

REPORT TO: Executive Board

DATE: 10 December 2015

REPORTING OFFICER: Strategic Director, People and Economy

PORTFOLIO: Health and Wellbeing

SUBJECT: Extension of Halton Housing Trust Amethyst Living Contract to include Housing Support at Naughton Fields and Barkla Fields Extra Care Schemes

WARD(S): Broadheath

1.0 PURPOSE OF REPORT

- 1.1 In 2012 Halton Borough Council undertook a procurement exercise for the provision of housing related support for 1 existing and 2 planned extra care facilities. Halton Borough Council support team won the original tender. However 1 scheme did not go ahead and the third scheme Naughton Fields (Halton Housing Trust) did not require the level of support initially envisaged. Halton Borough Council support team agreed to cover Naughton Fields scheme on an interim basis.
- 1.2 Halton Housing Trust gained financial support to develop another extra care scheme development in Widnes called Barkla Fields. This scheme is now due to be completed by March 2016. In operational terms it has become clear that the service would benefit from a single provider undertaking both the housing management and the housing support in order to deliver a better integrated service, clearer lines of responsibility, and improved clarity for residents.
- 1.3 In operational terms it has become clear that the service into the 2 HHT schemes could be provided through an extension to the existing Amethyst Living model to better integrate the service, operate clearer lines of responsibility and provide an effective and efficient service response.
- 1.4 This report therefore proposes an extension to the Amethyst Living model to cover the housing support service at Naughton Fields to Halton Housing Trust (HHT) as soon as it can be effected, to also include the housing support service at the new Barkla Fields extra care scheme when completed by March 2016.

2.0 RECOMMENDED: That

- 1) **the Board acting under Procurement Standing Order 1.8.3 agrees to waive Procurement Standing Orders 4.1 to 4.2 (contracts below EU procurement thresholds), and;**

- 2) the Operational Director, Commissioning and Complex Care, be authorised to make a direct contract award of the housing support service at Naughton Fields and Barkla Fields to Halton Housing Trust at a cost of £83,850 per annum, with a contract expiry date of 31 March 2017.

3.0 SUPPORTING INFORMATION

- 3.1 The Council currently funds HHT's Amethyst Living service to provide housing support to 97 clients based in 3 sheltered housing schemes and up to 63 clients dispersed in the community. The annual contract price is £73,632 and, whilst due to expire on the 31st March 2016, the contract can be extended up to 31st March 2017 following a decision by this Board on 12th March 2015.
- 3.2 After lengthy negotiations, in principle agreement has been reached with HHT for the terms on which they would be willing to provide a housing support service at Naughton Fields and Barkla Fields.
- 3.3 The following table provides a breakdown of the proposed annual cost for delivering the service.

| Cost Element | Amount (£) |
|---------------------------------------------|-------------------|
| Staffing (2 support workers) | 56,600 |
| Additional support (admin. assistants) | 4,000 |
| Holiday/sick cover | 2,400 |
| Lifeline costs | 11,850 |
| Lifeline equipment maintenance/ line rental | 9,000 |
| Total | 83,850 |
| Weekly unit cost per home (52 week year) | 16.62 |
| Weekly unit cost excluding Lifeline costs | 12.49 |

- 3.4 HHT have agreed to absorb the costs of training and management supervision that were included in their original proposal, amounting to around £5,000.
- 3.5 The tendered weekly unit cost for the HBC in-house service is £13.19 but this does not include the additional costs associated with the Lifeline service. For clarity HHT have included these costs but a like for

like comparison (without the Lifeline costs) shows the HHT price of £12.49 to be 5% less.

3.6 The 'in principle' terms that have been agreed are –

- Payment will be by a monthly block grant rather than a subsidy based contract.
- Clients will be assessed and charged for the service as appropriate by the Council.
- The hours of service will be 11:00am to 7:00pm with some flexibility to accommodate occasional working outside these hours. The hours of service to be reviewed after 6 months to determine if 7 day working is necessary.
- The HBC reablement rota covering the support hours delivering the service at Naughton Fields will return to the Council's wider Reablement service. There are therefore no TUPE implications.

3.7 Advice has been sought from Procurement and Legal on how this new service should be commissioned. The advice received is that the scale and nature of the change is too significant for the new service to be incorporated into the existing Amethyst Living contract by way of a contract variation, and that it will be necessary to secure a waiver of relevant Procurement Standing Orders in order to make a direct contract award. The low value of the contract means there would be no requirement to issue a VEAT notice under EU regulations.

3.8 This report therefore seeks that approval so that a better integrated support service can be provided for the residents of the two extra care schemes.

4.0 BUSINESS CASE

4.1 Value for Money and Competition

When last tendered 3 years ago the lowest unit price (per home per week) was £13.19 (excluding associated Lifeline costs). HHT are proposing to deliver the service at a unit cost of £12.49. This represents a 5% reduction on existing prices and is considered good value for money.

4.2 Transparency

Transparency will be ensured through the requirement for the Council to publish all of its individual expenditure over £500. The Freedom of Information Act also provides a mechanism for those who may have an interest to scrutinise the procurement methods used. This is in addition to the Council's own internal audit procedures.

4.3 Propriety and Security

The Council's usual integrity clauses will be built into the service contract.

4.4 Accountability

Accountability would remain with the Operational Director Commissioning and Complex Care who will be awarding the contract, and can be subject to scrutiny by internal/external audit and the appropriate Policy and Performance Board.

4.5 Position of the Contract under the Public Contracts Regulations 2006

The contract is under the current EU procurement threshold.

5.0 POLICY IMPLICATIONS

5.1 None.

6.0 FINANCIAL IMPLICATIONS

6.1 The new service will be funded from a combination of the existing supported housing budget for Naughton Fields, and base budget funding set aside in anticipation of commissioning a new service at Barkla Fields.

7.0 OTHER IMPLICATIONS

7.1 None.

8.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

8.1 Children & Young People in Halton

None.

8.2 Employment, Learning & Skills in Halton

None.

8.3 A Healthy Halton

Delivery of a better integrated service, with clearer lines of responsibility and improved clarity for residents, will produce better health and wellbeing outcomes for residents.

8.4 A Safer Halton

None

8.5 Halton's Urban Renewal

None.

9.0 RISK ANALYSIS

9.1 N/A

10.0 EQUALITY AND DIVERSITY ISSUES

10.1 An EIA is not needed for this report.

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

11.1 None.