Officer Delegated Decision Report

For all waivers and all procurements valued at £100,000 and greater

23 October 2007

Extra Care Housing Contract Extension

<table>
<thead>
<tr>
<th>All Wards</th>
<th>Number of wards affected by this decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clapham Common</td>
<td></td>
</tr>
<tr>
<td>Stockwell</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Areas affected by this decision</td>
</tr>
</tbody>
</table>

Report authorised by: George Marshman, Executive Director Adults and Community Services

Report Submitted by:
David Worrall
Planning & Strategy Manager
Supporting People
3rd Floor, Phoenix House
10 Wandsworth Road
SW8 2LL
Phone: 0207926 9978
Fax: 020 7926 7526
E mail address: dworrall@lambeth.gov.uk

Executive Summary
The purpose of this report is to request permission to extend the current Extra Care Housing contracts for a maximum of 6 months from the contract end date of 31 March 2008.

There are presently separate contracts for care provision, held by Adults and Community Services, and housing support services, held by Supporting People, for Lambeth’s two extra care housing schemes, Lingham Court and Charleston House.

Although the tender process for a new single contract is underway, a longer timetable than initially anticipated is required, in order to consult effectively with users and other stakeholders and prepare a tender pack which meets the needs of the planned framework agreement.

Summary of Financial Implications
The cost of this extension, if agreed for the maximum period requested, will be £522,356. (18%) The value of the care provision extension will be £430,661, which represents 18% of the value of the original 3 year care contract. The cost of the housing support extension will
be £91,695 this represents 10% of the combined interim and steady state Supporting People contracts for the last 5 years.

The care element of the contract value includes an allowance for inflationary uplift from 1 April 2008 of 4.1%. The housing support element will not be uplifted.

There is provision within the budgets for both contracts for this sum

**Recommendations**

1. That the contract with Care UK for the provision of care services at Lingham Court and Charleston House be extended for a maximum of 6 months from 1 April 2008.

2. That the contract with Step Forward for the provision of housing support services at Lingham Court and Charleston House be extended for a maximum of 6 months from 1 April 2008.

**I have seen this report and approve it for onward submission to DCB and or SCB:**

Signature signed by George Marshman Date 19 October 2007
George Marshman
Divisional Director
Adults and Community Services

**I approve the above recommendations:**

Signature ___________________________ Date ________________
Maria Millwood
Chair of the Departmental Commissioning Board

Signature ___________________________ Date ________________
Mark Hynes
Chair of the Strategic Commissioning Board
Delegated Authority:

I / We approve the above recommendations:

Signature _______________________________________ Date ________________
Jo Cleary
Executive Director Adults and Community Services

Signature _______________________________________ Date ________________
Mike Suarez
Executive Director Finance and Resources

* Please be sure to complete the signatory information (name and title) above.

Scheme of Delegation Note
For procurements valued as below, the relevant signatories must sign this report:

- Over £1 million Executive Director with agreement of Executive Director of Finance & Resources and Chief Executive
- £500,000 - £1 million Executive Director with agreement of Executive Director of Finance & Resources
- £250,000 - £500,000 Executive Director
- £125,000 - £250,000 Directors, Assistant Directors
- £50,000 - £125,000 Assistant Divisional Directors

Declarations of Interest (or exemptions granted):

