

# Request to utilise the extension period of 24-months with Roche Homecare Limited for 24/7 onsite care presence and the provision of care and support at Wharfedale View from the 1<sup>st</sup> October 2024

Date: 25<sup>th</sup> September 2024

Report of: 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

## Brief summary

The report seeks permission to utilise the 24-month extension provision for the 24/7 onsite care presence and the provision of care and support at Wharfedale View delivered by Roche Homecare Limited, formerly Roche Healthcare Limited. The option to extend was previously approved as part of the Key Decision for the award of the current contract, taken on the 22<sup>nd</sup> September 2021 (ref. D54483). The value of the full extension is estimated to be £779,573, calculating to be £389,786 per annum. This is statutory expenditure for the delivery of planned care and support and continues to be delivered at an hourly rate that tracks under the current Home Care Urban rate. Commissioning officers will utilise the extension to undertake a service review and any ensuing procurement activity.

## Recommendations

- a) The Director of Adults and Health is recommended to approve the contract extension of 24-months with Roche Homecare Limited for extra care services at Wharfedale View (DN574237). The provision to extend is set in the Contract Terms. This extension will commence on 1<sup>st</sup> October 2024 and has a total actual value of £40 for the two-year period. The potential cost associated to this contract through home care expenditure is estimated to be £779,573 over the full 24-months/two-year period, or £389,786 per annum. This expenditure is incurred either through Direct Payments and/or managed budgets. The actual expenditure will be subject to any uplifts undertaken as part of the wider annual fee review for externally commissioned adult care services and also dependent on service demand.
- b) Officers on behalf of Adults and Health Integrated Commissioning and Procurement and Commercial Services will complete all the actions necessary to ensure the extension is in place for the 1st October 2024.
- c) Recognise that the Appendix 2 should be designated as exempt from publication with Access to Information Procure Rule 10.4 (3).

## What is this report about?

- 1 The report seeks approval from the Director of Adults and Health for the contract extension option highlighted in the previous award report (ref. D54483) to be utilised to enable Roche Homecare Limited to continue to deliver the 24/7 onsite care presence and the provision of care and support at Wharfedale View extra care scheme.
- 2 The current contract is due to end on the 30<sup>th</sup> September 2024. The extension will continue to ensure service continues under contract and will provide the time necessary for commissioning officers to undertake a service review and any ensuing procurement activity.
- 3 Extra Care housing is primarily designed for people who have care and support needs as well as a housing need. Extra care provides on-site access to 24/7 emergency or unplanned care (the core element of the model) which is an additional feature that separates it from other forms of retirement living.
- 4 Wharfedale View is one of 14 schemes across the city where Leeds City Council's Adults and Health (A&H) Directorate hold nomination rights to apartments. The scheme is owned and operated by Housing Leeds and consists of 45-apartments in total, with nominations held to 36 of these.
- 5 Nominations to 36-apartments generates an estimated 250-hours per week of planned care based on a balanced community split of 30% low, 30% moderate and 40% high. In delivery this has been found to be slightly higher, indicating that clients generally have higher care and support requirements. The demand is dispersed over fewer apartments but with a higher ratio of high care hours (82%) across those active apartments. This is not unusual for an extra care setting and is observed at other schemes across the city.

## What impact will this proposal have?

- 6 The extension will ensure arrangements continue under contract and that Roche Homecare Limited remains the provider of choice for tenants planned care and support as well as the default provider for the 24/7 wellbeing presence to respond to any unplanned and non-statutory care requirements.

## How does this proposal impact the three pillars of the Best City Ambition?

Health and Wellbeing

Inclusive Growth

Zero Carbon

- 7 The work of extra care services helps contribute to the outcomes stated in the current Leeds Joint Health and Wellbeing Strategy 2023-2030. The nature and ethos of the services contribute to: people living longer and having happier, 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; actively involving people in their health and care, supported by their communities, and; helping people to live in healthy, safe and sustainable places.
- 8 Extra care and the services available within schemes helps contribute to the ambition stated in the Age Friendly Leeds Strategy and Action Plan 2022-2025 which looks to ensure that Leeds is the best city to grow old in and a place where people age well, where older people are valued, feel respected and appreciated and are seen as the assets that they are. Schemes such as Wharfedale View and the support Roche Homecare Limited provides there can help people to maintain an individual's independence within the wider community for longer within an environment that can support mental wellbeing and peace of mind.

## What consultation and engagement has taken place?

Wards affected: The service is based and delivered at Wharfedale View, Yeadon in the Otley and Yeadon Ward however access to the service can be made anywhere across the city.

