

<b>LONDON BOROUGH OF CAMDEN</b>	<b>WARDS:</b> All
<b>REPORT TITLE</b> Commissioning Strategy for Extra Care Services at Mora Burnet House (SP/2023/14)	
<b>REPORT OF</b> Cabinet Member for Health, Wellbeing and Adult Social Care	
<b>FOR SUBMISSION TO</b>  Health and Adult Social Care Scrutiny Committee Cabinet	<b>DATE</b>  10 <sup>th</sup> July 2023 12 <sup>th</sup> July 2023
<b>STRATEGIC CONTEXT</b>  We Make Camden is our joint vision for the borough, developed in partnership with our community. This proposal supports our ambition for all Camden residents to live and age well. It recommends that insourcing care provision is the best way to continue building the community around current and future residents of this extra care service, with the ambition that they will be proud to call Mora Burnet House their home.	
<b>SUMMARY OF REPORT</b>  This report sets out the proposed commissioning strategy for Mora Burnet House, an extra care service which offers 35 flats in Swiss Cottage for residents with a wide range of support needs. It is recommended that the care provision for Mora Burnet House is insourced. Evidence suggests that this strategy offers the best outcomes for residents, staff and the wider extra care network.  The report is coming to Cabinet for approval in line with Contract Standing Orders due the financial implications and potential Transfer of Undertakings (Protection of Employment) (TUPE) requirement associated with the recommended commissioning strategy.  <b>Local Government Act 1972 – Access to Information</b>  No documents that require listing were used in the preparation of this report.  <b>Contact Officer:</b> Theresa Collier, Head of Adults Commissioning Adults Commissioning Team 5 Pancras Square, London N1C 4AG <a href="mailto:Theresa.Collier@camden.gov.uk">Theresa.Collier@camden.gov.uk</a> 0207 974 2907	

## RECOMMENDATIONS

The Health and Adult Social Care Scrutiny Committee is asked to consider the report and make any recommendations to the Cabinet.

That Cabinet to whom this report is submitted agrees having due regard to the equality impact assessment in appendix 1 and the requirements on the Council set out in section 149 of the Equality Act 2010

1. To insource the care provision for Mora Burnet House for an estimated value of £1.031m per annum
2. To delegate authority to the Executive Director of Adults and Health to take all procedural steps and make any necessary decisions to action Recommendation 1

Signed:



Jess Mcgregor  
Executive Director Adults and Health  
Date: 27/06/2023

## 1. CONTEXT AND BACKGROUND

### Extra Care in Camden

- 1.1 Extra care housing is currently primarily designed to support older people and has staff onsite 24/7 to provide care and support. It can offer an alternative to residential care for residents who are able to manage an independent tenancy with support. Tenants are typically, but not exclusively, 65+ with care and/ or support needs. The extra care offer is being developed to ensure that residents have access to services that align with the strengths-based approach including the promotion of self-care, reablement, rehabilitation and recovery, with more flexibility around the age criteria. Services are moving away from being largely focused on delivering for older people and are responding to changes in demand.
- 1.2 Mora Burnet House is one of 5 extra care services in Camden, 4 of which are externally commissioned in addition to the in-house service at Charlie Ratchford Court. It is recognised that extra care is a key facilitator of the wider care market in Camden, offering accommodation to residents with a wide range of support needs and across a more diverse range of ages than residential care services. The aim is to build vibrant communities where the level of support can be gradually increased as a resident's needs change over time, where this is required.
- 1.3 An overview of current services is as follows:

Scheme	Care Provider	Landlord	Freeholder	Flats	1 bed	2 beds	Contract End Date
Charlie Ratchford Court	LB Camden	LB Camden	LB Camden	38	32	6	n/a
Gospel Oak Court	Shaw	Outward	LB Camden	35	30	5	Jun-41
Esther Randall Court	OHG	OHG	OHG	34	34	0	Mar-28
Roseberry Mansions	OHG	OHG	OHG	40	34	6	Mar-28
Mora Burnet House	Care Support	Origin	LB Camden	35	33	2	Mar-28
TOTALS				182	163	19	

- 1.4 Current population projections which underpin the development of the wider Accommodation Strategy indicate that an increase in demand for extra care services of up to 49% can be expected by 2035. A key milestone within this is the need for an additional 20 units (+17% in capacity) in the next 5 years. It is widely agreed that better utilisation of existing capacity and the development of a broader offer will be needed to meet the needs of these residents.

