



## Mayor and Cabinet

### **Report title: Delivery of Extra Care Services at Cinnamon Court and Cedar Court**

**Date:** 01 February 2023

**Key decision:** Yes

**Class:** Part 1

**Ward(s) affected:** Grove Park, Evelyn wards and Borough Wide

**Contributors:** Executive Director for Community Services,  
Executive Director of Corporate Resources  
Director of Law Governance and Elections

### **Outline and Recommendations**

Mayor and Cabinet are recommended:

1. To award a contract to Housing 21 for the delivery of extra care services at Cedar Court and Cinnamon Court for three years with an option to extend for up to two years. This will equate to a total cost of £924,352 per annum for both services, a total of £2,773,056 for three years and £4,621,760 for five years.

### **Timeline of engagement and decision making**

The Council has held two contracts with Housing 21 for the delivery of extra care services. The original contract was for 15 years running from 2002 – 2017. The second contract ran from October 2017 to June 2022 (three years with a permissible extension of two years).

On 6<sup>th</sup> July 2022, Mayor and Cabinet agreed a further extension to this second contract for 9 months till the 31<sup>st</sup> March 2023. This was to allow officers to quality assure, in particular, the service at Cedar Court which was rated by the Care Quality

Commission (CQC) as 'Requires Improvement' and ensure evidence of sustained service improvement. Also, to confirm that the service at Cinnamon Court would retain its CQC quality rating of 'Good'.

The Care Quality Commission (CQC) inspected Cedar Court on 24<sup>th</sup> October 2022. They have subsequently rated this service as 'Good'.

## **1 Summary and purpose of report**

- 1.1 This report is to update Mayor and Cabinet on quality improvements and sustainability of Housing 21's extra care services at Cedar Court Grove Park and Cinnamon Court Deptford.
- 1.2 The report recommends that a new contract of three years be awarded to Housing 21 for extra care services at Cedar Court and Cinnamon Court, with the option to extend for up to two years.
- 1.3 The report also updates Mayor and Cabinet on the feasibility at this point in time of identifying potential new building developments that will support the strategic disaggregation of the landlord and provider functions for extra care services.
- 1.4 This report was originally scheduled to be presented to the November 2022 Mayor and Cabinet meeting. However, it was delayed in order to ensure that there were sufficient quality visits to the services and also to wait for the CQC rating outcome.

## **2 Recommendations**

- 2.1 It is recommended that Mayor and Cabinet award a contract for the delivery of extra care services at Cedar Court and Cinnamon Court for three years with an option to extend for up to two years.
- 2.2 This will equate to a total cost of £924,352 per annum for both services, a total of £2,773,056 for three years and £4,621,760 for five years.

## **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,

### **Is this report easy to understand?**

Please give us feedback so we can improve.

Go to <https://lewisham.gov.uk/contact-us/send-us-feedback-on-our-reports>

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 (2022-2026) Priority 3 "Quality Housing". The delivery of Extra Care Housing, as well as commissioning services with exemplary conditions for care workers, relates to Priority 7 "Health and Wellbeing".
- 3.3 The Council's Housing Strategy 2020-26 also sets out a number of key priorities that commissioning Extra Care Housing delivers against, particularly priority four of the strategy, 'supporting our residents to live safe, independent and active lives'.
- 3.4 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
- 3.5 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'

### **Is this report easy to understand?**

Please give us feedback so we can improve.

