

**Report to: Alan Sinclair, Director of Adults & Health**

**April 2024**

**Extra Care Commissioning**

**Report by Matthew Birch, Head of Commissioning, Adults & Health**

**Electoral division(s): All**

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## **Summary**

The Council is working in partnership with district and borough councils, housing providers and registered care providers to develop 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 property.

Following a contract hand back and a resulting call-off procurement process using the WSCC Care and Support in Extra Care Housing Dynamic Purchasing System (DPS) between December 2023 and March 2024, the Council is now in a position to award a contract for the delivery of Care and Support in Extra Care Housing at Monaveen, situated in Eastergate.

## **Recommendation**

The Director of Adults and Health is asked to approve the award of the contract for Care and Support in Extra Care Housing at Monaveen, commencing on 1 June 2024 for an initial period of 1 year and 4 months with an option to extend for a further 2 years.

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## **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 explain the need to deliver high quality and sustainable services, which focus on the outcomes of individuals. The Extra Care commissioning process encourages a strength-based approach through actively supporting residents to remain part of their community.
- 1.2 Monaveen has 36 affordable rental and 26 shared equity units consisting of 1-2 bedrooms. It is located in Eastergate, within the Arun District and is designed for people aged over 55 years.
- 1.3 The Council have referred customers to the service since 2021. Care services are purchased by the Council via a mixture of customer's personal budgets to meet

individually assessed outcomes as well as a guaranteed number of day, night and wellbeing hours purchased on a block basis.

- 1.4 Since its opening, Monaveen's care provider has experienced some challenges including those related to staffing recruitment and retention, which have impacted on the viability of the care provider to deliver the service who requested in December 2023 to hand back the service prior to the end of the contract.
- 1.5 The Council has worked with the incumbent care provider during the procurement of the replacement care provider and they are to remain as the housing provider under the new arrangements.
- 1.6 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.
- 1.7 Providers were invited to submit a tender for this opportunity on 20 December 2023. Eight providers submitted a tender by the return date of 7 February 2024.
- 1.8 Procurement Services undertook compliance checks on the tender submissions to ensure that all had been submitted correctly.
- 1.9 The tender evaluation featured both a technical and commercial element with a 60/40 split towards the technical response. The technical element of the tender featured responses to eleven 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.
- 1.10 The tenders were evaluated by the evaluation panel from 26 February with a moderation meeting held on 19 March 2024 to discuss and agree final scores. The evaluation panel comprised of Council commissioners and operational leads.
- 1.11 Tender submissions that achieved the minimum technical scores were then combined with the commercial element score to determine the total awarded score.
- 1.12 The successful bidder was asked to submit their financial information and the Council's Commercial Finance team carried out checks to ensure the financial stability of the successful bidder.
- 1.13 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 Dynamic Purchasing System (DPS), Monaveen 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 Monaveen is awarded to the following organisation:

| Service Lot | Scheme   | Area       | Awarded Organisation |
|-------------|----------|------------|----------------------|
| 10          | Monaveen | Eastergate | Care Outlook Ltd     |

2.3 The contract will commence on the 1 June 2024 and will run for an initial period of 1 year and 4 months with an option to extend for a further 2 years.

### 3 Other options considered (and reasons for not proposing)

3.1 Maintaining the current arrangements with the incumbent provider was not considered viable for the reasons stated in 1.4. The Council also wanted to maintain a positive relationship with the incumbent provider who operate two other Extra Care schemes in West Sussex.

### 4 Consultation, engagement and advice

4.1 Consultation has taken place internally with procurement, legal and finance, regarding the options available for this service.

4.2 Consultation with the incumbent provider was undertaken regarding the procurement and TUPE transfer.

4.3 Customer forums have been held within the schemes once a year for the four 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.

### 5 Finance

#### Revenue consequences

5.1 The budgeted cost of the service in 2024/25 is £520,000. This reflects the delivered hours recorded in the latest quarter before publication of 441 hours per week.

