

Mayor and Cabinet			
Title	Transfer of Extra Care Housing Provision at Conrad Court, Surrey Quays		
Key decision	Yes	Item no	
Wards	Borough Wide		
Contributors	Executive Director for Community Services, Executive Director of Corporate Resources Director of Law Governance and Elections		
Class	Part 1		

Outline and Recommendations

At the 6th July 2022 Mayor and Cabinet, it was agreed that:

1. the optional two-year contract extension at Conrad Court would be enacted
2. the Council would support the transfer of Conrad Court as a single entity, at no cost to the Council, to another suitable provider as part of the Notting Hill Genesis asset transfer, subject to the terms and conditions of any such transfer being in line with the Council's current contract with Notting Hill Genesis, including the London Living Wage.
3. officers would bring a further report to Mayor and Cabinet for approval to novate the Conrad Court contract once that information is known.

This report is to advise that Notting Hill Genesis, the current provider and owner of Conrad Court, has completed its procurement exercise and has identified an organisation to whom it will transfer its Extra Care buildings and operations.

Mayor and Cabinet are recommended to:

1. Note that Notting Hill Genesis has identified the successful provider of its Extra Care Services
2. Note that officers have reviewed the successful provider's bid documents submitted to Notting Hill Genesis as part of the Council's due diligence process
3. Approve the transfer of the contract from Notting Hill Genesis to their successful provider on the same terms and conditions and price for the provision of Extra Care Services for Older Adults and Adults with disabilities at Conrad Court, Marine Wharf, Surrey Quays, London, SE16 from around week beginning 13th February 2023 allowing for some tolerance for actual date for completion, till 30th September

2024 at a cost of £732,340 per annum and a total cost of £1,193,815..

Timeline of Engagement and Decision Making

Notting Hill Genesis advised the Council on 24th May 2022 that it had taken a strategic decision to divest itself of its extra care services.

They engaged in a series of meetings with their staff and tenants between 26th May 22 and 4th July 22. Officers attended the meetings with tenants.

Mayor And Cabinet agreed on 6th July 2022 that it would support the transfer of Conrad Court as a single entity subject to the terms and conditions of any such transfer being in line with the Council's current contract with Notting Hill Genesis.

Notting Hill Genesis ran their procurement exercise between 5th August 2022 and 7th October 2022 and their Board agreed the outcome of the procurement on 28th November 2022. Contracts are due to be exchanged by mid-December 2022 at the latest with completion expected mid to the end of February 2023.

1 Summary and purpose of report

- 1.1 The purpose of this report is to advise Mayor and Cabinet that Notting Hill Genesis has now completed their procurement exercise for the transfer of its capital assets and service contracts and that they have identified a successful provider.
- 1.2 As a consequence of this, the Council will need to novate its contract from Notting Hill Genesis to their successful provider. This report is to ask for Mayor and Cabinet approval to proceed with transfer of contract to the successful provider to deliver Extra Care Services for Older Adults and Adults with disabilities at Conrad Court.
- 1.3 Full background, history and detail of the contracted services currently provided by Notting Hill Genesis, and the reason behind their decision can be found in the Part 2 Mayor and Cabinet Report of 6th July 2022.

2 Recommendations

Mayor and Cabinet are recommended to:

- 2.1 Note that Notting Hill Genesis has identified a successful provider of its Extra Care Services
- 2.2 Note that officers have reviewed the successful provider's bid documents submitted as part of the Notting Hill Genesis Procurement as part of this Council's due diligence process

- 2.3 Approve the transfer of the contract from Notting Hill Genesis to their successful provider on the same terms and conditions and price as the current contract for the provision of Extra Care Services for Older Adults and Adults with disabilities at Conrad Court, Marine Wharf, Surrey Quays, London, SE16 from around the week beginning 13th February 2023 allowing for some tolerance for actual date for completion, till 30th September 2024 at a cost of £732,340 per annum and a total cost of £1,193,815.

3 Policy Context

- 3.1 The Care Act (2014) requires local authorities to ensure the provision or arrangement of services, facilities or resources to help prevent, delay, or reduce the development of needs for care and support improving people's independence and wellbeing. Local authorities regard extra care housing (housing with onsite support) as one pathway for delivering least restrictive care and support. It is a means to divert people away from residential care, promote personalised care and maximise people's independence in a more enabling and homely alternative.
- 3.2 Addressing issues relating to the quality and quantity of housing stock relates directly to the Council's Corporate Strategy (2018-2022) Priority 2 "Tackling the Housing Crisis". The delivery of Extra Care Housing relates to the Priority 5, Delivering and Defending: Health Social Care and Support.
- 3.3 The ADASS 'New Dialogues' (2018) Think Piece 'A Better Offer For Older People', issued in partnership with the Housing Lin and MEARS, sets out the business case for Extra Care, saying that studies suggest that:
- 64% of residents would otherwise have been in residential or nursing care. On average extra care costs half the gross cost of alternative placements
 - Extra care reduces the cost of providing high-level care by 26% per person per year.
 - There is evidence that extra care housing residents visit a GP less frequently, require fewer community nurse visits and that the median duration of unplanned hospital stays fell from 5-7 days to 1-2 days
 - Housing with care saves the NHS almost £1,115 per person per year
 - Nearly two-thirds of residents reported that they had a good social life after moving to an extra care housing scheme, whereas half said that they felt lonely and socially isolated in their previous homes. Residents also reported increased feelings of control and safety.
 - Staff turnover for domiciliary care is 40% and 20% for extra care
- 3.4 National HAPPI (Housing our Ageing Population) research identified good practice design elements for housing for older people and the importance of mixed communities for older people:
- Space and flexibility
 - Daylight in the home and in shared spaces
 - Balconies and outdoor space