Go to <https://lewisham.gov.uk/contact-us/send-us-feedback-on-our-reports>

- 3.6 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 The Council commissions four extra care housing services in the borough. Two of these are delivered by Housing 21 (Cinnamon Court and Cedar Court – 80 flats in total), who are both the landlord and care provider. The third service is at Conrad Court (78 flats, 52 available for extra care) which is currently delivered by Notting Hill Genesis. This service has recently been sold to Housing 21 and the Council's current extra care contract will be novated to Housing 21. The fourth service is at Haselhorst Court (60 flats, 40 available for extra care) where Phoenix Housing is the Landlord and the contract for the delivery of the extra care service was awarded in December 2022 to Westminster Homecare. This new contract will begin at the end of February 2023. One Housing Group also operates an extra care service at Linden Court (52 flats), again as landlord and provider, though this service is not commissioned by the Council.
- 4.2 This represents a total 'bed base' of 224 extra care flats, 172 of which are directly commissioned by the Council. One hundred and thirty two (132) (70% of the Council's commissioned extra care beds, 75% of its commissioned care hours) will be directly contracted from Housing 21 as at March 2023.
- 4.3 Housing 21 has been providing extra care services to Lewisham Council since October 2002. They were the first (and for 12 years the only) extra care provider in the borough. The original contract for Cinnamon and Cedar Courts was awarded subsequent to the freehold sale of Council land and property following an open tender process. Housing 21 will shortly also be the owner and landlord of Conrad Court following its recent sale to them by Notting Hill Genesis.
- 4.4 Lewisham's contracts with Housing 21 are London Living Wage contracts. Housing 21 meets other UNISON Ethical Care Charter requirements for paid leave, paid training for staff and Occupational Sick Pay. The collocated nature of extra care services (housing plus support) does however support the delivery of short, 15 minute, calls for the purposes of planned 'light touch' wellbeing checks.
- 4.5 Housing 21 operate an integrated model of extra care as standard which they believe to be both efficient and the best model of service delivery to

### **Is this report easy to understand?**

Please give us feedback so we can improve.

Go to <https://lewisham.gov.uk/contact-us/send-us-feedback-on-our-reports>

residents, offering continuity of contact and clearer lines of accountability. Their position with the Council is that they will not lease the properties to another provider for the delivery of a separate extra care service for this reason.

- 4.6 As Housing 21 will be a significant provider of extra care services in the borough, the Council has a duty to ensure that it is not exposed to either financial or quality risk in its commissioning of that service. Therefore, the Council needs to look strategically to review its ability to control and benchmark the costs of these services and also to ensure that it can meaningfully take action if the quality of the service does not match that required by the Council.
- 4.7 At its 6 July 2022 meeting Mayor and Cabinet agreed a second short extension of nine months on the existing extra care contract with Housing 21. This particularly reflected the CQC rating at Cedar Court following the 23<sup>rd</sup> February 2021 inspection of 'Requires Improvement'. The extension was to allow officers additional time to undertake further quality assurance of the service to ensure that it was making progress against the Council's recommended improvement plan, Housing 21's improvement plan specific to the CQC inspection, and Housing 21's action plan from its own internal audit. Also, so that officers could assess whether the provider would be on track for a 'Good' CQC rating at its next CQC inspection.
- 4.8 The Council was also seeking assurance that there was no risk of a deterioration in the quality of the extra care service at Cinnamon Court which was already rated as 'Good'.
- 4.9 The extension has also allowed the Council to consider whether the price it is paying per hour for contracts with Housing 21 are competitive. During this period, the Council has also run an open tender for the delivery of extra care services at another scheme in the borough, Hazelhurst Court. This provided the Council with up to date information regarding what the market was requesting as an hourly rate for extra care to compare the cost of the service commissioned from Housing 21.
- 4.10 The Council recognises Housing 21's preference for an integrated model of housing and support in its extra care provision. However, this leaves the Council potentially disadvantaged in contract negotiations. It potentially has no control over the price if Housing 21 chooses not to use a benchmark figure. It actually has no control over service provider, as the address of the service and landlord function is by design inextricably linked with the service provider function. In the event that price and quality considerations were of concern, and the Council had no option but to terminate the contract with Housing 21, tenants at Cedar Court, Cinnamon Court and soon Conrad

### **Is this report easy to understand?**

Please give us feedback so we can improve.

