



CABINET – 16 SEPTEMBER 2022

EXTRA CARE SERVICE REVIEW AND PROCUREMENT

REPORT OF THE DIRECTOR OF ADULTS AND COMMUNITIES

PART A

Purpose of the Report

1. The purpose of this report is to provide the Cabinet with an update on the outcome of a review that has been undertaken on the Extra Care Service and seek approval for proposed changes in relation to the way in which elements of the Service will be commissioned and operated.
2. The report also seeks approval for the commencement of a procurement exercise for the provision of care and support provided in extra care housing schemes.

Recommendations

3. It is recommended that:
 - a) The outcome of the review of the Extra Care Service be noted;
 - b) The proposed changes to the way in which the Wellbeing Service element of the Extra Care Service is delivered be approved;
 - c) The Director of Adults and Communities be authorised to commence a procurement exercise for the care and support provided in the Leicestershire extra care housing schemes and enter into any contractual arrangements necessary to bring into effect the provision from 1 April 2023.

Reasons for Recommendation

4. The new contract for the Extra Care Service needs to be in place by 1 April 2023 and subject to approval the procurement exercise is anticipated to commence in October 2022.
5. As part of the re-procurement of the Service there is opportunity for the County Council to adjust the way it operates the Service and the way it works in partnership with the housing and care providers through a more formal

partnership arrangement between stakeholders to further develop social opportunities onsite and to provide a more efficient and cost-effective service.

Timetable for Decisions (including Scrutiny)

6. Subject to the agreement of the Cabinet, procurement will commence in October and be completed early in 2023, contract mobilisation will follow and the new Service will commence in April 2023. Market intelligence suggests there will be sufficient interest to deliver a successful procurement. Both current care providers have expressed an informal interest in bidding.
7. The Adults and Communities Overview and Scrutiny Committee considered a report on 5 September 2022 and its comments will be reported to the Cabinet.

Policy Framework and Previous Decisions

8. Extra Care services promote independence, keeping people well and provide an alternative to residential care. The proposals in this report link to the Council's Strategic Plan for 2022–2026, approved by the County Council in May 2022, and specifically the aims under the Keeping People Safe and Well outcome, a key aspect of which is to ensure the people of Leicestershire live in a healthy environment and have the opportunities and support they need to take control of their health and wellbeing.
9. The fundamental principle of the “Delivering Wellbeing and Opportunity in Leicestershire, the Adults and Communities Department Ambitions and Strategy for 2020–2024”, approved by the Cabinet in September 2020, is Wellbeing. The main proposals in this report relate to the way in which the Wellbeing Service (an aspect of the Extra Care Service) is commissioned and operated going forward.
10. The proposals also align with the aims of the Accommodation Strategy for Older People 2016-2026 which was approved by the Cabinet in November 2016 and Building Accommodation to Meet the Needs of People in Leicestershire, Investment Prospectus 2019–2037, which was approved by the Cabinet in June 2019.

Resource Implications

11. Total Extra Care expenditure consists of two parts - the commissioned care budget which is £1,038,000 for 2022/23, and the Wellbeing Service budget, which is £912,000 per annum, giving total expenditure of £1,950,000 for 2022/23. The cost of the Wellbeing Service is currently mitigated by a charge of £70 per week paid by tenants, giving a net estimated cost of the Extra Care Service of £1,590,000.
12. By requiring the onsite provider to meet unplanned care needs during the day by staff onsite delivering commissioned care, the daytime element of the current £912,000 funding can be removed. This will generate a saving that is equivalent to the cost of the daytime element of the current Wellbeing Service

of £572,000 per annum, which will mitigate the loss of income to the Council from the removal of the Wellbeing Service charge of £70 per week, estimated to total £306,000 per annum.

13. The new model proposed will ensure that the Council is making efficient use of available resources with a potential net saving of circa £266,000 per annum through the delivery of the revised Service.
14. The Director of Corporate Resources and Director of Law and Governance have been consulted on the content of this report.

