Approval to Commence Procurement of Domiciliary Care within Leggyfield Court Extra Care Scheme, Horsham.

Report by Director of Joint Commissioning

Executive Summary

For many years Leggyfield Court in Horsham has provided sheltered units, but by 2009 was no longer felt to provide accommodation to current standards. In early 2009 planning permission was granted by Horsham District Council to Saxon Weald, the housing provider who own and manage the site, to demolish the building and for a replacement sheltered unit including a new extra care scheme to be built on the existing site. Operational managers within West Sussex County Council were consulted and were in agreement with the proposal that within the Northern Area of the county extra care has become a popular housing option for vulnerable people.

The new scheme will include 57 units of which 12 units will be available as shared equity and only 24 units will be available as extra care social rented units. With the recent announcement that Britons Croft extra care scheme in Stenying will be decommissionned in January 2012, there will be additional need for services at Leggyfield Court.

In the short term the proposal will be cost neutral, but in time, savings should be realised because the scheme is expected to delay the point at which people who will be accommodated at Leggyfield Court will be referred to residential homes.

Recommendations

The Cabinet Members are recommended to approve:

1. To commence a tender process to procure a contract to provide domiciliary care at Leggyfield Court, Horsham for people aged 55 or above who have substantial or critical care needs and who meet the eligibility criteria for the scheme.

2. To delegate to Director of Joint Commissioning the letting of a contract for 2 years with a possible extension for a further 2 years. The process should commence in June 2011 in order to have services in place by January 2012.
1. **Background**

1.1 The population projections for Horsham District Council area demonstrate a significant rise in those aged 85 and over 90 with increases of approximately 13% and 32% respectively by 2016.

1.2 For many years Leggyfield Court in Horsham has provided sheltered units, but by 2009 was no longer felt to provide accommodation to current standards – the scheme comprised mainly bedsits and shared bathing facilities. In early 2009 planning permission was granted by Horsham District Council to Saxon Weald, the housing provider who own and manage the site, to demolish old Leggyfield Court and for new units to be built on the site including an extra care service.

1.3 The support provided within extra care recognises and reinforces people’s existing capabilities and skills. Extra care is a valued form of housing both as an alternative to residential care and also as an additional choice in the range of care and accommodation options available to older people as their needs increase over time.

1.4 Within the Northern Area of West Sussex the three existing extra care schemes have been regarded as an invaluable resource for avoiding long term care placements and thereby reducing costs. Osmund Court in Billingshurst, another extra care scheme developed and managed by Saxon Weald has achieved national recognition for its effectiveness in lowering both the need for long term social care and health input.

1.5 Another extra care scheme – Britons Croft in Steyning –is also being decommissioned by Saxon Weald and is due to close in January 2012. This scheme has 42 units of which 17 tenants receive extra care. The plan to decommission Britons Croft is based on the fact that, like the original Leggyfield Court, the accommodation no longer meets current standards. As newer schemes have come on-line in recent years Britons Croft has unfortunately reduced in its popularity and currently does not always offer up to date facilities such as tenants’ own toilets and separate bedrooms. Some studio rooms are restricted in taking tenants with mobility issues. This has led to some people turning down a prospective tenancy at Britons Croft preferring to wait for a vacancy at another scheme. This leads not only to voids for Saxon Weald to manage but also to West Sussex County Council having to put in increased support to these people in their own home or, as their needs increase, to a premature move into residential care. The County Council finds that it is not always possible to admit tenants with relatively high care needs and therefore the opportunity for the future in terms of full occupancy and best use of County Council resources is limited.

1.6 Saxon Weald has concluded that it is not possible to refurbish the building or develop another such scheme on the same site due to lack of space.

1.7 Notice will be served by the County Council on the contract held by the current provider of the domiciliary care service in Britons Croft. Saxon
Weald will conduct a consultation process with tenants regarding their choices for where they want to move to and the new Leggyfield Court scheme will obviously be one of the potential choices.

2 Proposal

2.1 It is proposed that the Cabinet Members agree the commencement of a procurement process to deliver a Core and Self Directed Support model of care and support in the extra care scheme at Leggyfield Court.

2.2 The procurement would result in the award of a contract to an organisation able to deliver domiciliary care within the scheme. The contract would be for 2 years with the possibility of an extension for a further 2 years. This is designed to give the County Council flexibility and a break option.

2.3 The extra care scheme will have 57 units of which 45 will be for rent and 12 for shared ownership. There will be 30 2-bedroom units and 27 1-bed units. Only 24 of the units will be available as social rented units.

2.4 The majority of units have been allocated either to those who were tenants in the old scheme or who have expressed an interest in purchasing the shared equity units.

2.5 People over 55 years of age who are assessed as having substantial or critical care needs will be eligible for the extra care support within the scheme including those with learning difficulty or mental health needs that can be met within the scheme. A Nominations Agreement will be agreed between Saxon Weald, Horsham District Council and West Sussex County Council.

2.6 In the past cost and volume contracts have proved a successful model for extra care schemes. The proposed model for this procurement will be a mix of core service via a cost and volume contract with an element of Self Directed Support. The contract will include guaranteed core night and daytime hours which will ensure 24 hour staff cover within the building. Planned calls over and above the guaranteed hours would be purchased in addition to the core service. A majority of tenants in the other schemes in the Northern Area who have Personal Budgets, use these to purchase care from the contracted provider. Anyone wishing to retain a different provider would normally be precluded from using the night or emergency cover. This would pose a risk in terms of safe environment or their need for extra care accommodation in the first place would be queried. However a request to retain a different provider would be considered on an exceptional basis in line with customer choice protocols.