### Mora Burnet House

- 1.5 Mora Burnet House is a 35-unit extra care service in Swiss Cottage owned by the Council and leased to Origin Housing. Care Support took responsibility for

the care provision on site in June 2022 following a full retender exercise. Housing management services are provided by Origin Housing.

- 1.6 The current contract with Care Support is due to run until March 2028. However, due to contractual issues following implementation the provider has declared their intention to terminate the contract. The relationship between Council Officers and Care Support remains positive and this is a disappointing outcome for the service, which has benefitted significantly from the fresh eyes and innovative approach that the provider has brought to Camden.
- 1.7 Mora Burnet House currently has the highest percentage of residents with complex mental health support needs across the extra care network, which has contributed to staffing pressures and a relatively high void position whilst appropriate support is put in place for staff and residents.
- 1.8 Whilst all extra care services must have the opportunity to learn from the Charlie Ratchford Court wellbeing model, it has been recognised that Mora Burnet House is most comparable in size, staffing ratios and layout. This indicates that there may be opportunities to successfully replicate aspects of the Charlie Ratchford model of care and support over time.
- 1.9 It is important to note that there are 26 current residents of Mora Burnet House who will play a critical role as experts and partners in the implementation of any new commissioning strategy for the service.

## **2. PROPOSAL AND REASONS**

- 2.1 This report seeks approval to pursue a commissioning strategy for Mora Burnet House which will entail insourcing the care provision.
- 2.2 It is recognised that insourcing is a key driver for the Council in ensuring that services deliver the best possible outcomes for Camden residents and their wider communities. The insourced wellbeing model for extra care at Charlie Ratchford Court has been widely praised and learning from its implementation has informed the recommendations outlined in this report. Insourcing care provision at Mora Burnet House also presents the opportunity to review and realign the service's operating model and purpose to the Council's strategic aims, drawing on expertise from across the organisation to give all residents at the service a "home for life" that celebrates their strengths and has wellbeing at the heart.
- 2.3 Central to the success of Charlie Ratchford Court has been an appetite to challenge the status quo and to implement a care service led by values and resident experience rather than Key Performance Indicators (KPIs). This project is anticipated to deliver value for money in the significant benefits for Mora Burnet House staff and residents from the transition, including:
  - Coproduction with residents embedded in all decision making
  - Communal spaces which encourage residents to express themselves and make meaningful connections with each other and their wider neighbourhood

- Self-managed teams of wellbeing workers who are led by residents in their delivery of support rather than being tied to “time-and-task” (for future consideration)
- Values based recruitment approaches utilised in appointing new staff and volunteers
- Implementation of partnership/ support link with Charlie Ratchford Court to share learning

### 3. OPTIONS APPRAISAL

3.1 The following options have been considered in relation to this project:

	Option	Projected cost (£000s)	Financial impact	Preferred option?	Key considerations
1	Continue with current contract	£834	No change		Care Support unable to continue under current arrangements due to financial pressures
2	Full retender exercise	£880	Plus £46k (estimated)		Likely increase in cost due to unfeasibility of current model/ high rates of inflation
3	Decant and close	£0	Minus £834k		Highly disruptive for current residents/ lack of capacity elsewhere in the system and demand projected to grow
4	In-source	£1,031 + project costs	Plus £197k + implementation costs	X	Highly likely to carry greatest benefit in resident outcomes/ quality of life Investment required in support of the in-sourcing process which will require additional budget

3.2 Options 1 (continue with current contract) and 3 (decant and close) are not viable for the reasons outlined above and have been discounted in early discussions across Adult Social Care.

