

Report to:	Cabinet	Date of Meeting:	1 st November 2018
Subject:	Liverpool City Region (LCR) Care and Support		
Report of:	Head of Adult Social Care	Wards Affected:	(All Wards);
Portfolio:	Cabinet Member - Adult Social Care		
Is this a Key Decision:	Yes	Included in Forward Plan:	Yes
Exempt / Confidential Report:	No		

Summary:

The purpose of this report is to update Cabinet on the outcome of the procurement activity approved on 8th March 2018 relating to the establishment of a Pseudo Dynamic Purchasing System (PDPS) for purchasing care and support in Extra Care Housing, hosted by Liverpool for the Tripartite Authorities (Liverpool, Sefton and Knowsley).

The report also seeks authorisation for the procurement of replacement contracts for Care and Support services within two existing Extra Care Housing schemes in Sefton.

Recommendation(s):

That Cabinet:

1. Note the completion of the previously agreed procurement exercise, hosted by Liverpool City Council, establishing a Pseudo Dynamic Purchasing System (PDPS) accessible to Liverpool, Knowsley and Sefton councils for the procurement of Care and Support services in Extra Care Housing;
2. Note that Sefton is not obliged to exclusively use the PDPS and can opt to use the PDPS or procure such services through alternative procurement routes, as appropriate to the specific circumstances;
3. Note the circumstances set out within the report in relation to the renewal of contracts for Care and Support services within the existing Extra Care Housing schemes in Sefton;
4. Agree the commencement of a "Light Touch Regime" OJEU Open procurement exercise that complies with the obligations of the Public Contract Regulations 2015, to award a 3 year contract, with 2 x 12 month extension options, for provision of Care and Support at James Horrigan Court. The award criteria used for this procurement will be based on "MEAT" (Most Economically Advantageous Tender) and will include a % split taking into account Price and Quality that will be published in the Invitation to Tender documentation;
5. Agree the extension of the current contract for 3 months, to enable the above

procurement and any subsequent transfer of provision to take place if required;

6. Authorises the Head of Adult Social Care, in conjunction with the Cabinet Member Adult Social Care, to award a contract following completion of the above procurement exercise; and
7. Agree the direct award of a 2-year contract for provision of Care and Support services at Parkhaven Court Extra Care Housing scheme to the existing Provider.

Reasons for the Recommendation(s):

To establish formal arrangements for the procurement of care and support services for vulnerable people in Extra Care services and to put contracts in place to ensure provision of care and support services for vulnerable people in 2 existing Extra Care Housing schemes.

Alternative Options Considered: (including any Risk Implications)

The following options were considered and rejected;

1. Procuring the two contracts for Extra Care services at Parkhaven Court and James Horrigan Court through the PDPS was considered and rejected as it would prevent the existing care providers, who both provide good quality services, from inclusion in the procurement process.
2. An open procurement process was considered for the contract for Extra Care services at Parkhaven Court but was rejected due to the interrelationship with other services provided on the same site by the existing provider and the desire to ensure stable provision on site whilst further consideration is given to the longer term arrangements with the development of a more personalised approach for the commissioning of services.

What will it cost and how will it be financed?

(A) Revenue Costs

Revenue costs with respect to any contracts awarded to provide Care at Extra Care housing will need to be met from existing Adult Social Care budgets.

Extra Care housing provides a cost-effective alternative to other current services, principally Residential care.

(B) Capital Costs

None arising directly from the report.

Implications of the Proposals:

Resource Implications (Financial, IT, Staffing and Assets):
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Legal Implications:

Care Act 2014
Care and Support Statutory Guidance
Public Contract Procedure Rules 2015

Equality Implications:

The equality Implications have been identified and mitigated.

Contribution to the Council's Core Purpose:**Protect the most vulnerable:**

Extra Care housing provides care and support services to vulnerable people assessed as required such services, thus ensuring that the Authority meets their assessed needs.

Facilitate confident and resilient communities:

Extra Care housing is a model of service which supports the maintenance of independence, including ensuring that Service Users remain as part of, and can continue to access their local community. The new model of service includes a more outcomes focussed service specification.

Commission, broker and provide core services:

The adoption of the proposals will ensure that statutory services will be delivered to vulnerable Service Users.

Place – leadership and influencer:

Good quality Extra Care schemes can contribute positively to a local area, providing attractive buildings/sites and a wider variety of accommodation that enable people to remain as part of a community for longer.