Go to <https://lewisham.gov.uk/contact-us/send-us-feedback-on-our-reports>

Court could potentially be put at risk of disjointed care with the possibility of a potential loss of tenancy.

- 4.11 If the Council no longer had access to these flats for the delivery extra care it would have to source 80 flats to relocate existing tenants/ clients which are built to a good standard meeting high accessibility requirements (e.g. for wheelchair access, wet rooms etc) which are co-located in one or two blocks and 'secure by design'. The viability of sourcing this housing at this time has been explored and is set out in section 6 of this report.
- 4.12 Without the option of alternative accommodation for the delivery of extra care services, one alternative would be to source residential care home places for those 80 clients. The care home market would struggle to meet this demand, accommodation would not be deliverable solely in Lewisham, and so a significant number of people would need to be placed out of borough.
- 4.13 Moving to residential care would potentially deskill and disempower people as care would be over provided and control over which staff would deliver support when would be reduced.
- 4.14 Residential care would cost the council an estimated £328 to £410 a week more per person (the difference between £330 per person with higher support needs in extra care against a range of £658 - £740 for a residential care home in the borough).
- 4.15 Housing 21 might require the Council to move its clients from Cinnamon Court and Cedar Court if we no longer contracted with them for extra care, as the tenancies are linked with the delivery of extra care. Housing 21 could serve eviction notices to those tenants. Tenants might also bring action against the Council for causing them to lose their home and against Housing 21 for serving eviction notices.
- 4.16 If Housing 21 maintained tenancies with current tenants, the Council could potentially commission individual packages of care with homecare agencies. However, to be referred for extra care housing the person's Care Act Assessment has already considered that living at home with a package of care is not a safe situation for them. Individual packages of care, even if people were collocated in the same building, would not provide a 24 hour continuous, 'joined up' and responsive service and it is very likely that there would be times of the day and night where no staff would be present. This would expose people to risk.

### **Is this report easy to understand?**

Please give us feedback so we can improve.

Go to <https://lewisham.gov.uk/contact-us/send-us-feedback-on-our-reports>

- 4.17 The Council, therefore, needs to give consideration as to whether, strategically, there is opportunity to develop alternative extra care housing and associated facilities of sufficiently high quality where landlord and service provision can be separated. This would mitigate potential risk to the Council in the longer term. Preliminary consideration of capital and accommodation availability suggests that this would be a much longer term piece of work. Alternative accommodation is not available at this time and so consideration of alternative commissioning arrangements sit outside of this current contracting round with Housing 21.

## **5 Quality Assurance Considerations**

- 5.1 Cedar Court was rated by CQC as 'Requires Improvement' in June 2021. Housing 21 submitted their own quality improvement plan to CQC in June 2021. Their senior management team also undertook a series of internal quality assurance audits of Cedar Court and Cinnamon Court during 2021 and 2022.
- 5.2 The Council undertook routine monitoring visits to both Cedar Court and Cinnamon Court in May 2022. Quality Action plans are routinely put in place after every monitoring visit to improve the quality of the service. That Quality Action plan reflects any specific areas of concern during the visit itself, but also looks to support a focus on quality improvement even where services are of good quality, for example by encouraging the introduction of good practice or innovation from other services. Action plans were put in place for both Cedar Court and Cinnamon Court. The plan for Cedar Court focussed particularly on the sustainability and competency of local management systems.

### **Cedar Court**

- 5.3 Three on-site monitoring visits to Cedar Court have taken place since the 6<sup>th</sup> July Mayor and Cabinet: 14<sup>th</sup> September 2022; 27<sup>th</sup> September 2022 and 11<sup>th</sup> November 2022. Visits planned for August and October had to be deferred because of Covid19 outbreaks and management sick leave, respectively.
- 5.4 The Contract and Quality Assurance Officer (CQAO) completing the visits used a focused action plan based on the actions from the May 2022 monitoring report, updating it on each visit to reflect progress against each action. Actions are assigned a priority status from high – low so that there is clarity and transparency about where the Council expects a provider to focus their efforts.
- 5.5 Good progress has been made in the recording of incidents by staff, reported improved staff satisfaction at work and management consistency. However, the council would like to see further progress in the areas of

### **Is this report easy to understand?**

Please give us feedback so we can improve.

