



Adults and Safeguarding Committee

23 November 2020

Title	Care and Support service at Stagg House Extra Care Scheme
Report of	Chairman of the Adults and Safeguarding Committee
Wards	All
Status	Public
Urgent	No
Key	No
Enclosures	None
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Summary

Extra care housing is defined as specialist accommodation designed to maximise the independence of older people by providing a safe, secure and stimulating environment.

The Barnet Housing Strategy (2015 – 2020) and the Adults and Safeguarding Committee Commissioning Plan (2015 – 2020) identified the need for the borough to expand the provision of extra care housing as an effective alternative to residential care.

Barnet Homes were commissioned to act as development agent on behalf of Barnet Council, to develop a pipeline of affordable Extra Care housing. The business case setting out a development pipeline of 227 Extra Care units was agreed by the Adults and Safeguarding Committee on 10 November 2016.

The first scheme, a 53-unit development in Mill Hill, Ansell Court, was completed in January 2019 and residents moved in from April 2019 onwards. Stagg House a 51-unit development, in Burnt Oak is the second of three schemes to be built and Cheshir House, a 75-unit development will be the third.

Fifteen million pounds of capital funding was secured for the development of the Stagg House site. Following appointment of a building contractor in February 2020 work has commenced and the estimated completion date of the building is April 2022.

As per the approach adopted during the Ansell Court development, the council aims to enter into contract with a care and support provider ahead of the scheduled building being completed to ensure that the provider can be involved in the building's detailed design phase and give a reasonable mobilisation period.

This report informs the Committee of the approach of engaging in soft market testing, including entering into a formal dialogue with Your Choice (Barnet) Ltd (YCB), in relation to the provision of care and support services at Stagg House Extra Care Scheme.

Officers Recommendations

- 1. That the Committee notes that the Council will engage in soft market testing, including entering into a formal dialogue with Your Choice (Barnet) Ltd (YCB), in relation to the provision of care and support services at Stagg House Extra Care Scheme**
- 2. That, following the soft market testing, the Executive Director for Adults and Health will progress the commissioning of the provision of care and support services at Stagg House Extra Care Scheme.**

1. WHY THIS REPORT IS NEEDED

- 1.1 The Adults and Safeguarding Committee has responsibility for all matters relating to adult safeguarding and adult social care. This report asks the Committee to note the proposed procurement recommendation for the care and support services delivered at Stagg House.
- 1.2 The Adults and Safeguarding Committee Commissioning Plan (2015 – 2020) identified the expansion of extra care housing schemes as an effective alternative to residential care for older people.
- 1.3 On 10th November 2016 the Adults and Safeguarding Committee:
 - Agreed the expansion of extra care between 2016 and 2023, which entailed the development of three new extra care schemes.
 - Approved the Barnet Council framework for extra care services (i.e. the criteria for who the services would support and the desired outcomes for the services).
 - Agreed that the council could enter into a formal dialogue with YCB to provide care and support at Ansell Court.
- 1.4 Ansell Court extra care scheme, a 53-unit development in Mill Hill, was the first of the three extra care schemes to be built. Ansell Court was completed in February 2019 and the first residents moved into the scheme in April 2019.
- 1.5 In January 2019 a delegated powers report by the Chief Officer in consultation with the Chairman of the Committee gave agreement to enter directly into contract with Your Choice (Barnet) Ltd (YCB) for the provision of care and support services at Ansell Court for a period of five years (with the option to extend for an additional two years). YCB, the Local Authority Trading Company, was launched in February 2012. It provides a range of social care services to residents. YCB is part of The Barnet Group (TBG) and as a Council-controlled wholly owned trading company the Teckal exemption applies, under which the council can make a direct award of a contract to YCB without following a regulated competitive tender process ¹ (see paragraph 5.4.1 for further details).
- 1.6 The decision to directly award the contract for care and support services at Ansell Court to YCB, rather than to carry out a full competitive procurement was based on the following principles:
 - Formal dialogue with The Barnet Group showed that entering into a contract with YCB would achieve the Council's commissioning intentions whilst avoiding the time and costs of an OJEU procurement.
 - The close working of Barnet Homes and YCB provided additional value which the Council may not have been able to secure through other arrangements.

Stagg House

- 1.7 Stagg House, a 51-unit development in Burnt Oak, will be the second of the three schemes to be built. The completion date for the Stagg House build is April 2022.

¹ Teckal" – legal definition relating to a type of shared service, public company structure, arising from the name of a 1999 European legal judgement and subsequent case law.