Drivers of change and reform:

The proposals encompass the development of revised procurement arrangements which will support future commissioning activities to best meet strategic aims and priorities.

Facilitate sustainable economic prosperity:

Greater income for social investment:

Cleaner Greener

What consultations have taken place on the proposals and when?**(A) Internal Consultations**

The Head of Corporate Resources (FD 5324/18) and Head of Regulation and Compliance (LD4549/18) have been consulted and any comments have been incorporated into the report.

(B) External Consultations

Consultation has also taken place with LCR colleagues and Providers regarding the implementation of such a system as part of wider discussions regarding future Extra Care housing.

Implementation Date for the Decision

Following the expiry of the “call-in” period for the Minutes of the Cabinet Meeting.

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Appendices:

Appendix A – Providers accepted onto the PDPS.

Background Papers:

None

Introduction/Background

1. On 8th March 2018 Cabinet approved the commencement of a procurement exercise, to be led by Liverpool City Council as part of LCR joint working arrangements, to implement a Pseudo Dynamic Purchasing System (PDPS) from September 2018, for the provision of Care and Support services in Extra Care housing.
2. The procurement exercise is now complete and resulted in the implementation of a PDPS for the Tripartite authorities (Liverpool, Sefton and Knowsley) for use to purchase care and support in Extra Care Housing from September 2018.
3. There were applications received from 22 organisations, of which 15 organisations met the evaluation criteria set and were awarded a place on the PDPS.
4. The PDPS is hosted by Liverpool City Council and will be operational for an initial period of five years with the option for LCC to extend it indefinitely if it continues to meet the requirements of the Tripartite. Liverpool’s Terms and Conditions will be used but each Local Authority’s Contract Procedure Rules will still apply and any resulting contract will be between the specific local authority and the Provider.

5. The PDPS will be periodically re-opened to potentially attract new organisations onto it. It will open again in November 2018.

The Future Use of the PDPS

6. As advised to Cabinet on 8th March 2018 and detailed in the procurement exercise to establish the PDPS, there is no legal requirement to exclusively use the PDPS for procurement exercises. Sefton will therefore still be able to conduct separate procurement exercises or spot-purchasing arrangements for the commissioning of services.
7. When decisions are required regarding the future procurement of care and support services in Extra Care housing, an options appraisal will be undertaken to identify the most appropriate procurement option (e.g. use of the PDPS or an alternative approach) within the context of public procurement legislation and the Council's Contract Procedure Rules. This will include consideration of the following factors:
 - The estimated value of the future contract
 - Existing contractual arrangements in place
 - The track record of the existing Provider – principally with respect to factors such as the quality of care, CQC rating, adherence to contractual arrangements and outcomes achieved for Service Users
 - Whether the existing care and support services are delivered as part of an integrated accommodation based service
 - Whether there could be an impact on the ongoing sustainability of both the existing service and any other related services
 - Value for Money
8. Having undertaken an options appraisal, the following proposals are recommended for procuring the next contracts in the following Extra Care Housing Schemes:
 - **James Horrigan Court** - The existing care provider has provided a good quality service over the course of the existing contract (which was itself procured through an open procurement process) but is currently not listed on the PDPS. Procurement through the PDPS would exclude the current provider from bidding. An open procurement process would allow the current contractors to bid within a competitive process with other Providers, including those on the PDPS. It is therefore proposed to use an open process to procure a replacement contract. The Contract would be awarded on the basis of MEAT (*Most Economically Advantageous Tender*) taking into consideration a percentage balance between Cost and Quality.
 - **Parkhaven Court** - The existing care provider has provided a good quality service over the course of the existing contract but is currently not listed on the PDPS. In addition, Parkhaven Court sits on a site owned by Parkhaven Trust, an established charitable provider in the Maghull area offering a portfolio of services dedicated to dementia care. Parkhaven Trust has also recently secured planning permission to build a new dementia nursing home on the site which will enhance its provision and provide further quality resources to meet the needs of people with dementia. It is proposed to direct award a 2-year contract, permissible within the provisions of the 'Light Touch regime' within the Public Contracts Regulations to ensure stable provision on site whilst further consideration is given to the

longer-term arrangements, the development of a more personalised approach for the commissioning of services, and development of the Council's strategic approach to the provision of Extra Care Housing provision.