Go to <https://lewisham.gov.uk/contact-us/send-us-feedback-on-our-reports>

consistency of recording staff probation activity and fuller recording of the content of staff supervision meetings.

- 5.6 As part of the Council's quality assurance visits, officers have also reviewed progress against Housing 21's internal improvement plans. These have also displayed good progress in their delivery.
- 5.7 Overall, therefore, there has been no further decline in the quality of service at Cedar Court since the Mayor and Cabinet report of 6<sup>th</sup> July 2022, and there has been significant progress against identified areas for improvement.
- 5.8 CQC also visited Cedar Court on 24<sup>th</sup> October 2022. That report has now been published in January 2023 and rates Cedar Court as 'Good' across all domains (Safe; Effective; Caring; Responsive; Well-led).

### **Cinnamon Court**

- 5.9 The CQAO has undertaken further onsite visits to Cinnamon Court on the 8<sup>th</sup> and 9<sup>th</sup> November 2022. These visits confirmed that the service continues to be well managed across all areas of enquiry.
- 5.10 The service was found to be safe, clean and well-staffed, with positive feedback given from Service Users and family members contacted as part of the visit. Staff members consulted said that they felt confident and supported in their role.
- 5.11 While officers have no concerns about this service, as mentioned above, actions plans are put in place in the spirit of continuous quality improvement. An area identified for improvement from the Council's most recent visit is improved assurance of the timeliness of signatures on all relevant assessment forms by both tenants/ clients and assessors.
- 5.12 There has been no further visit by CQC to Cinnamon Court, and no further visit is planned. Cinnamon Court therefore remains rated as 'Good'.
- 5.13 Following the Quality Assurance work that has been undertaken since July 2022, officers are assured that there have been sufficient improvements at Cedar Court, and no deterioration of the service at Cinnamon Court. Rather than recommend a further short-term extension to the existing contract, officers would recommend that a new contract be awarded for three years, with an option to extend for up to two years.
- 5.14 It is further recommended that the contract continue to be let for 800 direct care hours a week. This will allow for flexibility for hours not required at one service address to be used at the other service address. This reduces the

### **Is this report easy to understand?**

Please give us feedback so we can improve.

Go to <https://lewisham.gov.uk/contact-us/send-us-feedback-on-our-reports>



number of additional hours that the provider might claim against this contract.

- 5.15 The Council has no liability for rental voids. (i.e. for meeting the cost of rent and service charges for empty flats). However, the service specification also allows the Council to pay for voids to hold them for specific purposes e.g. for hospital discharges, 'no recourse' clients, safeguarding issues etc.

## **6 Alternative Accommodation for the Delivery of Extra Care Services**

- 6.1 As noted in 4.10 and 4.17 above, a model of service delivery where landlord and care services are integrated carries with it the potential for risk to the Council, both financial and of quality enforcement. Officers were asked to consider what potential there may be to separate the landlord and provider functions for the delivery of extra care.

- 6.2 Properties used for the delivery of extra care have to meet high standards of quality and have responsive housing management services. While this is an aspiration for all housing provision in the borough, there is a co-dependency between the housing functions and the quality of the care/provider when CQC are inspecting services and the allocation of the quality rating by CQC.

- 6.3 Key considerations of buildings developed for use for ECH, include a significantly large number of co-located flats (a minimum of 40 – 50) to deliver economies of scale of central costs and responsive care, office and rest areas for staff, an industrial kitchen for the commercial delivery of meals and other communal areas such as lounges and dining rooms.

