



ADULTS AND COMMUNITIES OVERVIEW AND SCRUTINY COMMITTEE
5 SEPTEMBER 2022

EXTRA CARE SERVICE REVIEW AND PROCUREMENT

REPORT OF THE DIRECTOR OF ADULTS AND COMMUNITIES

Purpose of the Report

- 1 The purpose of this report is to advise the Committee of the outcome of a service review that was undertaken on the Extra Care Service, engagement with residents and stakeholders that has been carried out, and the proposed changes, including the way in which elements of the services are commissioned.
- 2 The Committee is invited to comment on the proposed way forward.

Policy Framework and Previous Decisions

- 3 Extra Care services promote independence, keeping people well and provide an alternative to residential care. The proposals in this report link to the Council's Strategic Plan for 2022–2026 and specifically the aims under the Keeping People Safe and Well Outcome, a key aspect of which is to ensure the people of Leicestershire live in a healthy environment and have the opportunities and support they need to take control of their health and wellbeing.
- 4 The fundamental principle of the “Delivering Wellbeing and Opportunity in Leicestershire, the Adults and Communities Department Ambitions and Strategy for 2020–2024” is Wellbeing. The main proposals in this report relate to the way in which the Wellbeing Service (an aspect of the Extra Care Service) is commissioned and operated going forward. The work to form the proposed way forward for the Extra Care Service has been carried out to align with the principles and ambitions of the Strategy.
- 5 The proposals also align with the aims of the Accommodation Strategy for Older People 2016-2026 and Building Accommodation to Meet the Needs of People in Leicestershire, Investment Prospectus 2019–2037.
- 6 Extra Care Service expenditure is significant and accounted for in the overall budget of the Adults and Communities Department set out in the Council's Medium Term Financial Strategy for 2022/23–2025/26. The expenditure is in two parts - the commissioned care budget which is £1,038,000 for 2022/23, and the Wellbeing Service budget, which is £912,000, giving total expenditure of £1,950,000 for 2022/23.

- 7 The cost of the Wellbeing Service is mitigated by a charge of £70 per week paid by tenants, which is estimated to generate an income of £306,000 in the current year, leaving a net estimated cost of the Service of £1,590,000.
- 8 Whilst the changes to the Extra Care Service proposed in this report are expected to improve efficiency, they are also expected to generate a financial saving for the Department, which is described in the Resource Implications section in paragraphs 32-36 below.

Background

Extra Care Services

- 9 The term Extra Care is used to describe developments that comprise self-contained homes with design features and support services available to enable self-care and independent living.
- 10 Extra Care comes in many forms and may be described in different ways, such as sheltered housing, housing with care or retirement villages. Occupants may be owners, part-owners or tenants (the latter of which is most commonly used to refer to any occupants) and all have legal rights to occupy underpinned by housing law (in contrast to residents in care homes).
- 11 There are currently six Extra Care schemes within Leicestershire across Blaby, Charnwood and Melton. Each scheme is similar in approach, apartments are let from the housing provider (i.e. the owner of the relevant scheme) with any care required being commissioned by the Council by the onsite care provider.
- 12 Most people accessing Extra Care via the Department will have an assessed eligible care need whilst others access the schemes via the housing provider. Most have care needs, some may not, but seek better quality accommodation and security of living in such settings.
- 13 There are two aspects to the Extra Care Service; the person-centred commissioned care, and the Wellbeing Service, which supports all tenants in the scheme, whether they have commissioned care or not. Delivered by the care provider, there are two aspects to the Wellbeing Service, the meeting of unplanned care needs 24 hours per day, seven days per week, and the provision of social support that varies from the organisation of social activities to regular checks to make sure tenants are safe and well.
- 14 There are circa 199 Extra Care flats occupied in the County and 125 of the tenants are in receipt of commissioned care. A number have chosen to purchase their care direct from the onsite care provider. The Council commissions circa 1,700 hours of care per week for tenants which is relatively low compared with comparator local authorities.
- 15 The unit costs at five of the six schemes are considered to be equitable, the exception being the Melton scheme which has a market-led rate due to the limited number of bids (one in total) received as part of the previous tender to procure the Service.