- 1.8 A key feature of extra care (that separates it from residential provision) is that the provision of care and support is separated from the provision of accommodation. Once the Stagg House build is complete the Landlord for the building will be Barnet Homes. However, the council will need to enter into a distinct contract for the provision of care and support services at the scheme.
- 1.9 The care and support provider will need to be appointed ahead of the scheme opening to enable the provider to: recruit and appoint staff; attain their CQC registration; familiarise staff with the layout of the building ahead of residents moving in.
- 1.10 To enable the care and support provider to carry out the activities listed above, the Council will need to award the care and support contract no less than 6 months ahead of the scheme opening (planned for September 2021). The provider will need to carry out assessments and develop support plans for people two to three months in advance of the scheme opening to ensure that the first cohort of residents are ready to move in shortly after the scheme opens.
- 1.11 The council recognises that if there are any delays to the building works then the dates for the mobilisation of the care and support contract will also need to change.
- 1.12 The original decision to utilise the Teckal exemption was taken in 2016 and it is recognised that the benefits identified for using the Teckal exemption to award directly to YCB for care and support provision at Ansell Court extra care scheme in January 2019 continue to be relevant in relation to Stagg House.
- 1.13 However, in advance of entering into any formal dialogue with YCB, the council wants the opportunity to carry out soft market testing to identify if there are any opportunities or innovations in the market that would give the council an appetite to go out to competitive tender, bearing in mind the recent changes in the care market and the innovations that have been introduced as part of COVID responses to support people living in the community.

2. REASONS FOR RECOMMENDATIONS

- 2.1 The combination of market engagement and dialogue with YCB will inform the optimum commissioning strategy and contract award for the extra care and support services at Stagg House.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

The council could pursue the strategies of either immediate full procurement or direct award. As noted above, full procurement can be costly and time consuming whilst direct award on its own could mean that the council misses opportunities for innovation or better services for residents. It is for these reasons that a blended approach of soft market testing combined with dialogue is recommended.

4. POST DECISION IMPLEMENTATION

- 4.1 By early 2021 soft market testing will be completed and a decision will be made on the procurement option to be implemented and procurement activity will begin.
- 4.2 The council will enter into contract with a care and support provider for Stagg House extra care scheme six months ahead of the building being completed.
- 4.3 The care and support provider will assess clients and develop support plans, no less than two months ahead of the scheme being ready for residents to move into the flats.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

- 5.1.1 The Corporate Plan 2019-2024 sets out the Council's vision and strategy for the next five years. The three outcomes for the borough focus on place, people and communities:
 - A pleasant, well maintained borough that we protect and invest in
 - Our residents live happy, health, independent lives with the most vulnerable protected
 - Safe and strong communities where people get along well

5.1.2 Extra Care supports delivery of the council's Corporate Plan Outcome 'Our residents live happy, healthy, independent lives with the most vulnerable protected'. Extra care is a key mechanism to support people who need additional support to remain living independently. The development of additional extra care provision will provide people with a greater range of accommodation choices and more flexible and personalised services.

5.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)

- 5.2.1 Fifteen million pounds of capital funding was secured to develop the 53-unit Stagg House development.
- 5.2.2 Stagg House extra care scheme will support the delivery of savings by providing a responsive service that can delay or prevent older people being admitted to residential care. Efficiency savings of £200k (22/23 – 24/25) have been profiled for the Stagg House Extra Care development. Savings are modelled on a £10,000 saving per person per year, based on the difference between the costs of residential care and extra-care.
- 5.2.3 The revenue costs of the Extra Care Scheme will be funded from the Adults general fund.
- 5.2.4 With the contract for care and support at Stagg House, value for money will be assured through the commissioning process, together with comparison with extra care and similar services in the borough and elsewhere.

5.3 Social Value

- 5.3.1 The Public Services (Social Value) Act 2012 requires people who commission public services to think about how they can also secure wider social, economic and environmental benefits. Before commencing a procurement process, commissioners should think about whether the services they are going to buy, or the way they are going to buy them, could secure these benefits for their area or stakeholders.
- 5.3.2 The specification for care and support provision at Stagg House will set-out clear guidance for how the service can ensure that it is providing additional social value (e.g. supporting active involvement of the voluntary and community sector; supporting community engagement programmes; providing quality flexible working opportunities that attract local parents and carers into careers in the social care sector etc).

5.4 Legal and Constitutional References

- 5.4.1 Public procurement rules apply to the commissioning of these care and support services and the Council's Contract Procedure Rules (CPR) will be applied in resolving this matter.
- 5.4.2 If a decision is made to award the contract to YCB, the so-called 'Teckal' exemption now codified in Regulation 12 of the Public Contracts Regulations 2015 (PCR2015) permits the award of a contract directly to YCB without undertaking a regulated competitive procurement process because:
- YCB is "controlled" by the Council (as it is the sole shareholder through the Barnet Group). There is a shareholder agreement in place between The Barnet Group and the Council;
 - YCB would be carrying out over 80% of its activities for the Council; and
 - There is no private ownership of YCB.
- 5.4.3 The provision of Extra Care Housing is in line with the duties of the Council under the Care Act 2014 in providing choice to residents, preventing or reducing needs and promoting a resident's well-being.
- 5.4.4 Under Article 7 of the Constitution, the Adults and Safeguarding Committee has responsibility for all matters relating to vulnerable adults and adult social care.

