



**Report of Lucy Jackson, Consultant in Public Health/Chief Officer Adults and Health
Report to Director of Public Health**

Date: 21st August 2019

Subject: Request to vary the contract with Care and Repair Leeds for the Home Independence and Warmth Service to include additional investment from Leeds Clinical Commissioning Group

Are specific electoral wards affected? If yes, name(s) of ward(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Has consultation been carried out?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Will the decision be open for call-in?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, access to information procedure rule number: Appendix number:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

Summary

1. Main issues

- A new Home Independence and Warmth service commenced in October 2018, operating under the name of Home Plus (Leeds), delivered by Care & Repair Leeds in partnership with Groundwork Leeds and Age UK Leeds. The aim is to improve health, wellbeing and independence in the home by addressing risks associated with falling and / or warmth.
- Since the contract commenced, Leeds Clinical Commissioning Group has agreed to provide additional funding for activity that will help to reduce health inequalities. This investment of £150,000 per annum (total £340,000) is available for the remainder of the contract and was originally detailed in the contract notice and subsequent tender documentation.

2. Best Council Plan Implications (click [here](#) for the latest version of the Best Council Plan)

- The proposal in this report directly contributes to the Best Council Plan's overarching vision of tackling poverty and reducing inequalities.

- It also addresses the “Best City” priorities of Health and Wellbeing, Age-Friendly Leeds and Housing.

3. Resource Implications

- Funding for this variation is being provided by Leeds Clinical Commissioning Group.

Recommendations

- a) The Director of Public Health is recommended to approve in accordance with the provisions of Regulation 72 (1) (a) (i and ii) of the Public Contracts Regulations 2015 and Contracts Procedure Rules 21.7 a variation to the contract price for the Home Independence and Warmth service (DN319428) to include an additional £150,000 per annum, (total £340,000) for the period 1st April 2019 to 30th September 2021.

1. Purpose of this report

- 1.1 The purpose of this report is to seek approval to increase the value of the contract with Care & Repair Leeds for the Home Independence and Warmth Service, known as Home Plus (Leeds), by £150,000 per annum (total £340,000) for the period 1st April 2019 to 30th September 2021 as per the published contract notice and subsequent tender documentation.

2. Background information

- 2.1 The provision of home adaptations and repairs, warmth for wellbeing and warm homes services have been commissioned for a number of years through a number of different contracts. Following a review, it was determined that it would be beneficial if they were amalgamated in to a single Home Independence and Warmth service, as there was significant cross over in the client groups supported and the overall outcomes each service wanted to achieve; namely health, wellbeing and independence within the home.
- 2.2 The new Home Independence and Warmth service was procured in 2018 and commenced on 1st October 2018, under the name of Home Plus (Leeds). It is delivered by Care & Repair Leeds in partnership with Groundwork Leeds and Age UK Leeds.
- 2.3 The service provides:
 - falls prevention measures, such as installing hand rails, fixing trip hazards and providing equipment;
 - warmth and energy efficiency interventions, such as heating system improvements or repairs and installation of smaller works like draught proofing and radiator panels;
 - repairs of electrical, plumbing and threshold hazards; and
 - advice about energy efficiency, benefits and grants available for larger works.

2.4 One of the previous contracts, Warmth for Wellbeing, received £130,000 per annum from the North and South & East Leeds Clinical Commissioning Groups. These allocations were of a non-recurrent nature and were confirmed each year.

3. Main issues

3.1 The current contract value of £610,367 (£366,870 Public Health / £203,497 Resources & Housing) includes a one-off contribution of £40,000 from Leeds Clinical Commissioning Group (CCG), which was used to enhance general capacity across the service for the first six months.

3.2 Towards the end of 2018, a proposal was submitted to the CCG that requested up to £150,000 per annum to either augment existing delivery in ways to alleviate system pressures or to target provision for specific client groups.

3.3 Leeds CCG agreed to this proposal, subject to more detailed discussions about how the funding would be utilised. It was confirmed that the CCG is keen to take a longer-term approach, with a view to matching the length of the contract, rather than the previous annual arrangements. As such, the CCG has allocated up to £150,000 per annum (total £340,000) for the remaining 30 months of the main contract period, from 1st April 2019 until 30th September 2021. The terms of the contract include the option to extend for up to 24 months and further discussions will take place with the CCG should the council decide to do so.

