

Report to Executive Director of Adults & Health

October 2021

Supporting People to remain Independent – Award of Extra Care Contract – Highwood Mill

Report by Carrie Anderson – Extra Care Housing & Tec Commissioner

Electoral division(s): All

Summary

The Council is working in partnership with District & Borough Councils, registered housing providers and registered care providers to develop and deliver extra care housing across West Sussex.

Extra Care provides an alternative option for people who require care but want to retain their independence through having their own front door.

Following a procurement process between September and October 2021, the Council is now in a position to award a contract for the delivery of Extra Care Services at Highwood Mill.

Recommendation

The Executive Director, Adults and Health is asked to approve the award of the Highwood Mill Extra Care Scheme Contract, commencing on 24 January 2022 for a period of 3 years and 8 months to Care Outlook.

Proposal

1 Background and context

- 1.1 Supporting residents to live healthy and independent lives as they grow older in West Sussex is a key priority in the West Sussex Plan and the adult social care vision and strategy. The vision and strategy explains the need to deliver high quality and sustainable services, which focus on the outcomes of individuals. Adult services are working with a Community Led Support model (CLS), that promotes a strength-based approach and supports residents to remain part of their community.
- 1.2 Highwood Mill opened in 2016 and is owned by Saxon Weald. Highwood Mill has 105 units – 70 affordable rent / 35 outright sale. Saxon Weald procured the current care contract for the service and this is due to end on 23rd January

2022. The Council have placed customers in the service since 2016 and their care provision has been purchased on a spot basis.

- 1.3 The Council is working with Saxon Weald, with the procurement and ongoing contract management being completed by the Council. This will enable Highwood Mill to be under the same service specification and contract management that the other 15 Extra Care Schemes are under the DPS.
- 1.4 The decision to commence the procurement of the Extra Care contract was taken in August 2021 ([Report Ref:AS01 21/22](#)). A mini competition under the WSCC Dynamic Purchasing System (DPS) for Care and Support in Extra Care Housing was undertaken with all providers who had been successful in gaining a place on the DPS.
- 1.5 The 35 providers holding a place on the DPS were invited to submit a tender for this opportunity on the 9th September 2021. 9 providers submitted a tender by the tender return date of 4th October 2021.
- 1.6 Procurement Services undertook compliance checks on the tender submissions on 4th October 2021 to ensure all schedules that were required were duly submitted and that tenders were correct.
- 1.7 The tender evaluation featured both a technical and commercial element with a 60 /40 split towards the technical response of the total points. The technical element of the tender featured responses to 10 method statement questions to determine the ability of the bidder to deliver the required services. The technical element incorporated the use of minimum scoring requirements to ensure that bidders are able to deliver an acceptable standard of service in line with the service requirements.
- 1.8 The tenders were evaluated by the evaluation panel between 5th – 8th October 2021 with moderation meeting held on 11th October 2021 to discuss and agree final scores. The evaluation panel comprised of WSCC commissioners and operational leads from the Council.
- 1.9 Tender submissions that achieved the minimum technical scores were then combined with the commercial element score to determine the total awarded score.
- 1.10 The successful bidder was asked to submit their financial information and commercial finance carried out checks to ensure the financial stability of the successful bidder.
- 1.11 The appointed Procurement Manager has ensured that the procurement process was compliant.

2 Proposal details

- 2.1 As per the terms and conditions of the DPS, Highwood Mill has been added to the DPS and the Council has carried out a mini-competition to award call-off contract for care in this scheme.

- 2.2 It is proposed that the contract for Highwood Mill is awarded to the following organisation:

Service Lot	Scheme	Area	Awarded Organisation
11	Highwood Mill	Horsham	Care Outlook

- 2.3 The Contract will commence on the 24th of January 2022 and will run for a period of 3 years and 8 months.

3 Other options considered (and reasons for not proposing)

- 3.1 Alternative options were considered as part of the Decision [Report Ref:AS01 21/22](#) .