3.3 Option 2 (full retender exercise) would also enable officers to revise the specification for the service whilst seeking an innovative care provider who is able to work in partnership with the Council to address the void position and deliver a high-quality wellbeing model of care for residents. Additional financial investment would be required to achieve this, both in response to feedback from the current provider and because of the change in financial climate. However, the proposed guide price for retender is less than the expected costs of an in-house service.

3.4 Option 4 (in-sourcing) presents the greatest potential to benefit current and future residents in replicating the wellbeing model that has been implemented

at Charlie Ratchford Court. There is evidence of excellent outcomes for residents in this approach and a low void position, with residents, staff and professionals consistently praising the all-age policy and community ethos on site.

- 3.5 Insourcing the care provision would enable colleagues from across the Council to support the integration of care services into their local communities in a sustainable way. Social value would not be a formal “contractual requirement” in this instance; however, the expectation of officers is that all care providers will work in partnership to deliver social value on a day-to-day basis with the impact for staff, residents and the wider neighbourhood in mind.

**4. WHAT ARE THE KEY IMPACTS / RISKS? HOW WILL THEY BE ADDRESSED?**

4.1 Project specific risks and mitigation strategies are outlined below:

Risk	Impact	Mitigation strategy
<p>Issues arising in key partnership between the Council (Proposed Care Provider) and Origin Housing (Leaseholder) in their responsibility for delivery of housing management services</p>	<p>Commissioners have recently concluded an Enhanced Monitoring process with Mora Burnet House. This was triggered due to issues arising from the poor state of repair of the building:</p> <p>Failure to provide sufficient and timely investment in the maintenance of the building will be prohibitive to the implementation of an effective wellbeing model.</p> <p>A strong partnership between the Housing and Care Provider is central to ensuring that void properties are filled, in addition to enabling existing residents to feel well supported in their homes.</p>	<p>As the freeholder of the property the Council could consider taking greater control over the housing/ tenancy responsibilities in the future, but significant investment would be required.</p> <p>Whilst there are potential benefits from directly managing the building the anticipated cost of lease buy back is likely to be prohibitive.</p> <p>Officers will negotiate, implement, and monitor a Service Level Agreement (SLA) with Origin Housing to ensure that responsibilities for all parties are clear and delivered. This will include clarity on the role of the Freeholder and Leaseholder on key issues such as fire safety.</p>
<p>Failure to deliver savings</p>	<p>Detailed financial modelling confirms that insourcing would increase the annual cost, whilst requiring additional time and resource for</p>	<p>An increase in budget for an insourced model is recognised as a commitment in the quality of care and support for residents. Commissioners will work closely with the service to</p>

	implementation tasks e.g. potential TUPE of care staff.	ensure that excellent value for money and outcomes for residents can be demonstrated.
Insourcing is not supported by members of Care Support Team	Mora Burnet House currently has 24 members of their care team, who have provided consistency and high-quality care through a period of change for the service. Although the risk of redundancy is unclear at this stage and would be avoided where possible, it is recognised that the loss of any existing staff through the consultation period could destabilise service delivery and greatly impact current residents.	Engagement and informal support for existing Care Support staff to begin at the earliest opportunity.  Expert guidance to be sought from HR both in advance of and throughout the transition process, with particular consideration to staff who are currently employed on zero hours contracts.

## 5. CONSULTATION/ENGAGEMENT

- 5.1 Should the recommendation be approved by Cabinet; consultation will be undertaken with staff members as part of the transition arrangements. Although there is no anticipated impact on the current resident population of Mora Burnet House, a consultation exercise would be carried out with residents and their families to ensure that they are aware of the implications of insourcing and are supportive of the proposed change in service specification.
- 5.2 A similar staff and resident consultation exercise was held in 2022 in readiness for the transition from MiHomeCare to Care Support. The support and stability of the current staff team through the insourcing process will be key to the success of this project.

## 6. LEGAL IMPLICATIONS

- 6.1 It is open to the Council to decide to insource a service which was previously commissioned through procuring a contract at the end of the contract term. If Recommendation 1 is agreed further detailed legal advice should be sought on the logistical implications of insourcing and transition arrangements including any employment implications including in relation to TUPE (Transfer of Undertakings (Protection of Employment) Regulations 2006). However, at this stage, public law considerations Cabinet should take into account in considering Recommendation 1 (having regard to relevant information and analysis such as benchmarking) include the following:
- How would insourcing align with the Council's overall strategic objectives?