3.4 The funding has been allocated in order to meet the strategic ambition of the CCG to focus investment on reducing health inequalities, and specifically to increase provision to those living in more deprived areas of Leeds and those from BAME backgrounds.

3.5 The CCG, LCC and the provider have discussed how best to do this and propose the following:

- a dedicated outreach post to build links with primary care (including LCPs), other health agencies, social prescribing, community networks and relevant voluntary sector organisations;
- additional staff capacity and works budget to meet the increased demand; and
- delivering Green Doctor accredited training to organisations that support Home Plus clients, to disseminate important information regarding 'energy vulnerability' with the aim of not only promoting the service but also to create 'community champions', who are then empowered to support their local residents more effectively.

3.6 The new activity would begin in October 2019. Between April and September, £40,000 of the allocation will continue to be used to enhance general capacity across the service. On this basis, the breakdown of the funding for the remainder of the main contract period is:

2019/20 – April to September	£40,000
2019/20 – October to March	£75,000
2020/21 – April to March	£150,000
2021/22 – April to September	£75,000
Total	£340,000

3.7 The review of evidence within the Health Needs Assessment (HNA) carried out during the modelling of this service detailed the benefits of both adaptations and reducing fuel poverty for health. Targeting the funding in this way will reduce health inequalities and address the difference in life expectancy between people living in different areas of the city. It will also respond to the finding of the HNA that areas of deprivation generally see higher proportions of:

- income-deprived older people;
- people being admitted to hospital because of falls;
- people living with frailty; and
- fuel poverty.

3.8 Additional measures specific to this activity will be agreed with the provider and the CCG in order to evidence impact.

4. Corporate considerations

4.1 Consultation and engagement

4.1.1 Ongoing consultation has taken place involving officers from Adults and Health, Care & Repair Leeds and the NHS Leeds Clinical Commissioning Group.

4.1.2 Public Health Programme Board was consulted in June, and the Executive Member for Adults and Health was briefed in August.

4.1.3 During the review, consultation was carried out with service users, stakeholders and staff, with feedback informing the re-modelling of the service.

4.2 Equality and diversity / cohesion and integration

4.2.1 An Equality, Diversity, Cohesion and Integration Screening has been completed (see Appendix 1). The proposal is to increase access to certain groups, such as those on lower incomes and from BAME backgrounds. As such it will address inequality, particularly around health outcomes.

4.2.2 During the initial service modelling a Health Needs Assessment was carried out. The additional investment will be used to help address the finding of the assessment that areas of deprivation generally see higher proportions of:

- income-deprived older people;
- people being admitted to hospital because of falls;
- frailty; and
- fuel poverty.

4.3 Council policies and the Best Council Plan

4.3.1 The service contributes to the Best Council Plan's overarching vision of tackling poverty and reducing inequalities, and the specific themes of:

- Health and Wellbeing
 - reducing health inequalities and improving the health of the poorest the fastest

- Age-Friendly Leeds
 - promoting opportunities for older people to be healthy, active, included and respected
- Housing
 - promoting independent living
 - improving health through housing
 - meeting the needs of older residents
 - improving energy performance in homes and reducing fuel poverty.

4.3.2 This provision is also key to the Health and Wellbeing Strategy 2016-21, which has a clear vision to be the Best City for Health and Wellbeing where those who are the poorest improve their health the fastest. One of its priorities is ‘Housing and the Environment enable all people of Leeds to be healthy’. Improving health through the home is a fundamental strategy throughout the life course. There are risks to both physical and mental health associated with living in a cold, damp or hazardous home, or one that doesn’t provide a sense of safety. The right home protects people’s health and wellbeing by enabling people to live independently and safely, as well as preventing physical and mental ill health. The home can present particular risks to the health and wellbeing of key groups of vulnerable people, e.g. children and their families, people with long term conditions, people recovering from ill health, older people, and people on low incomes. The project also supports the “Age Friendly City where people age well” priority.