Circulation under the Local Issues Alert Procedure

15. This report will be circulated to all members.

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PART B

Background

Extra Care Services

16. The term Extra Care is used to describe developments that comprise self-contained homes with design features and support services available to enable self-care and independent living.
17. There are currently six Extra Care schemes within Leicestershire across Blaby, Charnwood and Melton. Each scheme is similar in approach, apartments are let from the housing provider (i.e. the owner of the relevant scheme) with any care required being commissioned by the Council through an onsite care provider.
18. Most people accessing Extra Care via the Department will have an assessed eligible care need whilst others access the schemes via the housing provider. Most have care needs, some may not, but seek appropriate accommodation and security of living in such settings.
19. There are two aspects to the Extra Care Service; the individually commissioned personal care, and the Wellbeing Service, which supports all tenants in the scheme, whether they have commissioned care or not. Delivered by the care provider, the Wellbeing Service provides for the meeting of unplanned care needs 24 hours per day, seven days per week, and the provision of social support that varies from the organisation of social activities to regular checks to make sure tenants are safe and well.
20. There are circa 199 Extra Care flats occupied in the County and 125 of the tenants are in receipt of commissioned personal care. A number have chosen to purchase their care direct from the onsite care provider. The Council commissions circa 1,700 hours of care per week for tenants which is relatively low compared with comparator local authorities.
21. The unit costs at five of the six schemes are considered to be equitable, the exception being the Melton scheme which has a market-led rate due to the limited number of bids (one in total) received as part of the previous tender to procure the Service.
22. The current care contracts (Commissioned Care and the Wellbeing Service) across the six schemes have been operating since 29 October 2018 and are due to end on 31 March 2023.

Review of the Services

23. In line with commissioning practice, a review of the Extra Care Service commenced in 2021 as the contract end date approached. That review covered all aspects of the Service; quality of care, the Wellbeing Service and the way

the housing provider, the onsite care provider and the Council worked together to support tenants.

24. As part of the review, engagement with tenants and providers was carried out to seek their views on the support offered by the existing service, which mainly related to the quality of the care they received and the social opportunities and interactions created by the Wellbeing Service. Information was also gathered from colleagues on the operation, effectiveness and funding of the Service. Comparisons with similar services, regionally and nationally, were also undertaken and best practice in the sector gathered to inform the review.
25. In undertaking the review, improvements have been identified that will enable the Service to operate more effectively, for example, a partnership agreement between the housing provider, care provider and Council will be developed and Council link workers identified.
26. However, the main area of concern identified was the cost and operation of the Wellbeing Service. The Wellbeing Service has a relatively high cost of £70 per week for tenants when compared with similar services, and the gross cost to the Council of £912,000 per annum.

Engagement

27. Key to the Service review were engagement activities with the key stakeholders in the Service which included:
 - tenants living in the schemes and their families;
 - care providers;
 - housing providers.
28. The Extra Care housing providers across the six schemes (Places for People, East Midlands Housing Association, Anchor and Melton Borough Council) were asked to form a provider reference group, chaired by a Council officer, which meets regularly. The group has helped to shape the proposals for the future operation of the Extra Care service set out below including the proposal relating to the take over and development of the social inclusion and support service.
29. The current care providers (Help at Home and Radis) have also been briefed on the proposed changes to the Wellbeing Service, and like the housing providers, will be further briefed on the preferred option. Thus far, they have both informally indicated a willingness to bid for the new contract.
30. Engagement with tenants at each scheme was undertaken in 2021 to ascertain their experience and views of the Service, and the advantages and disadvantages as they see them of living in the Extra Care schemes. Tenants' views were obtained by holding a meeting at each scheme so that they could discuss the Service with Council staff. They also had the opportunity to complete a feedback form and to speak privately to a member of staff to give their views.

31. A number of questions were explored, mainly through discussions with tenants who were asked why they had moved into an Extra Care scheme, how their lives had improved since moving, and what changes they thought should be made to the model. Responses were overwhelmingly positive about the concept of living in an Extra Care environment and there was little to suggest the tenants would change anything about the housing with care model.
32. However, some concerns were raised about cost, the activities that were available and the people with a high level of need locating to the Service, who could not therefore enjoy the benefits of Extra Care.
33. A further round of engagement, which again incorporated the opportunity for tenants and their families to either meet in small groups at each scheme, discuss the Service privately, by telephone or provide their views via a form or a combination of those approaches, was completed in August 2022. In this way the Council obtained their views in relation to the specific changes proposed to the Wellbeing Service and how they affect them.
34. A full report will be produced but the initial feedback indicates that tenants welcomed the proposed changes, particularly the removal of the wellbeing charge, more activities and social interaction. They were pleased that the Council had requested their views, listened and were acting on them.
35. As is common with such exercises, a number of tenants raised issues not related to the proposals, but particular to their circumstances. Officers are supporting those tenants to resolve such queries.

