

Extra Care Schemes

1. Introduction/Background

- 1.1 There are three extra care schemes (Redwood, Alice Bye Court, Audrey Needham House) in West Berks operated by three different registered social landlords - A2 Dominion, Housing 21 and Sovereign Housing. The care and support services are currently delivered by Allied Healthcare, with contract commencement of August 2017.
- 1.2 This paper seeks to inform Corporate Board & Operations Board of outcome of the tender process and seek delegated authority to award the contract from Executive Board. The tender is running on an 'accelerated open procedure' which will give WBC the ability to conclude a tender process, and allow sufficient time for the provider to resource the schemes in line with a start date of 1st October 2018.

2. Supporting Information

- 2.1 It is recognised that prices on the previous (12/13/14) contracts were low for WBC, as the providers had not received inflation for the years preceding 2017 (table above). Inflation between 2012 and 2017 had risen by 7.5%, with National Living Wage also placing a pressure on staffing costs for providers (some providers in receipt of an uplift for NLW received up to 2.9%).
- 2.2 A guide rate was developed for the forthcoming tender to account for all hours to be delivered, including waking nights. This figure was developed by ASC Finance, and the tender operated a competitive pricing mechanism to encourage suppliers to offer best value. It is noted that there is an inherent risk in the procurement strategy as we invited open competitive bids, so as not to presume a cost level that will offer quality and sustainability of supply. The risk was identified and raised with ASC & Finance.
- 2.3 At this stage, inflation has not been built into the contract, so providers will be expected to bid for a contract that is three years long with an extension period of two years. Any change to rates in line with inflation pressures will be out of contract if requested at a later stage.

Tender timetable:

Issue (OJEU/non-OJEU) Contract Notice	12/06/2018
Closing Date and Opening of SQ/Technical Questionnaire/ITT	29/06/2018
Award Decision	03/08/2018
Standstill Period	16/08/2018
Contract Award	17/08/2018
Contract Work starts	01/10/2018

Update @ 4/7/18

Tenders have been received from bidders, and evaluation has concluded.

There will be an initial pressure on ASC budgets (as prices are secured for five years), with ensuing years demonstrating a reduction in cost (based on existing usage). This is based on the rates provided not increasing (over five years) and assuming budgets receive an inflationary figure. There is also a slight increase in overall spend which is caused by securing two waking night staff at each site – required to operate complex night cases that require double up and other risk factors e.g. fire safety.

3. Options for Consideration

- 3.1 Tender with restricted budget (not likely to encourage quality provision).
- 3.2 Do nothing (would likely result in legal challenge and put service user safety at risk).
- 3.3 Tender with guide budget standard procedure (will cause undue delay in securing a new supplier).
- 3.4 Tender with guide budget on an 'accelerated procedure' – to ensure shortest possible timeframe for new supplier contract award & start date. Recommended approach.

4. Proposals

It is proposed to continue with the existing 'accelerated procedure' and award a contract based on 'most economically advantageous tender'.

5. Conclusion

A re-tender is underway to resolve this matter as quickly as possible with the financial caveats made in attempt to protect budgets from undue pressure. This paper seeks to seek delegated authority to award the contract from Executive.

6. Consultation and Engagement

Clients & families, ASC, Care Quality, Legal Services

Subject to Call-In:

Yes: ☐ No: ☒

- | | |
|---|-------------------------------------|
| The item is due to be referred to Council for final approval | <input type="checkbox"/> |
| Delays in implementation could have serious financial implications for the Council | <input checked="" type="checkbox"/> |
| Delays in implementation could compromise the Council's position | <input checked="" type="checkbox"/> |
| Considered or reviewed by Overview and Scrutiny Management Commission or associated Task Groups within preceding six months | <input type="checkbox"/> |
| Item is Urgent Key Decision | <input type="checkbox"/> |
| Report is to note only | <input type="checkbox"/> |
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Strategic Aims and Priorities Supported:

The proposals will help achieve the following Council Strategy aim(s):

- ☒ **P&S – Protect and support those who need it**
- ☒ **HQL – Maintain a high quality of life within our communities**

The proposals contained in this report will help to achieve the following Council Strategy priority:

- ☒ **P&S1 – Good at safeguarding children and vulnerable adults**

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