House is owned by PA Housing and has capacity to offer 84, one bedroom flats and 15, two bedroom flats.

3.3 The current care and support contract delivered by Notting Hill Genesis (NHG) is due to expire on the 3rd February 2023. Although there is a facility within the contract to extend for a further one year this is not going to be possible. Notting Hill Genesis (“NHG”) has informed the council that as of 3rd February 2023, when the current plus one option expires, the company will no longer be delivering any care and support contracts and are withdrawing from the social care market.

3.4 As a result of the provider leaving the market there is a pressing need and urgency for officers to find an alternative provider to deliver the care and support provision at Visram House. NHG have indicated they may be willing to consider an extension of one month to the current contract but this is not their preference or guaranteed.

3.5 The council’s eligibility threshold for extra care has since been reviewed as part of a more strategic move towards overall stock maximisation. The care requirements for those at Visram House are now lower than they were when the current contract was originally tendered. These changes and the reduced occupancy levels at Visram House means the council requires a flexible contract to meet the needs of our current service users.

3.6 The current contract, in addition to older Adult support, also provides provision for a small cohort of service users with learning disabilities that moved to Visram House together when their previous service closed. This complex and vulnerable group of service users require high levels of support and supervision regardless of the wider occupancy within the scheme. Any new contract needs to reflect this bespoke ‘wrap around’ support service and ensure the core learning disability service is staffed consistently.

- 3.7 The need for a flexible contract needs to be balanced against the reduced occupancy and the revenue streams for any potential bidder. To make this contract attractive to the market officers are proposing the contract is based on a block contract (i.e. 1200 hours per week) for the existing service users in situ. This block would include the bespoke 'wrap around' service for the learning disability community as well as a small amount of core hours to cover the waking nights and emergency and unplanned care needs.
- 3.8 As occupancy increases and support needs change the contract would flex to meet the changing needs of the service users living at Visram House.
- 3.9 Officers propose to let this contract as a 2 year contract with the option to extend for a further two, one year periods (2+1+1). The length of this contract will be attractive to the market, whilst maintaining a degree of flexibility for the council.
- 3.10 This model enables provider's to cost a service on guaranteed support hours and allows them to see the potential to increase revenue in line with occupancy should ASC make new nominations.
- 3.11 Market Engagement was undertaken for Visram and Honey Pot Lane projects. The market has shown an interest in the Honey Pot Lane scheme but did not show much interest in the Visram project. The council's priority is Visram to be procured first, to minimise the effect of the Honey Pot Lane project on the Visram tender.
- 3.12 In accordance with Contract Standing Orders 88 and 89, pre-tender considerations for the procurement of the contract for care and support contract at Visram House (the "Contract") have been set out below for the approval of the Cabinet Member for Health and Adult Social Care.

Ref.	Requirement	Response
(i)	The nature of the service	Delivery of care and support services at Visram House - Extra care scheme. This support is for older adults who may also have a learning disability or mental health support needs.
(ii)	The estimated value.	£1,240,332.00 per annum, over the proposed contract length of Four years (2+1+1) this is a total value of £4,961,328.00.
(iii)	The contract term.	Two years with the option to extend for a further two, one year extensions (2+1+1)
(iv)	The tender procedure to be	Open

Ref.	Requirement	Response	
	adopted.		
v)	The procurement timetable.	Indicative dates are:	
		Market engagement	23.09.2022
		Invite to tender	31.10.2022
		Deadline for tender submissions	02.12.22
		Panel evaluation	05.12.22 – 05.01.22
		Contract decision	23.01.2023
		Strategic Director approval	23.01.2023
		Notification of award Minimum 10 calendar day standstill period – notification issued to all tenderers and additional debriefing of unsuccessful tenderers (24.01.2023-07.02.2023
		Contract Mobilisation	February 2023
		Contract start date	27.03.2023 subject to incoming supplier agreement
(vi)	The evaluation criteria and process.	<p>1. At initial stage based on evaluation criteria published and the use of a supplier questionnaire the panel will identify organisations meeting the Council's financial standing requirements, technical capacity and technical expertise. The questionnaire and criteria are to be drawn up in accordance with the Council's Contract Procurement and Management Guidelines.</p> <p>2. At tender evaluation stage, the panel will evaluate the tenders against the following</p>	

Ref.	Requirement	Response
		<p>criteria: 50% quality, 10% Social Value and 40% price. The panel will evaluate the tenders against the following indicative criteria :</p> <ul style="list-style-type: none"> • Safeguarding • Support and Care planning including risk management • Working effectively with service users to achieve outcomes • Workforce proposals including staffing developments, satisfaction of workforce, staffing retentions • Mobilisation
(vii)	Any business risks associated with entering the contract.	The following business risks are considered associated with entering into the proposed contract. Financial Services and Legal Services have been consulted concerning this contract and have identified the risks associated with entering into this contract set out Sections 4.0 and 5.0, together with those outlined in Section 8.0 - Human Resources implications, with staff likely to transfer in accordance with the Transfer of Undertakings (protection of Employment) Regulations 2006 ("TUPE").
(viii)	The Council's Best Value duties.	The adoption of an open tendering process under Light Touch Regime will enable the council to achieve best value for money
(ix)	Consideration of Public Services (Social Value) Act 2012	see Section 9 below
(x)	Any staffing implications, including TUPE and pensions.	As all services have been in operation between 1 and 10 years, there will be TUPE implications which have been taken into consideration with the time scales
(xi)	The relevant financial, legal and other considerations.	See sections 4 and 5 above.
(xii)	Sustainability	Waste and Resources: Ensure that waste is reduced, reused and recycled wherever possible.
(xiii)	Key Performance Indicators / Outcomes	Appropriate Key Performance Indicators / Outcomes will be included in the contract.