- 6.4 This kind of development has high capital costs associated with it, both land purchase and build/ refurbishment costs. For example, projected build costs on recent - in the past 3-5 years – 'similar' schemes have been in the region of between £11-14 million. In today's financial climate, an additional 15-20% could be added to those projections.

- 6.5 The most recent extra care schemes developed by the Council (Conrad Court and Hazelhurst Court) were developed using a combination of Mayor's fund capital grant, the capital that the landlords themselves invested in the builds, with some capital investment directly from the Council.

- 6.6 The 2020-26 Housing Strategy references the Council's commitment to meeting the high demand for housing with support. However, the Council's own capital resources to meet its commitments to social housing are stretched and compete against other infrastructure and improvement costs. It is unlikely that the Council could, at this time, purchase any of the integrated extra care locations outright.

### **Is this report easy to understand?**

Please give us feedback so we can improve.

Go to <https://lewisham.gov.uk/contact-us/send-us-feedback-on-our-reports>

- 6.7 To support its existing capital commitments and aspirations, the Council is looking to identify and attract government capital grant, review its use of S106 grant, considering the sale of assets or repurposing its existing assets, in addition to exploring partnerships and development opportunities with social landlords and other housing developers.
- 6.8 Officers explored the opportunity to develop a 'replacement' extra care offer as part of a speculative discussion with a housing developer in November 2022. However, this type of development sat outside of the developer's field of interest.
- 6.9 Subsequently, officers have drafted an 'expression of interest' to be sent to all Registered (Housing) Providers in the borough with sufficiently large housing stock to give serious consideration to the Council's request. Any positive responses to this will be progressed.
- 6.10 The Council has concluded its consultation to bring Lewisham Homes back into the Council's direct management. There may be opportunity to pursue options here more robustly once the insourcing process has been completed.
- 6.11 When the Council entered into its original contract, which included the sale of land, there were covenants put in place to define what Housing 21 could do with the building and land if the Council no longer wished to commission extra care services at those sites. In that eventuality, the covenant would require Housing 21 to make Cinnamon Court and Cedar Court available to the Council to meet the general housing needs of older adults for whom Lewisham have housing responsibility.
- 6.12 The covenant around the development of Conrad Court was specific to use for the delivery of extra care housing. In the event that the Council itself does not want to commission extra care there, the landlord would still be required to deliver an extra care service there. In that eventuality, the extra care service would be advertised wider than the borough of Lewisham. Lewisham would presumably still be able to place clients there at a cost determined by the provider, but the provider will also advertise the opportunity nationally. In this eventuality, the Council may find itself in a situation where people move into the borough to Conrad Court with unassessed care and support needs which the Council will then have to meet. While acknowledging that the policy to cap the cost of care is currently delayed, this risk needs to be considered as part of any future fair cost of care programme.
- 6.13 The recent external procurement for the extra care service at Hazelhurst Court suggests that there is interest in a 'provider only' market. There were eight submissions for that contract, five of which were valid submissions.

### **Is this report easy to understand?**

Please give us feedback so we can improve.

Go to <https://lewisham.gov.uk/contact-us/send-us-feedback-on-our-reports>

- 6.14 In summary, though, there does not seem to be any available replacement accommodation at this time to separate the existing integrated provider/ landlord extra care offer to take out to the market. Officers will continue to explore opportunities for strategic capital development. For example, there may be an opportunity to ‘swap’ a capital resource from a current pipeline housing development for older adults with Cedar or Cinnamon Court under the original development covenant with Housing 21 and use that capital to develop a new, separate, scheme for the delivery of extra care separate from the landlord function.
- 6.15 Pursuing these potential opportunities set out in this section of the report will require further and more detailed discussion with the owners of those buildings, potential development partners, and the Council’s housing and estates section. The timescales for these discussions to take place and any actions/ agreements delivered takes this proposal outside of the current recommendation of this paper to award a new contract to an existing integrated extra care provider.