- 16 The current care contracts across the six schemes have been operating since 29 October 2018 and are due to end on 31 March 2023.

Review of the Services

- 17 In line with commissioning practice, the Extra Care Service was reviewed as the contract end date approached. That review covered all aspects of the Service; quality of care, the Wellbeing Service and the way the housing provider, the onsite care provider and the Council worked together to support tenants.
- 18 As part of the review, engagement with tenants and providers was carried out to get their views on the support offered by the existing service, which mainly related to the quality of the care they receive and the social opportunities and interactions created by the Wellbeing Service. Information was also gathered from colleagues on the operation, effectiveness and funding of the Service. Comparisons with similar services, regionally and nationally, were also undertaken and best practice in the sector gathered to inform the review.
- 19 In undertaking the review, improvements have been identified that will enable the Service to operate more effectively, for example, a partnership agreement between the housing provider, care provider and Council will be developed and Council link workers identified.
- 20 However, the main area of concern identified was the costs, and operation of the Wellbeing Service. The Wellbeing Service has a relatively high cost of £70 per week for tenants when compared with similar services, and the gross cost to the Council of £912,000 per annum suggested a change of approach to the Service is needed.

Engagement

- 21 Key to the Service review undertaken in 2021 were engagement activities with the key stakeholders in the Service:
- tenants living in the schemes and their families;
 - care providers;
 - housing providers.
- 22 The Extra Care housing providers (Places for People, East Midlands Housing Association, Anchor and Melton Borough Council) were asked to form a provider reference group, chaired by a Council officer, which meets regularly. The group has helped to shape the proposals for the future operation of the Extra Care service set out below including the proposal relating to the take over and development of the social inclusion and support service.
- 23 The care providers (Help at Home and Radis) have also been briefed on the proposed changes to the Wellbeing Service (detailed below), and like the housing providers, will be further briefed on the preferred option. Thus far, they have both informally indicated a willingness to bid for the new contract.

- 24 Engagement with tenants at each scheme was undertaken in 2021 to ascertain their experience and views of the Service, the advantages and disadvantages as they see them of living in the Extra Care schemes. Tenants' views were obtained by holding a meeting at each scheme so that they could discuss the Service with Council staff. They also had the opportunity to complete a feedback form and to speak privately to a member of staff to give their views.
- 25 A number of questions were explored, mainly through discussions with tenants who were asked why they had moved into an Extra Care scheme, how had their lives improved since moving, and what changes they thought should be made to the model. Responses were overwhelmingly positive about the concept of living in an Extra Care environment and there was little to suggest the tenants would change anything about the housing with care model.
- 26 However, some concerns were raised about cost, the activities that were available and the people with a high level of need locating to the Service, who could not therefore enjoy the benefits of Extra Care.
- 27 A further round of engagement, which will again incorporate the opportunity to either meet in small groups at each scheme, discuss the Service privately or provide views via a form or a combination of those approaches, will be completed in August 2022. In this way the Council will obtain their views in relation to the specific changes proposed to the Wellbeing Service and how they affect them.

Proposed Changes to Procurement of the Wellbeing Service

- 28 The proposal relates to the change in the way the Wellbeing Service will be commissioned and operated. Currently, both elements of the Service (the unplanned care element and the social inclusion and support element) are delivered by the care provider.
- 29 A range of options have been explored to maximise the impact of the Service whilst delivering an efficient and cost effective offer. These included operating a floating service across the schemes or removing the unplanned care service altogether. However, these were deemed not to be viable due to both offering a reduced offer to tenants and fundamentally changing the Extra Care Service in the County.
- 30 The preferred approach is detailed as follows:
- Unplanned care to be delivered by the care provider on site from 10pm-7am.
 - Social inclusion and support to be delivered by the housing provider, as they have more experience in providing this sort of service. This will provide a much more comprehensive service than that currently provided drawing on a great deal of experience in this area.
 - Unplanned care needs for tenants during the day will be met by the staff onsite that are delivering commissioned care.
- 31 The proposed unplanned care service will support Leicestershire's Extra Care provision to cater for more people with higher care and support needs as an alternative to residential care. The model will also ensure that those with assessed

night care and support will be able to be incorporated within the night model, albeit supplemented by additional staff where needed.