4.3.3 In addition, the activity addresses a number of other local strategic priorities:

Strategy	Priorities
Vision for Leeds 2011-30	<ul style="list-style-type: none"> • Best city for communities • Best city for health and wellbeing
Housing Strategy 2016-21	<ul style="list-style-type: none"> • Improving health through housing • Meeting housing needs of older residents
Affordable Warmth Strategy 2017-30	<ul style="list-style-type: none"> • Increasing energy efficiency • Reducing fuel poverty • Improving health and wellbeing through increasing affordable warmth
Age-Friendly Leeds Strategy & Action Plan 2019-22	<ul style="list-style-type: none"> • Housing – Older People can access the help, support and housing options they need to live independently in their place of choice • Healthy and independent ageing - Older people are able to live healthy lives and remain independent for longer
Leeds Inclusive Growth Strategy 2017-23	Supporting people to live healthy and active lives, through good housing, social values, green and transport infrastructure, regenerating neighbourhoods, low carbon initiatives and involvement in sport.

Climate Emergency

4.3.4 One of the priorities of the service is to improve energy efficiency in the home:

- Home assessments identify how the property is heated, what heating fuel is used and whether energy efficiency measures, such as cavity wall insulation have been installed, in order to undertake a basic assessment of whether larger heating or energy efficiency measures are required.

- If current heating or insulation in the property is identified as being inadequate, a full technical assessment of the property may be required. This is carried out by a member of staff who is a registered domestic energy assessor, who will produce an Energy Performance Certificate in order to facilitate referral for larger measures. This may also include the verification of the residents' eligibility for energy efficiency grants.
- Examples of works undertaken are:
 - Installation of some heating improvements e.g. radiators, heaters, controls
 - Repairs of heating and hot water systems and appliances
 - Servicing of heating and hot water systems and appliances
 - Installation of carbon monoxide detectors
 - Provision of temporary heating where appropriate
 - Installation of small energy efficiency measures, e.g. radiator panels, draft proofing, pipe lagging, fitting energy saving devices.

4.3.5 The service specification requires that the provider meets all legislation, guidance and good industry practice in environmental management and the objectives of the council's sustainability policies. Officers from Adults and Health will work with the service through the established contract management process to ensure the service is proactively seeking to minimise its carbon footprint and thereby support the Council in achieving its ambition to be carbon neutral by 2030.

4.4 Resources, procurement and value for money

4.4.1 The additional funding of £150,000 per annum (total £340,000) until September 2021 is being wholly provided by Leeds Clinical Commissioning Group through a Section 256 agreement, and the first instalment has been transferred to the Council.

4.4.2 It is deemed to represent value for money as it brings additional investment and capacity to the Home Plus (Leeds) service, which will enable a greater focus on partnership working in order to reduce inequality.

4.4.3 Some of the investment will be used to pay for Green Doctor accredited training, which will promote sustainability through the creation of "community champions" who can support their local residents independently of the service.

4.5 Legal implications, access to information, and call-in

4.5.1 This is a Significant Operational Decision, since it will be taken under the new governance rules and totals less than £500,000. As such, it is not subject to Call-In.

4.5.2 The variation will be back-dated to April 2019 as discussions with the CCG and the provider about how the funding is to be used have only just concluded.

4.5.3 The specification, tender documentation and terms and conditions were written in such a way to allow flexibility in service provision should additional investment be secured, specifically with the CCG in mind, so long as the overall nature of the contract remained unchanged. The additional investment enables greater targeting of clients and increased capacity but does not alter the service offer. Therefore there is minimal risk of challenge.

4.5.4 Under section 82 of the National Health Service Act 2006 the CCG and the Council are required to work together in order to secure and advance the health and welfare of the people of Leeds. The CCG is empowered by section 256 of this act to fund

Council expenditure on services which have an effect on the health of any individuals, have an effect on or are affected by any NHS functions, or are connected with any NHS functions.

4.5.5 The modification of contracts is governed under the Public Contracts Regulations 2015 at regulation 72 (1) (a) which permits such modifications, where the modifications, irrespective of their monetary value, have been provided for in the initial procurement documents in clear, precise and unequivocal review clauses.