Proposed Changes to Procurement of the Wellbeing Service

36. The proposal relates to the change in the way the Wellbeing Service will be commissioned and operated. Currently, both elements of the Service (the unplanned care element and the social inclusion and support element) are delivered by the care provider.
37. A range of options have been explored to maximise the impact of the Service whilst delivering an efficient and cost-effective offer. These included operating a floating service across the schemes or removing the unplanned care service altogether. However, these were deemed not to be viable due to both offering a reduced offer to tenants and fundamentally changing the Extra Care Service in the County.
38. The proposed approach is detailed as follows:
 - Unplanned care needs for tenants will continue to be met by the care provider that will offer a 24/7 response.
 - Social inclusion and support to be delivered by the housing provider, as they have more experience in providing this sort of service. This will

provide a much more comprehensive service than that currently provided by the care provider, drawing on a great deal of experience in this area.

39. The proposed unplanned care service will support Leicestershire's Extra Care provision to cater for more people with higher care and support needs as an alternative to residential care. The model will also ensure that those with assessed night care and support will be incorporated within the night model, albeit supplemented by additional staff where needed.
40. This new approach will ensure tenants still have 24/7 support should an unplanned care need arise, but the £70 per week charge will be removed. The housing provider will also provide social support and activities, for which there will be a smaller charge, to be agreed with the housing provider.

Conclusion

41. The proposed changes will benefit tenants by providing a more efficient and cost-effective service. They are also expected to benefit the housing and care providers involved by bringing more clarity to their respective roles and the Council by reducing the overall cost of the Service.

Equality and Human Rights Implications

42. An Equality and Human Rights Impact Assessment (EHRIA) Screening document has been produced incorporating the preferred option and this showed that there will be a positive impact on all diverse groups and, as such, a full EHRIA is not required.

Environmental Implications

43. This Service review and procurement is not a major project so completion of the Environmental Implications Tool (EIT) is not compulsory, but is recommended. An EIT has therefore been completed and the score recorded is 0 – Neutral. This will be reviewed as the project commences. Environmental implications feature in the social value element of the procurement that will be undertaken.

Partnership Working and Associated Issues

44. The partnership agreement will relate to the operational activities of the Extra Care Service and communications between the three partners: the Council, the housing provider and the care provider. Following the procurement exercise these arrangements will be finalised and agreed by senior departmental officers.

Risk Assessment

45. Risks have been reviewed regularly by senior officers. Key risks identified and mitigated related to current service provision, contract extension and procurement. A risk log will be maintained until mobilisation is complete.

Background Papers

- County Council's Strategic Plan 2022 – 2026
<https://www.leicestershire.gov.uk/sites/default/files/field/pdf/faq/2022/4/12/Appendix-B-LCC-Strategic-Plan-2022-26.pdf>
- Delivering Wellbeing and Opportunity in Leicestershire
<https://resources.leicestershire.gov.uk/sites/resource/files/field/pdf/2020/9/30/Vision-and-Strategy-for-Adults-and-Communities-Department-2020-2024.pdf>
- Accommodation Strategy for Older People 201 – 2026
<https://resources.leicestershire.gov.uk/sites/resource/files/field/pdf/2019/7/2/accommodation-strategy-for-older-people-2016-2026.pdf>
- Building Accommodation to meet the Needs of People
<https://resources.leicestershire.gov.uk/sites/resource/files/field/pdf/2019/10/25/Building-accommodation-to-meet-the-needs-of-people-in-Leicestershire.pdf>
- Report to the County Council on 23 February 2022 – Medium Term Financial Strategy 2022/23 – 2025/26
<https://politics.leics.gov.uk/ieListDocuments.aspx?CId=134&MId=6481&Ver=4>
- Report to Adults and Communities Overview and Scrutiny Committee: 5 September – Extra Care Service Review and Procurement
<https://politics.leics.gov.uk/ieListDocuments.aspx?CId=1040&MId=6841&Ver=4>