none

Consultation

<table>
<thead>
<tr>
<th>Name of person consulted</th>
<th>Department or Organisation</th>
<th>Date sent</th>
<th>Date response received</th>
<th>Report section reference</th>
</tr>
</thead>
</table>
| INTERNAL
<p>| Jo Cleary | Executive Director Adults and Community Services | 2/10/07 | | |</p>
<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
<th>Date(s)</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>George Marshman</td>
<td>Divisional Director- ACS</td>
<td>2/10/07</td>
<td></td>
</tr>
<tr>
<td>Barbara Smith</td>
<td>Interim Head of Strategic Commissioning- ACS</td>
<td>2/10/07</td>
<td></td>
</tr>
<tr>
<td>Michelle Binfield</td>
<td>Interim Head of Supporting People</td>
<td>2/10/07</td>
<td>2/10/07</td>
</tr>
<tr>
<td>Dominic Stanton</td>
<td>Head of Care Management</td>
<td>24/9/07</td>
<td></td>
</tr>
<tr>
<td>Carline Francis</td>
<td>Head of Brokerage Services</td>
<td>24/9/07</td>
<td>25/9/07</td>
</tr>
<tr>
<td>Maria Millwood</td>
<td>Finance and Resources Department</td>
<td>24/9/07</td>
<td>18/10/07</td>
</tr>
<tr>
<td>Tony Otokito</td>
<td>Finance and Resources Department</td>
<td>2/10/07</td>
<td>3/10/07</td>
</tr>
<tr>
<td>Owen Barclay</td>
<td>Department of Legal and Democratic Services</td>
<td>2/10/07</td>
<td>2/10/07</td>
</tr>
<tr>
<td>Donatus Anyanwu</td>
<td>Executive Member for ACS</td>
<td>3/10/07</td>
<td>4/10/07</td>
</tr>
<tr>
<td>Dave Burn</td>
<td>Head of Scrutiny</td>
<td>2/10/07</td>
<td></td>
</tr>
</tbody>
</table>

**Report history**

Is this a Key Decision (£250k+), a Non-Key Decision or For Information? ✓ Key Decision □ Non-Key Decision □ For Information

If a Key Decision (£250k+), enter the date it was first entered into the Forward Plan: November 2007

If a Key Decision (£250k+), a copy of this report must be sent to the Lambeth Head of Scrutiny after the Board recommends this report for approval. Will this be done? ✓ Yes

If the answer to the above is NO, state the reason at right:

**Background Documents**
Designs for Life- Lambeth Extra Care interim Commissioning Strategy
Extra Care Housing Contract Extension

1. Context
   1.1. There are currently two extra care housing schemes in Lambeth, with separate contracts for care provision and housing related support. A tendering project is underway to select service providers for unitary care/support provision, and to establish a framework agreement from which providers can be selected for pipeline schemes.

2. Proposals and Reasons
   2.1. An extension is being requested to the current extra care contracts in order to accommodate unavoidable delays in the tender timetable for the new contracts.
   2.2. A project board has been established which includes members of both Supporting People and Strategic Commissioning Teams, along with Contracts, Finance, Head of Care Management & Head of Brokerage services.
   2.3. The extra care tender project commenced in May 2007 and expressions of interest have been received from providers interested in tendering for these services and joining a framework agreement for pipeline extra care developments.
   2.4. A shortlist has been drawn up, of providers that will be invited to tender, and a tender pack is being prepared.
   2.5. The information required for the tender pack has been reviewed by the project board, and it is felt that further work needs to be carried out to ensure that the service being commissioned meets the current and future requirements of all members.
   2.6. This additional work includes; development of a new joint service specification, resolving discrepancies in TUPE information submitted by the current providers; merging the statutory requirements of the ACS and the SP contracts into a single document; further analysis of the current and future care hours required at each scheme and acquiring accurate information from the landlords relating to the rent and service charges payable by the incoming provider.
   2.7. In order to accommodate this work, the tender timetable has been revised and it is anticipated that the successful tenderer will be notified of the contract award on 1 May 2008. Key stages in the timetable are listed in section 7 below.
   2.8. A single contract is being sought for both care and housing related support elements of the service which will offer a more integrated delivery for service users, streamlined contract monitoring and rationalisation of the tasks performed by each element of the service.
   2.9. A maximum six-month extension has been requested to allow contingency for any unforeseen circumstances.

Cashable savings
No cashable savings are expected from this contract extension.

Non-cashable savings
No non-cashable savings are expected from this contract extension.