5.2 No guarantee or commitment as to the initial and future value of any work arising from the contract was given as it depends on the hours provided .

5.3 The annual cost of the new contract will be approximately £487,000 per annum based on estimated hours of 441 per week. This represents a saving of approximately £27,000 in 2024/25 based on a June start date, rising to £33,000 in a full financial year. The benefit will be used to help manage the impact of pressures within the wider Adults' budget. The position is summarised in the table below

|                  | Current Year<br>2024/25<br>£m | Year 1<br>2025/26<br>£m | Year 2<br>2026/27<br>£m | Year 3<br>2027/28<br>£m |
|------------------|-------------------------------|-------------------------|-------------------------|-------------------------|
| Revenue budget   | 0.520                         | 0.520                   | 0.520                   | 0.260                   |
| Cost of proposal | 0.493                         | 0.487                   | 0.487                   | 0.244                   |
| Saving           | 0.027                         | 0.033                   | 0.033                   | 0.016                   |

#### 5.4 The effect of the proposal:

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

This above rate is comparable with other extra care services.

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

The contract will secure care at a cost-effective price, so enabling the benefits which Monaveen has delivered to be maintained.

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

Not applicable

### 6 Risk implications and mitigations

| <b>Risk</b>                               | <b>Mitigating Action (in place or planned)</b>   |
|---|--|
| Risk of challenge                         | A fully compliant process that meets WSCC Standing Orders on Procurement and Contracts and Public Contracts Regulations 2015 has been undertaken.  |
| Risk of provider failure                  | <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 incumbent provider is also the landlord/housing provider for the scheme so therefore have a vested interest in working with the new provider and ensuring a smooth transition of care.</p> <p>Care Outlook Ltd have a good track record of providing quality Extra Care support in West Sussex.</p> |
| Risk of delay to commencement of contract | Care Outlook Ltd already deliver Care and Support in Extra Care to 8 of the Council's current schemes. Three of these schemes are within 20 miles of Monaveen allowing for contingencies in case of continued staffing issues.   |

### 7 Policy alignment and compliance

7.1

[Our Council Plan](#)

All four of the priorities are supported by this contract. It supports vulnerable people, provides local jobs and volunteering opportunities and uses local resources to good effect.

7.2

[Legal implications](#)

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.

The procurement was undertaken in accordance with the Public Contract Regulations 2015 and the Council's Standing Orders on Procurement and Contracts for awarding contracts for social and other specific services – complying by virtue of ensuring the principles of transparency and equal treatment.

7.3 Equality duty and human rights assessment

There are no foreseeable equality and Human Rights Act implications associated with this proposal.

7.4 Climate change

The tender included a carbon reduction focus with one method statement (5% of total score).

Care Outlook has a net zero plan for carbon emission by 2030 in line with the WSCC climate change strategy. Their approach to carbon reduction and the environment described in their tender response :

- Reduction of transportation through local recruitment, e-bike schemes, public transport connections to dynamic shift patterns, digital inclusion to reduce unnecessary travel by staff and residents etc.
- Energy use reduction through education of residents, co-operative working with the landlord, transition to energy efficient equipment.
- Waste reduction through digital innovation, recycling and purchasing of recycled products, sourcing environmental-friendly suppliers, reduction of use of plastics.
- Creation of green spaces by working with residents and local schools to grow vegetables as well as promotion of opportunities for environmental volunteering.

7.5 Crime and Disorder

There are no foreseeable crime and disorder implications associated with this proposal.

7.6 Public health

The provider understands that they have a contractual responsibility to supporting resident wellbeing. They have a role in encouraging engagement with the local community and other appropriate services to support customer outcomes e.g., reduce social isolation and loneliness.

7.7 Social value

The provider's tender included 100% of staff to be recruited from within West Sussex including 2 apprentices per year, 2 social work placements and 6 external volunteers for an innovative food bank project at scheme.

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**Background papers** None