## **7 Financial implications**

- 7.1 There are sufficient funds in the Adult Social Care budget to meet the proposed contract price.
- 7.2 The Council has no liability for paying for rental voids unless specifically agreed by the needs of the Council.
- 7.3 Further financial implications are set out in the Part 2 report.

## **8 Legal implications**

- 8.1 The Council’s Constitution contains requirements about how to procure and manage contracts. These are in the Contract Procedure Rules (Constitution Part IV). Some of the requirements in those Rules are based on the Public Contracts Regulations 2015 (“Regulations”) with which the Council must comply. The contract falls under the Light Touch Regime under Regulations, which relates to services such as health, social and related services. As such, while the requirements are less onerous than those for other contracts to which PCR 2015 applies, the obligations still require compliance with principles of equal treatment, transparency and non-discrimination.
- 8.2 Under regulation 32(2) of the Public Contracts Regulations a contracting authority may award a contract without going out to tender where competition is absent for technical reasons but only where no reasonable alternative or substitute exists and the absence of competition is not the result of an artificial narrowing down of the parameters of the procurement. The report sets out the reasons for the absence of competition and demonstrates why there are no reasonable alternatives. Therefore, Mayor

### **Is this report easy to understand?**

Please give us feedback so we can improve.

Go to <https://lewisham.gov.uk/contact-us/send-us-feedback-on-our-reports>

and Cabinet may award the contract. The Council has a responsibility to ensure the prudent use of taxpayers' funds. Notwithstanding the availability of regulation 32(2) the Council must demonstrate that value for money is achieved.

- 8.3 This decision is a Key Decision under the Constitution as it has a value of more than £700,000. It is therefore required to be contained in the current Key Decision Plan.

## **9 Crime and disorder implications**

- 9.1 There are no specific crime and disorder implications.

## **10 Equalities implications**

- 10.1 Extra care services specifically support the needs of older adults. Access to the scheme is targeted at adults who are 55 plus. However, the majority of the tenants at Cinnamon Court and Cedar Court are aged 70 plus. The scheme also supports access to younger adults where this model of support might best meet their needs (e.g. people with a learning disability showing earlier than usual signs of aging).

- 10.2 The majority of older adults currently in receipt of extra care services at Cinnamon Court and Cedar Court are also widowed though there are a small number of couples in the scheme currently.

- 10.3 The quality assurance processes and the service specification actively reviews how the requirements of all minority ethnic groups are reflected and supported in the scheme.

## **11 Climate Change and Environmental Implications**

- 11.1 There are no specific environmental implications arising from the content of this report. However, officers will explore with Housing 21 what actions or work they might undertake to make the buildings more sustainable as part of agreeing social value requirements.

## **12 Health and Wellbeing Implications**

- 12.1 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. Thus, the development of high quality extra care housing will therefore support older adults to live as active and healthy members of their communities for longer.

### **Is this report easy to understand?**

Please give us feedback so we can improve.

Go to <https://lewisham.gov.uk/contact-us/send-us-feedback-on-our-reports>

- 12.2 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 such as Cinnamon Court and Cedar Court have ‘natural’ opportunities for social engagement built into them, which can be shaped and developed by staff. Pre the Covid-19 Pandemic, there was a regular programme of tenant focussed activities delivered as part of the enhanced housing function. These are slowly restarting and being part of an extra care community also supports tenants to have the confidence and motivation to access other generic community events and facilities.
- 12.3 Extra care services also minimise the debilitating impact of physical health impairments through the nature and design of the scheme. The absence of internal stairs and the provision of walk-in shower rooms maximises people’s ability to live independently. Additionally, Housing 21 has invested in increased assistive technology in both Cedar Court and Cinnamon Court which supports unplanned communication with tenants, and particularly assist with managing tenants’ anxiety.