- Adaptability and 'care ready' design
- Positive use of circulation space
- Shared facilities and 'hubs'
- Plants, trees, and the natural environment
- Energy efficiency and sustainable design
- Storage for belongings and bicycles
- External shared surfaces and 'home zones'

3.5 The HAPPI 3 report (2013) highlighted that local authorities are key players in meeting the needs of an aging population through housing and care provision and that housing with care supports older tenants to free up affordable under occupied family homes, achieving solutions for both younger and older households.

4 Background

4.1 Mayor and Cabinet were advised on 6th July 2022 that Notting Hill Genesis had made a strategic decision to no longer be a provider of extra care housing services. Background detail was included in the Part 2 report of that date.

4.2 In summary, Notting Hill Genesis owns Conrad Court, the building where the extra care service is delivered. The transfer of the service as part of a single entity with the sale of the Conrad Court building helped give stability to tenants as it would support the TUPE transfer of the staff team.

4.3 Conrad Court is one of a number of buildings and service contracts that Notting Hill Genesis is transferring through its procurement process. In total it is looking to transfer 6 properties and care services as whole entities, equating to 418 flats across 5 London Boroughs, and 2 properties where services are currently delivered by other providers at this time a further 79 flats in 2 boroughs (1 in London, 1 in Surrey).

Notting Hill Procurement and Transfer Process

4.4 While the responsibility for managing the procurement lay solely with Notting Hill Genesis, officers worked with them in the development of their tender documentation. In particular, officers outlined a list of specific areas that the Council would expect to see included and evidenced in bids. Officers were sent a copy of the final procurement documentation to ensure that it fully represented the interests of the Council.

4.5 It was clearly set out in the procurement documentation that any new provider would be taking on the existing specification, at the same price envelope (including the £120K contribution to the running cost of the service from the housing revenue budget), and terms and conditions of the current contract. This included active engagement with the requirements of the Council's Social Value Framework.

4.6 Notting Hill Genesis ran their procurement between 5th August 2022 and 7th October 2022. They have now completed their due diligence processes, and

their Management Board of 28th November 2022 accepted the procurement recommendation to transfer their buildings and their extra care services to the successful provider.

- 4.7 Officers have received and reviewed the tender documentation submitted by the successful provider to Notting Hill Genesis and can confirm that the bid met the Council requirements and standards.
- 4.8 The Council will need to novate its current contract for extra care services at Conrad Court from Notting Hill Genesis to the successful provider.
- 4.9 Once the successful provider and Notting Hill Genesis have signed and exchanged contracts, Council officers will coordinate a series of joint meetings with Notting Hill Genesis and the successful provider to ensure a smooth governance and transfer process of Conrad Court, including introductory meetings between the successful provider and Conrad Court tenants.
- 4.10 Notting Hill Genesis expect to have completed the full transfer of their buildings and services by end February 2023 at the latest.

5 Financial Implications

- 5.1 The Conrad Court extra care service has a contract for 700 hours a week at a total contract price £732,340 for 2022/23. A significant amount of the current cost of Conrad Court, £545,000 per annum is funded from the Better Care Fund with the balance being funded from the Adult Social Care base budget.
- 5.2 At the current contract price of £732,340 per annum, the total cost of the new contract with the successful provider, from week beginning 13th February 2023 allowing for some tolerance for actual date for completion till 30th September 2024, will be £1,193,815.
- 5.3 This is a London Living Wage contract - Other requirements of this contract include that there are no staff on zero hour contracts and all staff including Bank staff receive holiday and sickness pay, in accordance with the Unison Ethical Care Charter.
- 5.4 The contract will be novated on existing terms and conditions. It will therefore be subject to the usual uplift discussions for 23/24.
- 5.5 Extra care services have not been included in the current central government Fair Cost of Care exercise. It is expected that extra care will be included in any future Fair Cost of Care round.
- 5.6 The costs of managing the transfer have been the responsibility of Notting Hill Genesis. No costs for this have been, or will be, incurred by the Council.
- 5.7 There is sufficient provision in the Adult Social Care budget to meet the costs of this contract novation.

