



Report of the Deputy Director of Integrated Commissioning

Report to the Direct of Adults and Health

Date: 23rd September 2020

Subject: Request to undertake a direct award, in accordance with CPR 9.5, to enter into a 12 month contract with Creative Support Ltd for extra care at Hampton Crescent from 1st November 2020 to 31st October 2021

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 type="checkbox"/> Yes <input checked="" 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

- The current block contractual arrangement for extra care service provision at Hampton Crescent, Richmond Hill Leeds LS9 8NH (DN404629) is due to end on 31st October 2020. Hampton Crescent is one of four contracts for extra care where arrangements for the scheme are covered through a block contract, which is a legacy of the former approach to commissioning extra care. Work has been undertaken by commissioning officers to look at these arrangements and to develop a more consistent approach across the city for the purpose of parity. This work is ongoing.
- The Leeds Model for Extra Care was first introduced at the Housing Leeds pilot scheme Wharfedale View in 2016. Since then this has been the model for commissioning care at all new extra care schemes in the city. The model itself moves away from the block approach and to one of direct purchase by the service user, either through Direct Payments or a managed budget.
- With regard to the Extra Care services delivered at Hampton Crescent, going forward commissioning officers will be looking to manage referrals and the purchase of care in line with the Leeds Model of Extra Care. This does not change the nature of the service delivered but fundamentally changes how the service is paid for, which historically has been through a block contract.

- How the transition to the Leeds Model of Extra Care is to be managed is still to be fully finalised, however this is to take place via a paper to the Directorate Leadership Team with a decision anticipated in the autumn of 2020. Following this there would need to be a period of engagement with the onsite provider and existing tenants to ensure the smooth transition from the current block arrangements to a direct purchase model. Core principles underpinning this work will be zero impact on existing service users in terms of service delivery and financial costs and maintenance of the contract value and the viability of the service.
- The original aim had been to finalise this work during the current contracting period, however this was delayed due to a series of events outside of the commissioning team's control, including the outbreak of COVID-19.
- This report seeks approval to make a direct contract award to the current onsite provider Creative Support Ltd in line with Contracts Procedure Rules 9.5. This is to enter into a new contract for a period of 12 months from the 1st November 2020.
- The grounds for the direct award is based on the nature of the work to take place, that being a move to ultimately further empower individual choice over the provider of planned care and support at the scheme. Current tenants have the choice to opt for their own provider outside of the block contracting arrangement, however all Leeds City Council nominated tenants have stayed with the onsite provider. Going forward the new model will look to offer them the choice of maintaining this arrangement or seeking to make a new arrangement with a different provider if they so choose. This approach will ensure that their provider Creative Support Ltd remains as one of their options. It will also help to ensure a smooth transition to a new model by working with the existing, established provider to do so.

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

- The main domains of the Best City Priorities this contract contributes towards are 'Health and Wellbeing' and 'Age-Friendly Leeds'.
- The contract works towards achieving the outcomes: 'Be safe and feel safe'; 'Enjoy happy, healthy and active lives', and; 'Live with dignity and stay independent as long as possible'.

3. Resource Implications

- The total value of the proposed 12 month contract is currently £302,659.70. however this may be subject to variation as part of any uplift in line with our commitment to a Leeds Living Wage as part of the Unison Ethical Care Charter as part of the financial planning for the 2021/22 financial budget.
- Officer time will be necessary in order to monitor and review the progress of moving to the Leeds Model of Extra Care. This will be met through existing capacity from within the Adults and Health Integrated Commissioning Team, along with officer time from support areas such as Finance and Procurement and Commercial Services as appropriate.

Recommendations

- a) The Director of Adults and Health is recommended to approve the direct award of a 12-month contract in accordance with CPR 9.5 to Creative Support Ltd for extra care services at Hampton Crescent. This contract is to commence 1st November 2020 and is for a total value of £302,659.70 (subject to variation for uplifts as set out in the 'Resource Implications' section).
- b) The Director of Adults and Health is recommended to approve commissioning officers commence work to bring Hampton Crescent in line with the Leeds Model for Extra Care.
- c) Officers on behalf of Adults and Health Integrated Commissioning and Procurement and Commercial Services will complete all of the actions necessary to ensure this contract is in place for the 1st November 2020.

1. Purpose of this report

- 1.1. To seek approval from the Director of Adults and Health for the direct award of contract to Creative Support Ltd for extra care at Hampton Crescent for 12 months from 1st November 2020.