4.5.6 The provisions of Regulation 72 (1) (a) enables contracts and framework agreements to be modified without a new procurement procedure in accordance with this Part in any of the following cases:-

(i) where the clear, precise and unequivocal review clauses state the scope and nature of possible modifications or options as well as the conditions under which they may be used, and

(ii) do not provide for modifications or options that would alter the overall nature of the contract or the framework agreement;

In making this variation the above conditions are deemed to apply for the following reasons:

(i) The service was competitively tendered following a period of consultation that included discussions with the CCG. CCG interest in long-term investment in the service was not confirmed until after the contract had been awarded. CCG funding for 2019/20 and 2020/21 was not formally confirmed until June 2019.

(ii) The initial procurement documents (i.e. specification, tender documentation and terms and conditions) contained clear, precise and unequivocal review clauses which allowed flexibility in service provision should additional investment be secured, specifically with the CCG in mind. The nature of the contract has not changed as the scope of the original service specification remains the same.

(iii) The initial awarded value of this contract was £570,367 per annum, plus a non-recurring contribution of £40,000 from the CCG that supported delivery during the first six months of the contract period only. The new value is £720,367 per annum, which represents an increase of 26%. The additional funding does not change the overall nature of the contract.

4.5.7 This report does not contain any exempt or confidential information.

4.5.8 In making the final decision, the Director of Public Health should be satisfied that the course of action chosen, as to varying the contract, is the best course of action for the Council and should be satisfied that in doing so it represents best value for the Council.

4.6 Risk management

4.6.1 There are no financial risks to the Council, since the additional activity is paid for from external funding. Should the contract extension referred to in paragraph 3.3 above be taken up but this external funding not be renewed, the service will return to its original size. The improved links with partners would hopefully remain in place, but the anticipated higher demand for support would have to be managed within the lower budget.

4.6.2 The specification, tender documentation and terms and conditions were written in such a way to allow flexibility in service provision should additional investment be

secured, specifically with the CCG in mind, so long as the scope of the contract remained unchanged. The additional investment enables greater targeting of clients and increased capacity but does not alter the service offer. Therefore there is minimal risk of challenge.

- 4.6.3 Public Contracts Regulations 72 (1) (a) allows for modifications to contracts, where the modifications, irrespective of their monetary value, have been provided for in the initial procurement documents in clear, precise and unequivocal review clauses and such review clauses do not alter the overall nature of the contract. The initial procurement documents were written in such a way to allow flexibility in service provision should additional investment be secured, specifically with the CCG in mind. The nature of the service remains the same, as stated above, and the proposed change in price of this contract is £150,000 per annum from an original value of £570,367 per annum. Therefore this contract variation appears to fall within the permitted modification exception at Regulation 72 (1) (a).
- 4.6.4 Established processes are in place to ensure compliance with the terms attached to the CCG funding through the S256 Agreement:
- Officers from the Commissioning Team will continue to work closely with Home Plus (Leeds) through the established contract monitoring processes to ensure funding is being used towards achievement of the aims and objectives for which it has been provided and is within the annual budgets agreed.
 - The Public Health Business Support Team will arrange each year for the officer responsible under the s151 of the Local Government Act to authenticate an annual expenditure voucher provided by the CCG and pass this to the Council's external auditor for certification and submission to the CCG.

5. Conclusions

- 5.1 Varying the contract to include the CCG investment will increase the capacity of the Home Plus (Leeds) service in order to work with key agencies in order to support residents living in more deprived areas of Leeds or from BAME backgrounds. This will help to reduce health inequalities across the city.

6. Recommendations

- 6.1 The Director of Public Health is recommended to approve in accordance with the provisions of Regulation 72 (1) (a) (i and ii) of the Public Contracts Regulations 2015 and Contracts Procedure Rules 21.7 a variation to the contract price for the Home Independence and Warmth service (DN319428) to include an additional £150,000 per annum, (total £340k) for the period 1st April 2019 to 30th September 2021.

7. Background documents¹

- 7.1 Equality, Diversity, Cohesion and Integration Screening
- 7.2 Signed Section 256 Agreement

¹ The background documents listed in this section are available to download from the council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.