Have ward members been consulted?       Yes                       No

- 9 Commissioning officers looked at the most recent performance survey undertaken by Roche Homecare Limited at Wharfedale View and noted a high level of satisfaction with the existing service. This is positive for a decision to proceed with the extension.
- 10 Colleagues within Housing Leeds were contacted to inform them of the extension and to highlight the planned review that would be taking place over the coming months.
- 11 Engagement took place with the existing provider. This established their willingness to continue with the contract under its current terms.

## What are the resource implications?

- 12 The direct contract value for the extension is a nominal £20 per annum, £40 for the full two-years the 24-month extension represents. This value is set as there is no other direct payment between Leeds City Council and Roche Homecare Limited within the contract, with the wellbeing charge paid directly by customers and planned care and support covered either through Direct Payments or managed budgets. The nominal £20 per annum provides a financial consideration to the contract.
- 13 The total estimated cost to the Council through either Direct Payments or managed budgets is estimated to be £779,573 for the two-year period of the extension. This estimate has been calculated based on the 2023/24 financial year expenditure which came to £367,325 for 16,888.50 hours of care. The estimate provided here is based on that number of hours but priced at the £23.08 hourly rate currently set for 2024/25.
- 14 The estimate provided here is based upon information available at the time of producing this report and, as the contract is demand-led, could vary during the lifetime of the extension depending on the number of residents receiving care from Roche Homecare Limited and the hours of care identified through the care planning process. As the amount paid is based on actual demand and uptake, the final value is subject to fluctuation and could go up representing a cost pressure or down, representing a cost saving.
- 15 The above costs are to be met through the home care budget, reflecting the nature of the service being delivered.
- 16 The annual costs linked to the contract will increase in line with any agreed adjustments made as part of the Council's commitment to being a living wage employer. The funding to meet this probable future pressure will be addressed through the Council's Medium Term Financial Strategy, which gives consideration to committing to a real living wage and will be managed through the annual fee review for externally commissioned adult care services.
- 17 The hourly rate for Roche Homecare Limited at Wharfedale View continues to compare favourably to the home care rates. Details are contained in Appendix 2 and are identified as exempt/confidential under the Access to Information Rules 10(3). This rule states that information relating to financial or business affairs is exempt if and so long, as in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

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

- 18 A risk is the service going off contract while alternative arrangements are set in place. This is mitigated by the existing contract agreement that was set in place in line with the Council's CPRs and which this extension would continue.
- 19 The contract is subject to ongoing monitoring and support from A&H Integrated Commissioning team to ensure it is managed and delivered appropriately. This includes engagement with safeguarding alerts and complaints as and when they may occur.
- 20 Any uplifts to be applied to the contract are managed through the annual fee review for externally commissioned adult care services, which should ensure the rate paid remains value for money when benchmarking against its home care comparators.
- 21 The 24-months extension requested in this report remains subject to the existing terms and conditions of the original contract, including existing termination and break clauses. The break clause within the contract is subject to the standard six months' written notice to the contractor.

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

- 22 As this decision is a direct consequence of a previous Key Decision and the projected total value is in excess of £250,000 the decision is being taken as a Publishable Administrative Decision which is not subject to call in.
- 23 Whilst the actual contract sum for the contract between the council and the provider is £20 per annum (£40 over the lifetime of the contract extension), the decision is being treated as a Publishable Administrative Decision on the grounds of openness and transparency.
- 24 The information in Appendix 2 of this report has been identified as exempt/confidential under the Access to Information Rules 10.4(3). The public interest in maintaining the exemption in relation to the confidential appendices outweighs the public interest in disclosing the information and financial details which, if disclosed would adversely affect the business of the Council and the business affairs of a number of individual companies.
- 25 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.

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

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

- 26 Based on existing contract performance, the option to utilise the existing extension was perceived as the correct way forward at this juncture in time. The option will allow officers to complete a service review and undertake all necessary next steps in ensuring a high quality service continues to be delivered at the Wharfedale View extra care scheme.

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

- 27 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.

### **What is the timetable and who will be responsible for implementation?**

- 28 If the recommendation to utilise the existing extension is approved commissioning officers and Procurement and Commercial Services will oversee the necessary steps to set the extension in place prior to the current contract ending on the 30<sup>th</sup> September 2024.

## **Appendices**

- Appendix 1: Equality, Diversity, Cohesion and Integration Screening Toolkit
- Appendix 2: Commercially sensitive data relevant to the report

## **Background papers**

- None