2. Background information

- 2.1. Hampton Crescent is a forty unit extra care scheme sited in the Richmond Hill area of East Leeds, consisting of twenty x 1 bedroom and twenty x 2 bedroom apartments. The site was developed by Anchor, the Registered Social Landlord, in agreement with Leeds City Council and officially opened in 2007. Leeds Adults and Health hold nomination rights to all forty apartments.
- 2.2. Anchor managed all service provision at the site, including extra care support up to 31st October 2013. From 1st November 2013 the care and support element of the service has been delivered by Creative Support Ltd. This arrangement was set in place following a competitive procurement process as a result of Anchor's decision to withdraw from delivering care services at the scheme.
- 2.3. Care and support at Hampton Crescent continues to be of a high quality. The Care Quality Commission assessed the service to be good overall when last inspected on the 23rd October 2018. The service achieved 'Good' in each of the five domains, these being: Safe; Effective; Caring; Responsive, and; Well-led.
- 2.4. The provision of care and support, along with onsite 24-hour care staffing presence, has historically been managed through a block contract arrangement. The block is for 383 hours per week in total including an allocation of 63 hours for waking night cover 7 days a week.
- 2.5. A new model to commissioning extra care was introduced with the development of the Housing Leeds owned scheme, Wharfedale View. This model moves away from block commissioning to one that is more in line with the Care Act 2014 and the empowerment of individual choice. While it is recognised that there needs to be set core care provider onsite for 24/7 cover, individuals are able to express their preference when it comes to the provision of their planned care and support.

3. Main issues

- 3.1. The current contract expires 31st October 2020. Commissioning officers commenced a review of the services in December 2019 with the aim of establishing a way forward for extra care at the site in early 2020. This work was impacted by a series of events outside of the control of commissioning officers, ultimately being impacted by the onset of the COVID-19 pandemic.
- 3.2. The Leeds Model for Extra Care was first introduced in Leeds in 2016. This model embeds the ethos of direct choice and the freedom of the individual to source their care and support from whichever providers they choose. The current block arrangements that had been set in place at existing extra care schemes in the city manage this choice by allowing individuals to opt out of the block if they so wish. At Hampton Crescent, all current tenants have stayed with Creative Support Ltd.
- 3.3. Client satisfaction with the service delivered has been consistently high throughout the contract with Creative Support Ltd receiving regular positive feedback. The quality audit for the period January to March 2020 reflected that the majority of respondents (19 out of 20) felt the service was 'excellent' (16 people) or 'good' (3 people). The 'You Said We Did' engagement for the same period reflected that the feedback was very positive and that all respondents expressed that there were no improvements to be made.
- 3.4. Commissioning officers are looking to maintain this provider/customer relationship through issuing a contract through direct award. This would be based on the current block contract approach with the aim of providing all parties the necessary time to engage and introduce the new Leeds Model of Extra Care to the site. This will ensure minimum disruption and will enable officers to keep Creative Support Ltd as one of the choices for individuals living at Hampton Crescent.
- 3.5. The grounds for the direct award is based on the nature of the work to take place, that being a move to ultimately further empower individual choice over the provider of planned care and support at the scheme. Current tenants have the choice to opt for their own provider outside of the block contracting arrangement, however all Leeds City Council nominated tenants have stayed with the onsite provider. Going forward the new model will look to offer them the choice of maintaining this arrangement or seeking to make a new arrangement with a different provider if they so choose. This approach will ensure that their provider Creative Support Ltd remains as one of their options for the period of this contract until the introduction of the new Leeds Model of Extra Care that will be introduced under a new report that will require DLT approval by spring 2021. It will also help to ensure a smooth transition to a new model by working with the existing, established provider to do so.
- 3.6. Commissioning officers have undertaken work to evaluate how the Leeds Model for Extra Care operates in comparison to the block approach. This work has involved ensuring that the Directorate Leadership Team (DLT) for the Adults and Health Directorate has been engaged around seeking solutions to key areas that differ between the two different approaches to commissioning extra care in the city. Commissioning officers will be looking to finalise this work autumn 2020 with the aim of engaging with all existing onsite providers to help introduce the model at the extra care schemes affected, including Hampton Crescent, within the 2021/22 financial year.
- 3.7. While still to be fully finalised, the core proposals of how existing block contracts can be brought in line with the Leeds Model for Extra Care include: managing all

planned care and support in extra care settings through direct payments and/or managed budgets, ultimately funded through the home care budget, and; having all new referrals into extra care meet the wellbeing charge aspect through their own means such as Attendance Allowance. For existing service users living within extra care commissioning officers would look to shield them from these new costs by recognising their preserved rights, which would result in a level of block contract payment still being made but would not introduce any new costs to the Council.