5.5 Risk Management

- 5.5.1 Implementing the new contract will follow a project management approach, which will include the recording and managing risks.
- 5.5.2 A Stagg House mobilisation group will be established, ahead of the scheme opening, to ensure that the schemes is fully occupied. The care and support provider will be expected to have a Stagg House scheme manager in place before the scheme opens, who will be responsible for working closely with Adult Social Care and Barnet Homes to ensure that the scheme is fully occupied.

5.6 Equalities and Diversity

- 5.6.1 The core provisions of the Equality Act 2010 came into force on 1st October 2010 and the public sector equality duty (section 149 of the Act) came into force on 5th April 2011. Under section 149, the Council must have due regard to the need to eliminate discrimination, harassment and victimisation prohibited under the Act and to advance equality for opportunity and foster good relations between those with protected characteristics and those without.
- 5.6.2 The protected characteristics are age; disability; race; gender reassignment; pregnancy and maternity; religion or belief; sex; and sexual orientation. They also cover marriage and civil partnership with regard to eliminating discrimination.
- 5.6.3 Any organisation providing public sector services is subject to scrutiny by the Council to ensure that delivery complies with the public sector equality duty.
- 5.6.4 The specification for the care and support contract at Stagg House will include a section that clearly sets out the requirements of the provider to ensure that the service is delivered in-line with the Equality Act 2010 and a requirement that the service collates data that will enable the uptake of the service and experience of protected groups to be kept under review by the provider and to be monitored by the Care Quality Team through the formal contract monitoring process.
- 5.6.5 An equalities impact assessment (EqIA) has been carried out regarding proposals for the care and support service at Stagg House. This has shown that there will be an overall significant positive impact on equalities strands.

5.7 Corporate Parenting

- 5.7.1 N/A

5.8 Consultation and Engagement

- 5.8.1 Between October 2015 and January 2016 carer and service user representatives were involved in research into good practice in care and support in ECH schemes, through in-borough visits and out of borough visits. This informed the development of the Barnet model of extra care. A focus group was held with residents at one of the borough's existing ECH schemes, co-facilitated by carer representative. This feedback was used to help shape specifications and design of the three extra care schemes (i.e. Ansell Court, Stagg House and Cheshir House).
- 5.8.2 In 2019/20 YCB have carried out engagement with family members and residents of Ansell Court extra care scheme. They have engaged with them to identify what worked well and what could be done differently when people first moved into the scheme. Feedback from residents of Ansell Court Extra Care Scheme is being used to inform the development of Stagg House such as the layout of kitchens, bedrooms, bathrooms and fixtures & fittings.

5.9 Insight

- 5.9.1 It is estimated that there are currently over 4,434 people with dementia in Barnet and by 2025 this figure is expected to increase by 14%. People with dementia are usually, at a later stage of the disease, admitted to residential care and Stagg House will provide an alternative accommodation option.

6. BACKGROUND PAPERS

- 6.1.1 Appendix 1 of the Annual Procurement Forward Plan (agenda Item 10, line 189 and 190 of the appendix) for 2017/2018 presented to the Policy and Resources Committee on 1 December 2016 which provided approval for the Teckal exemption for Moreton Close
<https://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=692&MId=8731&Ver=4>
- 6.1.2 Adults Safeguarding Committee, 10 November 2016, (agenda Item 9) agreed that the council enter into a formal dialogue with Your Choice (Barnet) Ltd (YCB) to provide care and support services at Moreton Close Extra Care Scheme
<https://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=698&MId=8674&Ver=4>
- 6.1.3 Housing Strategy and Housing Committee Commissioning Plan, Housing Committee, 19th October 2015
<https://barnet.moderngov.co.uk/documents/s26448/Housing%20committee%20report%20housing%20commissioning%20plan%20strategy%20final%20cleared%20report.pdf>
- 6.1.4 Funding for an Extra Care Housing Scheme at Moreton Close, NW7 and Advance Acquisitions of Leasehold properties on Regeneration Estates, 21st July 2014
<https://barnet.moderngov.co.uk/documents/s16154/Funding%20for%20an%20Extra%20Care%20Housing%20Scheme%20at%20Moreton%20Close%20NW7%20and%20Advance%20Acquisitions%20of%20Leasehold.pdf>
- 6.1.5 Annual Performance Report and the Local Account 2015/16, 13th July 2016
<https://barnet.moderngov.co.uk/documents/s33224/Annual%20Performance%20Report%20and%20Local%20Account.pdf>
- 6.1.6 Adults and Safeguarding Business Plan 2016-17, Adults and Safeguarding Committee, 12 November 2015
<https://barnet.moderngov.co.uk/documents/s27181/Adults%20and%20Safeguarding%20Business%20Plan%202016-2017.pdf>