- How would insourcing effect delivery of service - what will be the impacts on service users? What are their views?
- Will service delivery be improved by pursuing the insourced option? Have there been issues re the performance of the existing external provider?
- Will the Council's ability to comply with its statutory duties be facilitated by insourcing the service?
- Value for money for the Council – what will be the financial consequences of in sourcing the service having regard to the Council's fiduciary duties? (These can be summarised as the Council acting as 'a trustee' of its financial resources on behalf of local taxpayers and other residents.)
- How would service delivery / outcomes be maintained / improved under the in-house delivery model? Can this be effectively monitored and if so, how? How would the service be managed?
- Would insourcing bring benefits to service users in terms of continuous improvement and social value outcomes?
- Would insourcing benefit service users in terms of integration with other Council services?
- If the insourcing delivery model is adapted how will transitional/ hand over arrangements be managed?

6.2 Decision makers must consider in coming to any decision the Council's equality duties and have due regard to them. In summary these legal obligations require the Council, when exercising its functions, to have 'due regard' to the need to: a) eliminate discrimination, harassment and victimisation and other conduct prohibited under the Act (the protected characteristic of marriage and civil partnership is also relevant); b) advance equality of opportunity between people who share a relevant protected characteristic and those who don't; and 10 c) foster good relations between people who share a relevant protected characteristic and those who don't (which involves tackling prejudice and promoting understanding).

6.3 Under the Duty the relevant protected characteristics are: Age, Disability, Gender reassignment, Pregnancy and maternity, Race, Religion, Sex, Sexual orientation. In this case the Equalities Impact Assessment (EQIA) concludes that there is no potential for discrimination and all appropriate opportunities to advance equality and foster good relations have been taken.

## 7. RESOURCE IMPLICATIONS

7.1 The funding for the current commissioned extra care contracts sits within the consolidated Supported Accommodation budget. The existing services have a wide range of per person & per flat costs.

Extra Care Service	Care / Housing Provider	2023-24 cost per flat (£m)	2023-24 cost per bed (£m)
Charlie Ratchford Court	Camden Council	0.034	0.030
Esther Randall Court	One Housing Group	0.029	0.029



Gospel Oak	Shaw Healthcare	0.027	0.024
Mora Burnet House	Care Support / Origin Housing	0.024	0.023
Roseberry Mansion	One Housing Group	0.028	0.025

- 7.2 A draft cost model for in house delivery of Mora Burnet House has been developed using Charlie Ratchford costs as a basis. The model indicated that in-house delivery would increase annual costs by circa £0.197m per annum compared to an externally provided model. This is in addition to an existing cost pressure of £0.148m for this service.
- 7.3 There is insufficient funding in the Extra Care Budget to fund the additional costs of an in-sourced service. As such there will be a pressure of at least £0.345m on the adult social care budget which will need to be considered as part of the medium-term financial strategy.
- 7.4 An insourced service will have additional cost implications that are not included in the £0.197m. These include one off costs such as transfer of data from the existing supplier, specialist HR TUPE advice, specialist legal advice on the transfer of liability, new software for care delivery systems and project management costs. There will be on going implications for adult social care management and additional ongoing support required from support services such as finance and HR.
- 7.5 It is noted that the building itself is likely to require a further investment and funding for ongoing maintenance, in part in readiness for the implementation of a wellbeing model of care.

## 8. ENVIRONMENTAL IMPLICATIONS

- 8.1 There are no anticipated environmental implications of this proposal.

## 9. TIMETABLE FOR IMPLEMENTATION

Key milestones	Indicative Date (or range)
Procurement strategy report presented for decision	12 <sup>th</sup> July 2023
Consultation period	Summer 2023
Transition to the new arrangements	September – December 2023
Completion of insourcing process	January 2024

## 10. APPENDICES

Appendix 1 – Equalities Quality Impact Assessment

**REPORT ENDS**