- 3.8. All reports produced in connection to this work around the Leeds Model for Extra Care have stipulated that commissioning officers would, wherever possible, endeavour to ensure: a zero impact on existing tenants; provide evidence that value for money is achieved, and; ensure the Council's commitment to the Unison Ethical Care Charter and a real living wage is included. These commitments continue to remain relevant.
- 3.9. Creative Support engaged with commissioning officers around the uplift applied to the contractual value for 2020/21. Financial evidence was submitted by the provider showing the level of uplift needed to meet the requirements of a £9.18 hourly base rate for care staff. There was a difference of £832.24 to the value set at the start of the financial year as part of wider budgeting processes. These details were shared with finance colleagues and the difference of £832.24 recognised as reasonable based on comparison of the wider home care rate minus travel costs.

4. Corporate considerations

4.1. Consultation and engagement

- 4.1.1. As part of the review and contract management work to date, service users, carers and providers have been consulted with by the commissioning team on the quality of the existing services. This work will continue for the duration of the proposed 12 month contract period.
- 4.1.2. Engagement is ongoing with the current provider Creative Support with regards to the proposed contractual arrangements and continuation of paying an hourly rate in line with the Unison Ethical Care Charter of £9.18 for care staff at Hampton Crescent.
- 4.1.3. Further consultation and engagement will take place with all relevant stakeholders as commissioning officers work to revise current arrangements and bring them more in line with the Leeds Model for Extra Care.
- 4.1.4. The Executive Member for Health, Wellbeing and Adults has been briefed on this decision as of the 8th September 2020.

4.2. Equality and diversity / cohesion and integration

- 4.2.1. An Equality and Diversity Impact Assessment Screening Tool has been completed and is included at Appendix 1. This assessment demonstrates that the service meets the desired equality requirements.
- 4.2.2. Appropriate policies and procedures are in place with the provider Creative Support.

4.3. Council policies and the Best Council Plan

- 4.3.1. The work of extra care services helps contribute to all of the outcomes stated in the current Leeds Joint Health and Wellbeing Strategy. The nature and ethos of the services contribute to: people living longer and healthier lives; helping people to live full, active and independent lives; ensuring that people's quality of life is improved by access to quality services; involving people in decisions made about them, and; helping people to live in healthy and sustainable communities.
- 4.3.2. The main domains of the Best City Priorities as stated in the Best Council Plan 2020-2025 that this report contributes towards are 'Health and Wellbeing' and 'Age-Friendly Leeds'. The contract works towards achieving the outcomes: 'Be safe and feel safe'; 'Enjoy happy, healthy and active lives', and; 'Live with dignity and stay independent as long as possible'.

Climate Emergency

- 4.3.3. In March 2019 Leeds City Council unanimously declared a climate emergency. In response to this emergency the Council is working towards carbon neutrality by 2030. The plan to achieve this goal includes: reducing pollution and noise; improving air quality, and; promoting a less wasteful, low carbon economy. Extra care services such as the ones covered in this report contribute towards this by having site-based care teams deliver care and support to individuals without the need for staff to drive between visits or utilise multiple vehicles to provide visits to individuals living within close proximity of one another.

4.4. Resources, procurement and value for money

- 4.4.1. The total value of the contract is £302,659.70 for the 12 month period (subject to variation for uplifts). This will bridge the financial years 2020/21 and 2021/22.
- 4.4.2. When considering value for money, the most relevant comparison for extra care is a residential-type service. This is due to both services sharing commonalities around staffing costs, with both extra care schemes and residential homes requiring adequate care staffing to ensure a feasible 24-hour presence. In Leeds in 2020/21 the standard weekly cost of residential care to the Council is £559 per person. The average cost per person per week at Hampton crescent is approx. £145.11 based on the 40 apartments the Council holds nominations to. This calculates to be 26% of the cost of weekly residential care.
- 4.4.3. The total cost of the 12 month contract may also be subject to further uplifts as appropriate in line with the Council's ongoing work as part of our commitment to the Unison Ethical Care Charter.
- 4.4.4. There will be some resource implications in terms of monitoring and reviewing the contract in order to ensure the service continues to meet the necessary outcomes and that it delivers best value. These resources will be provided from within existing hours in the A & H commissioning and contracts teams.
- 4.4.5. The review and any subsequent redesign and remodelling of the service will focus on delivering value for money and ensuring efficiency within the service delivery where possible.
- 4.4.6. The services covered by this contract award fall under Leeds City Council's duties and powers to meet needs for care as stipulated in the Care Act 2014. Commissioning officers have worked to ensure that the financial impact of this decision is at the most favourable price and have engaged with colleagues within

the Finance Team to discuss this. Any future adjustments to rates associated to this contract will be made at the minimum cost possible to meet the specific requirements of the contract and any commitments made by Leeds City Council, such as commitments made under the Unison Ethical Care Charter.