2.7 Where individuals agree alternative means of meeting their outcomes (other than domiciliary care) there will be the facility to use their personal budget to purchase these services.

2.8 There is evidence that many tenants in existing extra care schemes frequently opt to commission care privately from the contracted provider.
or tenants with County Council funded Personal Budgets commission additional care privately.

2.9 This service will also support Adults’ Services in working towards targets for admission avoidance and facilitating hospital discharge.

3. **Consultation**

3.1 Saxon Weald have developed the proposals for this scheme in conjunction with Horsham District Council and the County Council. Given that the original accommodation in the old Leggyfield Court scheme no longer met current standards of accommodation, all were in agreement with the proposals. Saxon Weald carried out a full process of individual and group consultation with existing tenants of Leggyfield Court, all of whom were rehoused in temporary accommodation with the promise of returning to the new Leggyfield Court if they wished. Most will be returning to the non-extra care sheltered housing units, some possibly will transfer into the new extra care block. Saxon Weald offers financial recompense to cover expenditure involved in all these moves.

3.2 The Member for Horsham Hurst, Mr Nigel Dennis, has been consulted on this decision.

4. **Customer Focus Appraisal**

A Customer Focus Appraisal has been undertaken and is [attached] as an Appendix to this report.

5. **Resource Implications and Value for Money**

5.1 The Northern Area Domiciliary Care Budget will provide core funding for the annual contract (i.e. guaranteed hours) for Leggyfield Extra Care Contract. Costs are expected to be in the region of £123,000, based on benchmark amounts. This is the gross cost for Adults’ Services; the actual cost would be net of any customer contributions.

5.2 Though this is a new extra care scheme, the majority of people moving in will already be in receipt of a personal budget and receiving a package of care and will be, in effect, transferring some of the cost to a more efficient scheme. It is therefore anticipated that the scheme initially will be cost neutral. Some of these people are likely to be people transferring from Britons Croft Extra Care Scheme.

5.3 In value of money terms, costs need to be seen in comparison to the cost of residential care. For example the gross cost of 24 people receiving residential care funded by WSCC at the weekly rate for frail elderly of £345 per week would be £430,560 per annum.

5.4 The County Council’s agreement to the redevelopment of the Leggyfield site as extra care has not been dependent on the closure of Britons Croft. Saxon Weald initially decided on the Leggyfield refurbishment plans based on the success of the other extra care schemes.
5.5 There has been no capital input required from West Sussex County Council in terms of land etc in connection with the Leggyfield site.

5.6 In fact County Council managers for the Northern Area believe that **not** commissioning the service at Leggyfield Court would now put a burden on the area budget due to the potential placements for the people that need this level of service if there is no alternative extra care service available.

5.7 There is evidence from other extra care schemes that once a new tenant has settled into the scheme their needs decrease which leads to further cost savings.

5.8 The proposals contribute significantly to the County Council’s priorities of self-directed support, customer choice and personalisation, and the proposal is the best option in terms of efficiency savings.

5.9 Details of the financial calculations are provided in an appendix which is available to members of the Council only in Part II, by virtue of Paragraph 3 Schedule 12A Local Government Act 1972; information relating to the financial or business affairs of any particular person (including the authority holding that information).

6. **Risk Management Implications**

6.1 A potential risk for this procurement is that the cost of the new contract could come in over anticipated budget. Following learning from other similar recent tenders however a ceiling budget will be included in the tender documents with the warning that bids in excess of this figure will not be considered.

6.2 The length of the proposed contract – 2 years with a possible 2 year extension will attract a less economic price pro rata than a longer contract term, as there is less security for the provider. However, this needs to be balanced with the need for flexibility in commissioning a service in response to changing care needs.

6.3 There is also a national drive to increase the uptake of Direct Payments. For the current model of extra care within West Sussex however it would be highly unusual for the County Council to offer solely a Direct Payment to someone moving into an extra care unit –(see 2.6 above).

6.4 A nominations panel involving Horsham District Council, Saxon Weald and West Sussex County Council meets regularly to monitor vacancies and discuss applications for all the local extra care schemes. The panel aims to maintain a list of prospective tenants to minimise risk of voids. Initially people on the waiting list for other schemes will also be invited to consider Leggyfield Court as well as those needing to transfer from Britons Croft. The Nominations Agreement between Saxon Weald and the County Council will not include financial liability on part of the County Council for void units.
6.5 The volume of guaranteed day hours in the contract will be set at 105 and night hours at 63 per week (the minimum number to provide staff cover round the clock). This reduces the risk of there being void hours in the contract as any hours of care required over and above these will come from a flexible pool of buffer hours.

6.6 Performance indicators, targets and service standards will be detailed in the contract. The provider will be registered with the Care Quality Commission.

6.7 The Northern Area will designate an Authorised Officer for the purpose of regular monitoring and review:

Review will be through:
- scheduled service reviews with all parties concerned
- monitoring meetings with the provider
- meetings with the care and housing providers

6.8 The tender process will take account of financial and technical capability to deliver the service.

6.9 Should a major breach of contract compliance occur or a significant reduction in demand for the service, the contract termination clauses would allow the Council to terminate the contract forthwith and recover the amount of any consequential loss from the provider.

7 Crime and Disorder Implications

There are no foreseeable implications associated with this proposal.

8 Human Rights Implications

There are no foreseeable implications associated with this proposal.

Crispin Atkinson Amanda Rogers
Director of Joint Commissioning Director of Adult Services

Appendices
1. Exempt Appendix
2. Customer Focus Appraisal

Background Papers

Not applicable