3. Comments from Executive Director of Finance & Resources
   3.1. No additional funding is sought for the extension of this contract. Costs will be met in full from existing budgets in Older Persons (BU215) –and Supporting People (BU218).
4. **Comments from Director of Legal and Democratic Services**

4.1. The Council has delegated its powers to award contract of the nature as set out in the report to the Executive Director of Adults and Community with the agreement of the Executive Director of Finance and Resources. The Executive Director should consult with her lead cabinet member.

4.2. The Council has adopted the Commissioning Manual and the matters set out therein shall apply to the purchase of all works, goods and services purchased by the Council and as such would apply to the proposals set out in this report. The Commissioning Manual requires that the Executive Director should treat an extension of a contract for a period greater than three months as a waiver or treat it as a new contract, which in this case would be a negotiated contract. The Executive Director must ensure, before using her delegated powers, that, in contracts with an estimated value of between £25,000 and £100,000 she has obtained the consent of his Departmental Commissioning Board and all contract valued at over £100,000 the consent of the Strategic Commissioning Board. In urgent matters an Executive Director can obtain the consent of the chair of the Departmental or Strategic Commissioning Boards, the Chief Executive, Assistant Chief Executive, Executive Director of Corporate Services or the Executive Director of Finance. Each Department must maintain a register of waivers.

4.3. The EU procurement regime applies to this tendering exercise by virtue of the Public Contracts Regulations 2006. As this service is described in Schedule 3 B of the Regulations the Council is not obliged to publish a contract notice in OJEC. The European Commissioners have advised that in relation to the award of part B contracts and contracts that fall below the threshold should be competitively tendered but in consideration of the circumstance of this award it would not be considered to be disproportionate to extend the current contracts.

4.4. Where the contract has a value of £250,000 or more or affects two or more Council wards the decision should be recorded in the Forward Plan. For contracts with a value between £100,000 and £250,000 the Constitution requires the decision to award to be published in Decisions on Line. In addition this report should be submitted to the Chair and Vice Chair of the Overview and Scrutiny Committee and the Head of Scrutiny ant least five clear days before the recommendations are acted upon.

5. **Results of Scrutiny and Consultation views**

5.1. Include Scrutiny views and any comments from a Scrutiny Committee here. Where a contract is valued at £250k and greater, this report must be sent to the Head of Scrutiny for reference.

5.2. The contract extension will allow further consultation to be undertaken with existing service users and stakeholders.

6. **Organisational Implications**

6.1. There are no risks associated with the contract extension.

6.2. Equalities Impact Assessment: Extra care housing (ECH) is intended as provision to enable elderly people, who may need support and care to live independently in their own homes, in the community, rather than move into residential care homes. By its very nature ECH promotes equality for and among older people, and older disabled people. The equalities impact of the contract extension is assessed as low.
6.3. There are no community safety implications.
6.4. There are no environmental implications.
6.5. There are no staffing or accommodation implications:

7. **Timetable for Implementation**

7.1. A simple timetable to show the stages and deadlines for implementing the contract. Use the table below to indicate these.

7.2. List of measurable aims and outcomes with the date by which they should be achieved. Use the table below to indicate these, adding additional rows if required:

<table>
<thead>
<tr>
<th>No.</th>
<th>Item Description</th>
<th>Due Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>SCB Report</td>
<td>07 Nov 2007</td>
</tr>
<tr>
<td>2</td>
<td>Full tender sent out</td>
<td>03 Dec 2007</td>
</tr>
<tr>
<td>3</td>
<td>Closing date for tenders</td>
<td>21 Jan 2008</td>
</tr>
<tr>
<td>4</td>
<td>Short listing</td>
<td>01 Feb 2008</td>
</tr>
<tr>
<td>5</td>
<td>Interviews</td>
<td>22 Feb 2008</td>
</tr>
<tr>
<td>6</td>
<td>Inform successful provider(s)</td>
<td>01 May 2008</td>
</tr>
<tr>
<td>7</td>
<td>Contract Start</td>
<td>30 Jul 2008</td>
</tr>
</tbody>
</table>