### **13 Social Value Implications**

- 13.1 The Public Services (Social Value) Act came into force on 31<sup>st</sup> 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.
- 13.2 Social Value is defined as the additional economic, social and environmental benefits that can be created when Lewisham Council purchases services outside of the organisation.
- 13.3 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
- 13.4 The Council’s policy, and reporting workbook has been sent to Housing 21 as part of these discussions. The Council has asked them to give particular attention to the areas of Employment, Skills and Economy and Making Lewisham Healthier. It has been noted that the organisation publishes a Modern Slavery and Human Trafficking Statement on their website.

#### **Is this report easy to understand?**

Please give us feedback so we can improve.

Go to <https://lewisham.gov.uk/contact-us/send-us-feedback-on-our-reports>

13.5 The Council has particularly asked Housing 21 to consider the following:

- Number of LBL residents employed
- Number of residents on work experience
- Volunteering opportunities for LBL residents
- The promotion of general healthy living information
- Supporting specific healthy eating initiatives
- Work practices that improve staff physical and mental wellbeing and reduce absenteeism due to ill health
- Any accreditation that promotes health and well-being of service users, staff and/ or the wider community
- Digital inclusion

13.6 Once agreed, progress against these will be monitored in line with the Council's Social Value Policy (2019) and will be built into formal contract management and monitoring processes.

#### **14 Contract Management**

14.1 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 between the Council and Housing 21, plus dashboard reporting.

#### **15 Background documents**

15.1 The original award reports and the extension reports can be found at:

- 10<sup>th</sup> May 2017 Contract Award Report:  
<https://councilmeetings.lewisham.gov.uk/documents/g4524/Public%20reports%20pack%2010th-May-2017%2017.50%20Mayor%20and%20Cabinet%20Contracts.pdf?T=10>
- 6<sup>th</sup> July 2022 Contract Extension Report:  
<https://councilmeetings.lewisham.gov.uk/documents/g7729/Public%20reports%20pack%2006th-Jul-2022%2018.00%20Mayor%20and%20Cabinet.pdf?T=10>
- Lewisham Housing Strategy 2020-26:  
<https://lewisham.gov.uk/myserVICES/housing/housing-strategy-and-policies/housing-strategy>

15.2 If you would like any further information on this report please contact Heather Hughes, Assistant Director, Complex Care and Learning Disability on 020 8314 3511.

#### **Is this report easy to understand?**

Please give us feedback so we can improve.

Go to <https://lewisham.gov.uk/contact-us/send-us-feedback-on-our-reports>

## 16 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 an 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
Section 106 Grant	Contributions received from developers, agreed through the planning consultation period, towards the costs of providing community and social infrastructure
Social Value	The additional economic, social and environmental benefits that can be created when Lewisham Council purchases services outside of the organisation
Ordinary residence	The place where a person has adopted voluntarily to live for settled purposes as part of the regular order of their life. As opposed to 'placed' by a local authority.
Responsible Commissioner	The process for deciding which NHS body or Council has responsibility for paying for long term care and support.

## 17 Report Author and Contact

- a. Heather Hughes, Assistant Director, Complex Care & Learning Disability  
[heather.hughes@lewisham.gov.uk](mailto:heather.hughes@lewisham.gov.uk)
- b. Comments for and on behalf of the Executive Director for Corporate Resources: Abdul Kayoum, Strategic Finance Business Partner (Community Services). [Abdul.kayoum@lewisham.gov.uk](mailto:Abdul.kayoum@lewisham.gov.uk)

Comments for and on behalf of the Director of Law, Governance and Elections: Mia Agnew, Senior Lawyer (Legal Services),  
[Mia.Agnew@Lewisham.gov.uk](mailto:Mia.Agnew@Lewisham.gov.uk)

### Is this report easy to understand?

Please give us feedback so we can improve.

Go to <https://lewisham.gov.uk/contact-us/send-us-feedback-on-our-reports>