- 32 From the tenant's perspective, this new approach will mean that they still have 24/7 support should an unplanned care need arise, but the £70 per week charge will be removed. The housing provider will also provide social support and activities, for which there will be a smaller charge, to be agreed with the housing provider.
- 33 The new contract for the Extra Care service needs to be in place by 1 April 2023 and is proposed to be available for providers to bid for in September 2022. As part of the re-procurement of the Service there is opportunity for the Department to adjust the way it operates the Service and the way it works in partnership with the housing and care providers through a more formal partnership arrangement between stakeholders to provide a more efficient and cost effective service.

Resource Implications

- 34 As explained earlier, total Extra Care expenditure consists of two parts - the commissioned care budget which is £1,038,000 for 2022/23, and the Wellbeing Service budget, which is £912,000, giving total expenditure of £1,950,000 for 2022/23. The cost of the Wellbeing Service is currently mitigated by a charge of £70 per week paid by tenants, giving a net estimated cost of the Extra Care Service of £1,590,000.
- 35 The proposed unplanned care service will support Leicestershire's Extra Care model to cater for more people with higher care and support needs as an alternative to residential care. The model will also ensure that those with assessed night care and support will be able to be incorporated within the night model, albeit supplemented by additional staff where needed.
- 36 By requiring the onsite provider to meet unplanned care needs during the day by staff onsite delivering commissioned care, the daytime element of the current £912,000 funding can be removed. This will generate a saving equivalent to the cost of the daytime element of the current Wellbeing Service of £572,000 per annum, which will mitigate the loss of income to the Council from the removal of the Wellbeing Service charge estimated at £306,000 per annum.
- 37 The new model proposed will ensure that the Council is making efficient use of available resources with a potential net saving of circa £266,000 per annum through the delivery of the revised Service.
- 38 The Director of Corporate Resources and Director of Law and Governance have been consulted on the content of this report.

Timetable for Decisions

- 39 A report will be presented to the Cabinet on 16 September 2022 seeking approval for the procurement of care and support in extra care housing schemes as outlined above, as well as updating members on the outcome of the engagement with current tenants on the changes to service provision.

- 40 Subject to Cabinet agreement, procurement will commence in October and be completed early in 2023, contract mobilisation will follow and the new Service will commence in April 2023. Market intelligence suggests there will be sufficient interest to deliver a successful procurement. Both current care providers have expressed an informal interest in bidding.
- 41 As the further round of tenant engagement will not be completed before this Committee report is published a verbal update on that engagement will be provided at the meeting.

Conclusions

- 42 The Committee is asked to provide any comments on the proposed way forward, which will be reported to the Cabinet meeting on 16 September 2022.
- 43 The proposed changes will benefit tenants by providing a more efficient and cost effective service. They are also expected to benefit the housing and care providers involved by bringing more clarity to their respective roles and the Council by reducing the overall cost of the Service.

Background Papers

- County Council's Strategic Plan 2022 – 2026
<https://www.leicestershire.gov.uk/sites/default/files/field/pdf/faq/2022/4/12/Appendix-B-LCC-Strategic-Plan-2022-26.pdf>
- [Delivering Wellbeing and Opportunity in Leicestershire](#)
- [Accommodation strategy for older people 2016 - 2026](#)
- [Building Accommodation to Meet the Needs of People](#)
- [Report to the County Council on 23 February 2022 – Medium Term Financial Strategy 2022/23 – 2025/26](#)
<https://politics.leics.gov.uk/ieListDocuments.aspx?CId=134&MId=6481&Ver=4>

Circulation under the Local Issues Alert Procedure

- 44 A copy of this report has been circulated to all members of the County Council.

Equality and Human Rights Implications

- 45 An Equality and Human Rights Impact Assessment (EHRIA) has been produced incorporating the preferred option and will be reviewed by Departmental Equalities Group on 25 August 2022. The recommendation is that there will be a neutral impact and that a full EHRIA will not be required.

Officer to Contact

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