

REPORT TO: Executive Board Sub Committee

DATE: 29th March 2012

REPORTING OFFICER: Strategic Director Communities

PORTFOLIO: Health and Adults

SUBJECT: Award of Care and Support Contracts in Extra Care Housing

WARDS: Borough wide

1.0 PURPOSE OF THE REPORT

- 1.1 To inform the Board of the award of a contract for community care services in Extra Care housing schemes, and to seek the Board's agreement to award a contract for housing related support services in the same housing schemes.

2.0 RECOMMENDATION: That the Board

- 1) **note the award of a 5 year contract to Local Solutions for the provision of community care services at Dorset Gardens, Naughton Fields and the Boardwalk Extra Care housing schemes at an hourly rate of £10.85; and**
- 2) **agree the award of a 5 year contract to the HBC Intermediate Care Service for the provision of housing related support services at the above mentioned housing schemes at a weekly unit cost of £13.19, and**
- 3) **note that both contract awards are subject to the tenderers securing agreement with the housing landlords on terms and conditions for occupying their buildings.**

3.0 SUPPORTING INFORMATION

- 3.1 On the 15th December 2011 Executive Board Sub Committee received a report outlining the intention to invite two separate tenders for the provision of a) community care services and b) housing related support services in 3 Extra Care housing schemes – Dorset Gardens in Runcorn, Naughton Fields in Widnes (due to open in July 2012), and the Boardwalk in Widnes (due to open in April 2013).
- 3.2 Tenders were invited through an open tender process through 'The Chest' facilitated by the Procurement Team. 8 tenders were received for the community care contract but 2 were deemed invalid. 7 were

received for the housing related support Lots but 2 were deemed invalid. The scores resulting from the evaluation of the valid tenders are set out in the Appendix.

Community Care Contract

- 3.3 In the case of the contract for community care services the tenders were evaluated using a 70:30 Price:Quality model. The tender submitted by Local Solutions was lowest in terms of price and also scored highest overall. On that basis the Operational Director for Commissioning and Complex Care has awarded the contract to Local Solutions. Based on the tendered hourly rate and the estimated volume of hours of care to be provided over the duration of the contract, the contract value equates to £3,102,633.40.

Housing Related Support Contract

- 3.4 This tender was divided into 3 Lots with tenderers able to bid for 1, 2 or 3 Lots, and evaluation based on a 70:30 Price:Quality model. HBC Intermediate Care Services scored highest for Lots 1 and 2 by a clear margin. Creative Support scored highest on Lot 3 by a margin of 0.40 of a point from HBC Intermediate Care.
- 3.5 However, the cost differential between Creative Support and HBC Intermediate Care in favour of the latter was significant as the table below shows, with both tenderers offering the same volume of support hours.

	Wkly Unit Rate	Support Hours Offered	Contract Price £
Creative Support	£16.82	4,680	78,717.60
HBC Intermediate Care	£13.19	4,680	61,729.20

- 3.6 This factor, combined with the potential time and cost savings to be made through dealing with one provider for all three services, suggests that although scoring only second highest for Lot 3, the HBC Intermediate Care proposal represents the most economically advantageous tender.
- 3.7 It is therefore recommended that HBC Intermediate Care be awarded all three Lots, subject only to receiving confirmation that they have/can secure agreement of terms and conditions with the housing landlords for the use and occupation of their premises, this being a condition set out in the tender invitation.

4.0 POLICY IMPLICATIONS

- 4.1 None identified.

5.0 FINANCIAL IMPLICATIONS

- 5.1 The expansion of the Extra Care housing service is taking place against a background of financial austerity which will require careful management of the Supporting People and Community Care budgets.
- 5.2 The existing budget for Dorset Gardens will be adjusted to account for the externalisation of the day time community care provision and the revised internal unit price for Housing Related Support service tendered in-house.
- 5.3 Subject to the above adjustments, costs can be met within agreed budgets.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

6.1 Children and Young People in Halton

None identified.

6.2 Employment, Learning and Skills in Halton

None identified.

6.3 A Healthy Halton

The provision of onsite care and support services will help residents to lead a healthy and active lifestyle within a caring environment.

6.4 A Safer Halton

None identified.

6.5 Halton's Urban Renewal

None identified.