6 Legal Implications

- 6.1 In May 2022, Notting Hill Genesis asked that the Council supports the transfer of the Council contract to a new provider. The purpose of this report is to advise of the new provider that has been identified and seek approval for the novation of contract. Any transfer of contract will be subject to all parties (Notting Hill Genesis, the new provider and the Council) entering into a Deed of Novation which will ensure that the new provider must comply with all terms and conditions of the current contract as if it had been a party to the contract from the start of the original contract. Therefore all terms and conditions will remain as they are, including the price and the specification ensuring that the Council's position is protected.

7 Crime and Disorder Implications

- 7.1 There are no specific Crime and Disorder implications associated with this report.

8 Equalities Implications

- 8.1 This report refers to the extra care housing and support service at Conrad Court in Surrey Quays. The novation of contract from Notting Hill Genesis to a new provider will not affect access to the service.
- 8.2 Extra care services are specifically commissioned to provide care and support to older adults (55+). The service has a positive impact on the protected characteristic of age because it supports older people to maintain their independence.
- 8.3 The mixed nature of the Conrad Court extra care service also means that people eligible for funded care because of their disability and/ or frailty spend time and socialise with a more active, lively group of older adults by design giving a fuller community feel. Additionally, it means that less people lose their homes as they become more frail
- 8.4 The service also has a positive impact on disability as many of the tenants living at the scheme have a disability. The service provides practical support as well as help to apply for benefits and promotes better access to health services required.
- 8.5 There are more men than there are women currently receiving an extra care service at Conrad Court (approx. two-thirds of service users). Older men are more likely to experience social isolation and the service supports them to engage in activities and get to know their neighbours. This has a positive impact on the protected characteristic of gender.

- 8.6 The novation of the extra care contract enables officers to ensure that the extra care contract will continue to have a positive impact on the protected characteristics listed above.
- 8.7 There are no known negative equalities impacts of the recommendations contained within this report.

9 Climate Change and Environmental Implications

- 9.1 There are no specific climate or environmental implications to this report.

10 Health and Wellbeing Implications

- 10.1 As the life expectancy of older adults increases, people will also experience a number of associated health conditions and/or social care needs which can be better supported, or potentially avoided in extra care schemes. They also prevent deterioration in the health and wellbeing needs of adults who are already in need and in receipt of care, and can assist with avoiding both hospital admission and admission to residential care. High quality extra care housing, therefore, supports older adults to live as active and healthy members of their communities for longer.
- 10.2 There is a growing body of research that active lifestyles and social engagement slows down the development of dementia, and social isolation is a recognised factor in deteriorating health and wellbeing. Extra care schemes have opportunities for social engagement built into them, and these can also be shaped and developed by staff as part of the 'extra care community' of tenants. In the mixed model of extra care as in Conrad Court, people aged 55+ themselves initiate contact and volunteer to lead activities in the schemes. Overall, being part of an extra care community supports tenants to have the confidence and motivation to access other generic community events and facilities.
- 10.3 Extra care services minimise the debilitating impact of physical health impairments through the nature and design of the schemes. The absence of internal stairs and the provision of walk in shower rooms maximises people's ability to live independently.
- 10.4 While there is likely to be some generalised anxiety about a change of landlord (for all) and a change of provider (for extra care clients) arising from the contract novation, this is likely to be resolved relatively quickly as staff will transfer as part of the novation.

11 Social Value Implications

- 11.1 The Public Services (Social Value) Act came into force on the 31st January 2013. It is now a legal obligation in certain circumstances for local authorities and other public bodies to consider the social good that could come from the procurement of services before they embark on it.
- 11.2 Social Value is defined as the additional economic, social and environment benefits that can be created when Lewisham Council purchases services outside of the organisation.
- 11.3 Lewisham aims to agree social value through commissioning and procurement activities through four objectives:
- Employment, Skills and Economy
 - Greener Lewisham
 - Training Lewisham's Future
 - Making Lewisham Healthier
- 11.4 The current contracts with Notting Hill Genesis did not require the setting of social value outcomes at the time they were negotiated/ procured.
- 11.5 Bidders for the Notting Hill Genesis Transfer of Services procurement were asked to detail and evidence how they would deliver social value at a local level. The new provider set out apprenticeships offered, as well as the community access to facilities and other community development work.
- 11.6 Progress against targets submitted in the procurement will be monitored in line with the Council's Social Value Policy (2019) with the new provider post transfer.

12 Contract Management

- 12.1 A contract classification is determined by a combination of the level of contract risk, criticality and financial value. The classification for these contracts is Tier 1 which requires monthly meetings and dashboard reporting between the Council and the provider.

13 Background documents

- 13.1 If you would like any further information on this report please contact Heather Hughes, Joint Commissioning Lead for Complex Care and Learning Disability on 020 8314 3511.

14 Glossary

Term	Definition
Extra Care	Housing plus on-site 24 hour staff support to meet Care Act (2014) eligible care needs for people aged 55 plus.

Contract Award	When and organisation or a provider is selected to deliver a service and asked to enter into a contract
LLW (London Living Wage)	Means the hourly rate of pay as calculated and published annually by the Greater London Authority taking into account the higher cost of living in London and the rate of inflation
Social Value	The additional economic, social and environmental benefits that can be created when Lewisham Council purchases services outside of the organisation

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