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

- 4.5.1. As the value of this decision is over £100,000 but below £500,000 this is a significant operational decision and is therefore not subject to call in. This report does not contain any exempt or confidential information under the Access to Information Rules.
- 4.5.2. The value of the proposed contract detailed in this report is below the threshold for the application of the Public Contracts Regulations 2015 and therefore is not subject to the full EU procurement rules.
- 4.5.3. Awarding a new contract direct to a provider in this way without seeking competition could leave the Council open to a potential claim from other providers, to whom this contract could be of interest, that the Council has not been wholly transparent. In terms of transparency it should be noted that case law suggests that the Council should always consider whether contracts of these values should be subject to a degree of advertising. It is up to the Council to decide what degree of advertising would be appropriate. In particular, consideration should be given to the subject-matter of each contract, the estimated value, the specifics of the sector concerned (size and structure of the market, commercial practices, etc), the geographical location of the place of performance and how individual service user choice has been expressed through any existing arrangements.
- 4.5.4. Due to the nature of the services being delivered and the requirement to be physically located in Leeds, it is the view of officers that the scope and nature of the services is such that it would not be of interest to providers in other EU member states. The decision maker has considered this and is also of the view that the contract would not be of interest to providers in other EU member states.
- 4.5.5. There is a risk of an ombudsman investigation arising from a complaint that the Council has not followed reasonable procedures, resulting in a loss of opportunity. Obviously, the complainant would have to establish maladministration. It is not considered that such an investigation would necessarily result in a finding of maladministration however such investigations are by their nature more subjective than legal proceedings.
- 4.5.6. There is the potential risk of challenge that there are no real technical reasons justifying the direct contract award, and that the Council is simply seeking to circumvent the application of procurement rules. However, due to the reasons set out in Section 3.5 of this report this risk is perceived to be low.
- 4.5.7. These comments should be noted by the Director of Adults and Health in making the final decision as to the award of this contract being the best course of action for the Council and that in doing so it represents best value for the Council.

4.6. Risk management

- 4.6.1. The existing contract agreement was set in place in line with the Council's CPRs.
- 4.6.2. If the recommendation is not approved there is a risk that services could cease or be disrupted and service users will no longer be able to access support. This would

impact on individuals who have been assessed as requiring care and support under the Care Act 2014.

5. Conclusions

- 5.1 The direct award of a contract in accordance with CPR 9.5 will ensure that arrangements at Hampton Crescent remain on contract and offer the best scenario for commissioning officers to engage in the introduction of the Leeds Model of Extra Care at this scheme. This will maintain the existing arrangements that tenants have and which they highly rate. The direct award will ensure that their provider Creative Support Ltd remains as one of their options as officers look to move away from a block contracting model to direct payments or managed budgets by the end of the contracting period covered by this report.
- 5.2 Commissioning officers will utilise the time this contract offers to engage with the Directorate Leadership Team on shaping the proposals and working with the current provider to ensure the smoothest transition to the new model of direct purchase that is at the core of the Leeds Model for Extra Care.
- 5.3 The Commissioning Officer will oversee implementation of the contract in conjunction with Procurement and Commercial Services and all services covered by the contract will be subject to robust contract monitoring and on-going review, both in terms of quality and value.

6. Recommendations

- 6.1 The Director of Adults and Health is recommended to approve the direct award of a 12-month contract in accordance with CPR 9.5 to Creative Support Ltd for extra care services at Hampton Crescent. This contract is to commence 1st November 2020 and is for a total value of £302,659.70 (subject to variation for uplifts as set out in the 'Resource Implications' section).
- 6.2 The Director of Adults and Health is recommended to approve commissioning officers commence work to bring Hampton Crescent in line with the Leeds Model for Extra Care
- 6.3 Officers on behalf of Adults and Health Integrated Commissioning and Procurement and Commercial Services will complete all of the actions necessary to ensure this contract is in place for the 1st November 2020.

7. Background documents¹

- 7.1. None

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.