

Request approval to undertake a direct award, in accordance with CPR 9.5, to enter into a 12 month contract with the option to extend for a further period of up to six months with Creative Support Ltd for the provision of extra care at Hampton Crescent from 1st November 2021 to 31st October 2022

Date: 22<sup>nd</sup> September 2021

Report of: The Deputy Director of Integrated Commissioning

Report to: The Director of Adults and Health

Will the decision be open for call in? Yes No

Does the report contain confidential or exempt information? Yes No

## What is this report about?

### Including how it contributes to the city's and council's ambitions

- 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 2021.
- This report is seeking approval to enter into a new contract as a result of a direct award utilising Contract Procedure Rule 9.5, with the current service provider at Hampton Crescent, Creative Support Ltd, for a period of 12 months with the option to extend for a further period of up to 6 months in any combination. The annual value of this contract is £307,787, the value increases to £461,680 when including the 6-month extension.
- Extra Care services contribute to the current Leeds Joint Health and Wellbeing Strategy outcomes by supporting older people to live full, active and independent lives in healthy and sustainable communities. Extra care also contributes to meeting outcomes under the domains of 'Health and Wellbeing' and 'Age-Friendly Leeds', which form part of the Best Council Plan 2020-2025.

## Recommendations

- a) The Director of Adults and Health is recommended to approve the direct award of a 12 month contract, with the option to extend for a further period of up to 6 months in any combination, in accordance with CPR 9.5 to Creative Support Ltd for the provision of extra care services at Hampton Crescent. This contract is for the period 1 November 2021 to 31<sup>st</sup> October 2022 in the sum of £ 307,787 the value increases to £461,680 when including the 6 month extension (subject to variation for uplifts as set out in the 'Resource Implications' section). The decision to utilise the extension period will be subject to a separate decision at the appropriate time.
- b) Officers on behalf of Adults and Health Integrated Commissioning and Procurement and Commercial Services will complete all the actions necessary to ensure this contract is in place for the 1st November

2021. Commissioning officers with support from the transformation team will continue to finalise work that will see Hampton Crescent brought in line with the Leeds Model for Extra Care

### Why is the proposal being put forward?

- 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. Leeds Adults and Health hold nomination rights to all forty apartments.
- 2 Since 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 due to the previous provider's decision to withdraw from delivering care services at the scheme. Care and support at Hampton Crescent has historically been managed through a block contract arrangement for 383 hours per week (including 63 hours for a waking night), however a new model of commissioning extra care (The Leeds Model) moves away from the block contracting model and towards a model of individual arrangements. As extra care increases across the city this is the favoured model for enabling choice and control.
- 3 The current contract for Hampton Crescent expires on 31st October 2021. 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.
- 4 Longer term arrangements for the site are to be developed in line with the Leeds Model for Extra Care. Commissioning officers are engaging the support of colleagues in the transformation team to fully explore the best means to roll the model out across extra care services, which includes a review of past work on the model and assumptions made at the time of its development. Once this is complete the roll out of the model should be able to commence in earnest. This will include commencing negotiations with onsite providers at legacy extra care schemes with the aim of establishing new agreements in line with the Leeds Model for Extra Care.

### What impact will this proposal have?

**Wards Affected:**

Have ward members been consulted?      Yes      No

- 5 The direct award of a contract requested here seeks to maintain the current service with no disruption. As such ward members have not been consulted on the proposal.
- 6 The grounds for the direct award are 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.
- 7 Care and support at Hampton Crescent continue 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.

### **What consultation and engagement has taken place?**

- 8 As part of the review and contract management work to date, service users, carers and the provider have been consulted with by the commissioning team on the quality of the existing services. Engagement will continue in the form of monitoring for the duration of the proposed 12 month contract and any extension period.
- 9 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.
- 10 The Executive Member for Health, Wellbeing and Adults has been briefed on this decision as of the 8th September 2021

### **What are the resource implications?**

- 11 The annual value of this contract is £307,787 with the total value of the contract, if the full extension period is utilised, being £461,680.50 (subject to variation for annual uplifts at 1.5%). This will bridge the financial years 2021/22 and 2022/23. Budget has been allocated within the 2021/22 financial year for the service.
- 12 The total cost of the 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.
- 13 There will be some resource implications in terms of monitoring and reviewing the contract 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.

### **What are the legal implications?**

- 14 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.
- 15 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. However, due to the specialist nature of the contract and the fact that it is considered that only this organisation can provide this service, it is considered that such a risk is very low.
- 16 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.
- 17 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.

- 18 Although there is no overriding legal obstacle preventing the course of action set out in this report, the above comments should be noted. In making their final decision, the Director of Adults and Health should be aware of the risk of challenge to the Council and be satisfied that on balance the course of action chosen represents Best Value for the Council.

### **What are the key risks and how are they being managed?**

- 19 The existing contract agreement was set in place in line with the Council's CPRs.
- 20 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.

### **Does this proposal support the council's 3 Key Pillars?**

Inclusive Growth                       Health and Wellbeing                       Climate Emergency

- 21 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.
- 22 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'.

### **Options, timescales and measuring success**

#### **a) What other options were considered?**

- 23 The direct award of a contract for the period requested is the most feasible option as it helps continue existing arrangements and ensures continuity for all service users engaging with Creative Support at Hampton Crescent. The direct award supports the further intentions of utilising the negotiated procedure for contract award in moving forward once the Leeds Model for Extra Care review has been completed.

#### **b) How will success be measured?**

- 24 Ongoing monitoring and evaluation of the contract will ensure the service continues to meet the necessary outcomes and that it delivers best value. Commissioning and contracts officers within A&H will oversee the monitoring activity.

#### **c) What is the timetable for implementation?**

- 25 If the recommendation for a direct award is approved commissioning officers and officers from procurement and commercial services will oversee implementation of the new contract for a total of 12 months with the option to extend for a period of up to a further six months in any combination is in place before the current contract expires on 31<sup>st</sup> October 2021 to allow the new contract to begin on 1<sup>st</sup> November 2021.

## **Appendices**

26 Appendix 1: Equality Impact Assessment.

## **Background papers**

27 None.