Ref.	Requirement	Response
(xiv)	London Living Wage	The Contract will require the payment of the London Living Wage
(xv)	Contract Management	A contract manager will be appointed and appropriate contract management provisions will be included in the contract.

3.13 The individual Cabinet Member is asked to give its approval following consultation with the Leader to these proposals as set out in the recommendations and in accordance with the constitution.

4.0 Financial Implications

4.1 The estimated value of the services to be provided under the contract over the contract term of 4 years (2+1+1) is £4,961,328.

4.2 The estimated value of this contract will be funded from existing ASC budgets.

4.3 The estimated cost of this new contract is £1,240,332 pa against the current cost of £1,444,000 per annum. This is an annual saving of £203,668 and £814,672 over the maximum length of this contract.

Current annual cost with NHG	Proposed Maximum annual cost
£1,444,000	£1,240,332
Potential annual saving	£203,668
Overall savings on 2+1+1 contract	£814,672

4.4 The cost modelling has been based on this contract being London Living Wage compliant at £11.95. To deliver the agreed amount of hours under the block element of this contract will mean approx. 30 FTE support workers will benefit from being paid at least the current minimum LLW of £11.05 per hour rising to £11.95 in April 2023.

4.5 The cost to the council for paying the revised LLW rate of £11.95 from the 1st April 2023 is £51,948.00.

4.6 The annual cost of this contract is likely to increase each year when the London Living Wage commission announce the annual uplift. Future uplifts have not been factored in to this contract price.

5.0 Legal Implications

5.1 The estimated value of the proposed Contract is above the threshold for Services under the Public Procurement Regulations 2015 (the "PCR 2015") and the procurement is therefore governed by the PCR 2015.

- 5.2 In accordance with the Council's Contract Standing Orders, the contract is defined as a High Value Contract and as such the contract shall be entered into and procured in accordance with formal tendering procedures set out in the Standing Orders. (Standing Order 84)
- 5.3 Individual Cabinet Member approval is sought to tender for the service at Visram House in accordance with paragraph 13 of Part 3 of the Constitution.
- 5.4 Once the tendering process is undertaken, Officers will report back to the Cabinet Member in accordance with Contract Standing Orders, explaining the process undertaken in tendering the contracts and recommending award.
- 5.5 As this procurement is subject to the full application of the PCR 2015, the Council must observe the requirements of the mandatory minimum 10 calendar standstill period imposed by the PCR 2015 before the contract can be awarded. The requirements include notifying all tenderers in writing of the Council's decision to award and providing additional debrief information to unsuccessful tenderers on receipt of a written request. The standstill period provides unsuccessful tenderers with an opportunity to challenge the Council's award decision if such challenge is justifiable. However if no challenge or successful challenge is brought during the period, at the end of the standstill period the Council can issue a letter of acceptance to the successful tenderer and the contract may commence.
- 5.6 Officers have set out in section 8.1 that the proposed services will be provided by external contractors. As such, the proposed procurement process is unlikely to have a direct impact on Council staff. There are likely to be TUPE implications as a result of the procurement process as the current provider has indicated it is withdrawing from the social care market. In this respect, Officers have set out in section 8.1 how it would manage any TUPE issues that might arise as a result of this procurement process.
- 5.7 As the decision that is being sought here is a Key Decision, the decision is subject to a 5 clear day call-in period and Brent will undertake standstill period concurrently. The decision to tender may not be implemented until after expiry of the call-in period provided that no call in has been made.

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 member for ASC has been consulted and consultation with providers and service users has commenced and is ongoing.

8.0 Human Resources/Property Implications

- 8.1 The services are currently provided by an external provider and there are no direct staffing implications for the Council arising from the tender process. As part of the procurement process, employee liability information will be sought from current contractors and provided to the tenderers. The TUPE process and any issues that may arise from it will be managed during the mobilisation phase, which will be at least two months between contract award and commencement.

9.0 Public Services (Social Value) Act 2012

- 9.1 The Council is under duty pursuant to the Public Services (Social Value) Act 2012 ("the Social Value Act") to consider how services being procured might improve the economic, social and environmental well-being of its area; how, in conducting the procurement process, the Council might act with a view to securing that improvement; and whether the Council should undertake consultation. Officers have had regard to considerations contained in the Social Value Act in relation to the procurement.
- 9.2 It is the intention within this tender that 10% of the total evaluation criteria will be reserved for social value considerations.

Report sign off:

Phil Porter

Corporate Director Adult Social Care & Health