7.0 RISK ANALYSIS

- 7.1 The report in December 2011 suggested the successful tenderers would be required to provide a performance bond to mitigate against the impact of any potential contract default. This is not possible in the case of the in house Intermediate Care Service, and it is not necessary for the external provider either as there is a well-developed market of alternative domiciliary care providers that could be utilised at short notice in the event of a contract default.

8.0 EQUALITY AND DIVERSITY ISSUES

All contractors will be required to demonstrate that they embrace and comply with the Equality Act, and services will be monitored to ensure this is the case.

9.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

Document	Place of Inspection	Contact Officer
Pre tender report to Exec Board Sub 15/12/2011	Runcorn Town Hall	S Williams

Tender Results – Community Care Contract

			EVALUATION SCORES					
Tenderer			Price (70%)	Quality (30%)			Total	Rank
	Hourly Rate	Contract Price £		Method Statement (10%)	Outcomes (10%)	References (10%)		
Local Solutions	10.85	3,102,633.40	61.05	10.00	6.67	9.00	86.72	1
HBC Intermediate Care	12.54	3,585,900.70	54.20	3.33	10.00	6.67	74.20	2
Allied Healthcare - Option 2	17.31	4,949,915.60	34.87	6.67	6.67	7.67	55.87	3
Mears Care	19.18	5,484,655.20	27.31	9.17	7.50	3.33	47.31	4
Allied Healthcare – Option 1	20.00	5,719,140.00	23.98	6.67	6.67	7.67	44.98	5
Just Care	23.80	6,805,776.60	8.59	0.00	0.00	3.33	11.92	6

Tender Results – Housing Related Support

Lot 1 – Dorset Gardens

				EVALUATION SCORES						
Tenderer				Price (70%)		Quality (30%)			Total	Rank
	Wkly Unit Rate	Support Hours Offered	Contract Price £	Tender Price (50%)	Support Hours (20%)	Method Statement (10%)	Outcomes (10%)	References (10%)		
HBC Intermediate Care	£13.19	2,080	27,435.20	51.734	8.000	3.33	3.33	6.67	73.07	1
Riverside ECHG	£14.78	975	14,410.50	48.929	3.750	10.00	3.33	0.00	66.01	2
Creative Support	£32.08	4,095	131,367.60	10.194	15.750	6.67	10.00	6.67	49.28	3
Next Stage	£36.74	5,200	191,048.00	18.414	20.000	0.00	0.00	0.00	38.41	4
Mears Care	£44.94	3,848	172,929.12	-4.270	14.800	10.00	6.67	3.33	30.53	5

Tender Results – Housing Related Support

Lot 2 – Naughton Fields

				EVALUATION SCORES						
Tenderer				Price (70%)		Quality (30%)			Total	Rank
	Wkly Unit Rate	Support Hours Offered	Contract Price £	Tender Price (50%)	Support Hours (20%)	Method Statement (10%)	Outcomes (10%)	References (10%)		
HBC Intermediate Care	£13.19	2,444	32,236.36	41.889	8.952	3.33	3.33	6.67	64.17	1
Riverside ECHG	£12.58	975	12,265.50	43.421	3.571	10.00	3.33	0.00	60.33	2
Creative Support	£20.95	2,444	51,201.80	22.409	8.952	6.67	10.00	6.67	54.70	3
Mears Care	£24.49	4,680	114,613.20	13.523	17.143	10.00	6.67	3.33	50.67	4
Next Stage	£28.38	5,460	154,954.80	3.758	20.00	0.00	0.00	0.00	23.76	5

Tender Results – Housing Related Support

Lot 3 – The Boardwalk

				EVALUATION SCORES						
Tenderer				Price (70%)		Quality (30%)			Total	Rank
	Wkly Unit Rate	Support Hours Offered	Contract Price £	Tender Price (50%)	Support Hours (20%)	Method Statement (10%)	Outcomes (10%)	References (10%)		
Creative Support	£16.82	4,680	78,717.60	30.507	8.000	6.67	10.00	6.67	61.84	1
HBC Intermediate Care	£13.19	4,680	61,729.20	40.110	8.000	3.33	3.33	6.67	61.44	2
Riverside ECHG	£14.10	1,949	27,480.90	37.702	3.332	10.00	3.33	0.00	54.37	3
Mears Care	£20.88	7,696	160,692.48	19.768	13.156	10.00	6.67	3.33	52.92	4
Next Stage	£29.52	11,700	345,384	0.000	20.000	0.00	0.00	0.00	16.91	5