4 Consultation, engagement and advice

- 4.1 Consultation has taken place internally with procurement, legal and finance, this had looked at the options available for this service.
- 4.2 Consultation with Saxon Weald was undertaken regarding the transfer of procurement and contract management to the Council.
- 4.3 Customer forums have been held within schemes once a year for the past 3 years to establish the views of people living in the schemes and their families / representatives regarding the services they receive and changes they would recommend.
- 4.4 This decision has been taken in consultation with the Cabinet Member for Adults and Health as the decision to commence the procurement of these Extra Care contracts, taken in August 2021, [Report Ref:AS01 21/22](#).

5 Finance

- 5.1 Revenue consequences

The annual cost of the contract will be £464k. Although this is £54k more than is currently spent on spot purchasing at Highwood Mill, the Council will receive nomination rights to an additional 20 units as part of the agreement. Once all of these are occupied, which is likely to take around four years based on average levels of turnover, there is potential for net savings of around £150k per year because of the difference in cost between a typical extra care placement and one in a residential home. In the short term a small contribution will be required from the Improved Better Care Fund to cover the shortfall that will exist in the budget. From 2023/24 onwards the saving will help deliver demand management targets.

	Current Year 2021/22 £m	Year 1 2022/23 £m	Year 2 2023/24 £m	Year 3 2024/25 £m
Contract cost	0.086	0.464	0.464	0.464
Revenue budget	0.079	0.410	0.410	0.410
Savings forecast	Nil	0.025	0.075	0.125
Net cost/(benefit)	0.007	0.029	(0.021)	(0.071)
Funding from iBCF	0.007	0.029	N/A	N/A

5.2 The effect of the proposal:

(a) **How the cost represents good value**

Extra Care Housing is more cost effective than other more conventional care settings. By increasing our supply of extra care units, the County Council will have the ability to divert customers from more costly alternatives, i.e., residential care homes, and help the service absorb growth in future demand.

(b) **Future savings/efficiencies being delivered**

As above

(c) **Human Resources, IT and Assets Impact**

Not applicable

6 Risk implications and mitigations

Risk	Mitigating Action (in place or planned)
Risk of Challenge	A fully Compliant process that meets standing orders and procurement regulations.
Risk of provider failure	<p>The DPS enables mini competitions to be run in the event of a provider failure.</p> <p>TUPE will apply and the Council has adequate contractual provisions in place in the existing contract to facilitate the transfer of relevant information between the outgoing and incoming provider.</p> <p>The security of tenure ensures that residents within schemes would not require rehousing as a result of provider failure.</p>

Risk	Mitigating Action (in place or planned)
	The DPS enables providers to be added to the list at any time with approval of the Council.
Risk of delay to commencement of Contract	Due to the current pandemic, there is a risk that if further national or local lockdowns were implemented this would cause delay?

7 Policy alignment and compliance

7.1 Extra care housing services are key to the delivery of the West Sussex Plan, particularly around the aims and priorities within 'Independence for Later Life' as identified below:

- People are healthy and well
- A good place to grow old
- Older people feel safe and secure
- Older people feel part of their community
- People are healthy and well

7.2 Extra care housing is also supporting local communities to develop a strong workforce within the care market sector. The schemes also offer additional resources to their local communities, which will support the roll out of adult social care community led support.

Equality and Human Rights Assessment

7.3 All residents of West Sussex with assessed eligible social care needs have the right to have these met with support from the local authority. The proposals have been developed to ensure the Council can meet this.

Social Value and Sustainability Assessment

7.4 The delivery of care within one building has a positive impact on the environment and is supporting a reduction in carbon footprint. The schemes will develop natural environments through outside space and improve the wellbeing of the local community and those living in the scheme. As part of the tender process providers will be asked to demonstrate how they will make a positive impact to the environment and how they will add social value.

Crime and Disorder Reduction Assessment

7.5 There are no anticipated crime and disorder implications.

Executive Director, Adults and Health
Keith Hinkley

Contact Officer: Carrie Anderson, Extra Care & Tec Commissioner,
Carrie.anderson@westsussex.gov.uk / Tel: 0330 2222 2996

Appendices None

Background papers None