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Tender

## **Care home services and care home redevelopment opportunities in Cornwall**

Cornwall Council

F02: Contract notice

Notice identifier: 2024/S 000-001944

Procurement identifier (OCID): ocds-h6vhtk-0375d5

Published 19 January 2024, 2:38pm

### **Section I: Contracting authority**

#### **I.1) Name and addresses**

Cornwall Council

County Hall, Treyew Road

Truro

TR1 3AY

#### **Contact**

Aimie Waterman-Jones

#### **Email**

[Aimie.Waterman-Jones@cornwall.gov.uk](mailto:Aimie.Waterman-Jones@cornwall.gov.uk)

#### **Country**

United Kingdom

#### **Region code**

UKK3 - Cornwall and Isles of Scilly

**Internet address(es)**

Main address

<http://www.cornwall.gov.uk>

Buyer's address

<http://www.cornwall.gov.uk>

**I.3) Communication**

The procurement documents are available for unrestricted and full direct access, free of charge, at

<https://procontract.due-north.com/Advert/Index?advertId=5ca034d6-df11-ee11-8123-005056b64545>

Additional information can be obtained from the above-mentioned address

Tenders or requests to participate must be submitted electronically via

<https://procontract.due-north.com/Advert/Index?advertId=5ca034d6-df11-ee11-8123-005056b64545>

**I.4) Type of the contracting authority**

Regional or local authority

**I.5) Main activity**

General public services

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## **Section II: Object**

### **II.1) Scope of the procurement**

#### **II.1.1) Title**

Care home services and care home redevelopment opportunities in Cornwall

Reference number

DN635670

#### **II.1.2) Main CPV code**

- 85000000 - Health and social work services

#### **II.1.3) Type of contract**

Services

#### **II.1.4) Short description**

Cornwall Council (the ‘Council’) is working to ensure that the available care home capacity meets the current and future demand for services. To date care homes have not been developed at the pace required to meet the increasing needs of the Cornish population both now and into the future and there is a significant gap emerging between need and the availability of supply, particularly for people living with dementia. One of a number of approaches the Council is taking to address this gap relates to the following two (2) Sites that the Council currently hold the freehold interest in:

- Site 1 – Trefula Nursing Home, St Day, Redruth, Cornwall, TR16 5ET, and
- Site 2 – Trengrouse, Trengrouse Way, Helston, Cornwall, TR13 8BA.

The Council therefore wishes to procure one (1) Service Provider and award them the Council's Contract that will require the Service Provider to deliver the following services at the two Sites:

- 1) Purchase the freehold interest in the two (2) Sites from the Council through the Council's Land Contract(s) with restrictions to build and operate a new build older persons care home on each Site.
- 2) Undertake the operational management of the existing nursing care home at Site 1 - Trefula while the Service Provider develops Site 1 through an Operational Lease and the Trefula Existing Care Home Services Contract with the Council that will require the

Service Provider to provide the provision of care services and dedicated access to the twenty-eight (28) nursing beds at the existing care home at Site 1 for Council placements (Guaranteed Beds) that must be priced either below or within the Council's fee methodology.

- 3) Secure funding, to enable the Service Provider to design, obtain planning permission, develop and construct a scheme on each of the two (2) Sites. As a minimum each scheme must include a new build older persons care home and key worker accommodation on each Site that meets the Council's requirements that provides accommodation that is fit for purpose, designed to modern standards and meets the Council's design principles for new build care homes, good practice for dementia friendly environments and any relevant CQC and legislative requirements, and
- 4) Following completion of the schemes, the Service Provider will maintain the ownership of and undertake the operational management of the scheme at each of the two (2) Sites, and enter into the Council's Care Home Contracts (Trefula Care Home Contract and Trengrouse Care Home Contract) that will require the Service Provider to provide:
  - a) The provision of a care service at the two (2) new build older persons care home developed on each of the two (2) Sites,
  - b) Dedicated access to a number of the Guaranteed Beds for local authority placements that must be priced below or within the Council's fee methodology, and
  - c) The ability to spot purchase additional beds over and above the Guaranteed Beds at the two (2) new build older persons care homes developed on the Site(s).

## **II.1.6) Information about lots**

This contract is divided into lots: No

## **II.2) Description**

### **II.2.2) Additional CPV code(s)**

- 45000000 - Construction work
- 50000000 - Repair and maintenance services
- 70000000 - Real estate services
- 71000000 - Architectural, construction, engineering and inspection services

### **II.2.3) Place of performance**

NUTS codes

- UKK3 - Cornwall and Isles of Scilly

Main site or place of performance

Site 1 – Trefula Nursing Home, St Day, Redruth, Cornwall, TR16 5ET

Site 2 – Trengrouse, Trengrouse Way, Helston, Cornwall, TR13 8BA

#### **II.2.4) Description of the procurement**

This procurement process relates to the following two (2) care home sites (the 'Sites') located in Cornwall which the Council currently hold the freehold interest in:

- Site 1 – Trefula Nursing Home, St Day, Redruth, Cornwall, TR16 5ET, and
- Site 2 – Trengrouse, Trengrouse Way, Helston, Cornwall, TR13 8BA

The Council wishes to procure one (1) Service Provider and award them the Council's Contract that will require the Service Provider to deliver the following services at the two Sites:

1) Purchase the freehold interest in the two (2) Sites from the Council through the Council's Land Contract(s) with restrictions to build and operate a new build older persons care home on each Site. Any disposal of the Council's freehold interests in the Sites shall as a minimum be:

- a) Via a conditional contract or option to be exercised at the point when the Service Provider achieves a full planning consent to develop each respective Site, and
- b) At the Council's valuation (restricted to care home use) for each Site (as set out in Volume 3 – Site Information of the Draft Procurement Documents), or at an undervalue within the terms of Section 123 of the Local Government and Property Act 1990 as proposed by the Bidder. In the event the Bidder proposes an undervalue with a reduced or no capital receipts on disposal, the Bidder must demonstrate a sum equal to or in excess of the level of undervalue being received by the Council across the initial fifteen (15) year term of the respective Council's Care Home Contract (Either the Trefula Care Home Contract or the Trengrouse Care Home Contract).

In the event that the Service Provider does not build a new build older persons care home on a Site or does not continue to operate in accordance with the Council's Land Contract(s) any overage or other payment required will be based on the market value on the basis that no restrictions have been placed on the title prior to disposal as set out in Volume 3 – Site Information of the Procurement Documents.

2) Undertake the operational management of the existing nursing care home at Site 1 - Trefula while the Service Provider develops Site 1 through an Operational Lease and the Trefula Existing Care Home Services Contract with the Council. The Operational Lease and the Trefula Existing Care Home Services Contract will:

- a) Have an expected start date of the 1st October 2024 and the term will be until the earlier of five (5) years from the start date or until the point that the Service Provider's new build older persons care home on Site 1 is complete and operational, and
- b) Require the Service Provider to provide the provision of care services and dedicated access to the twenty-eight (28) nursing beds at the existing care home at Site 1 for Council placements (Guaranteed Beds) that must be priced either below or within the Council's fee methodology.

3) Secure funding, to enable the Service Provider to design, obtain planning permission, develop and construct a scheme on each of the two (2) Sites. As a minimum each scheme must include a new build older persons care home and key worker accommodation on each Site to provide accommodation that is fit for purpose, designed to modern standards and meets the Council's design principles for new build care homes, good practice for dementia friendly environments and any relevant CQC and legislative requirements.

4) Following completion of the schemes, the Service Provider will:

- a) Maintain ownership of and undertake the operational management of the scheme at each of the two (2) Sites, and
- b) Enter into the Council's Trefula Care Home Contract and the Council's Trengrouse Care Home Contract which will have an initial term of fifteen (15) years and an option to extend for an additional period of ten (10) years and require the Service Provider to provide:
  - i) The provision of care services at the two (2) new build older persons care homes developed on the Site(s),
  - ii) Dedicated access to a number of Guaranteed Beds for Council placements at the two (2) new build older persons care homes developed on the Site(s) that must be priced below or within the Council's Expected Range for each tier in the Council's fee methodology, and
  - iii) The ability to spot purchase additional beds (Spot Purchased Beds) over and above the Guaranteed Beds at the two (2) new build older persons care homes developed on the Site(s).

Full details of the Service Providers role, the Council's requirements and the Council's minimum standards are provided in the Draft Procurement Documents which are made available for the purpose of Public Contract Regulations in Appendix 2 of the Selection Questionnaire guidance document, and include:

- Volume 1: Invitation To Participate in Negotiation (the ITPN),
- Volume 2: Descriptive Document,
- Volume 3: Site information,
- Volume 4: Specifications,
- Volume 5: Council's Contract,
- Volume 6: Response Forms.

The Council anticipate that Bidders will,

- Either be led by or involve a CQC registered care home provider with the experience and established partnerships/contacts required to meet the Council's requirements.
- Involve a developer with the experience and established partnerships/contacts to construct the buildings associated with the schemes at the two Sites.
- Involve any other consortium members required to be able to secure funding, design, develop, own and operate the existing care home at Site 1, and the new schemes at the two Sites

#### **II.2.5) Award criteria**

Price is not the only award criterion and all criteria are stated only in the procurement documents

#### **II.2.6) Estimated value**

Value excluding VAT: £253,000,000

#### **II.2.7) Duration of the contract, framework agreement or dynamic purchasing system**

Duration in months

180

This contract is subject to renewal

Yes

Description of renewals

The Council's Trefula Care Home Contract and the Council's Trengrouse Care Home Contract will have an initial term of fifteen (15) years and an option to extend for an additional period of ten (10) years.

In addition the Council's Trefula Existing Care Home Contract will have an expected start date of the 1st October 2024 and the term will be until the earlier of five (5) years from the start date or until the point that the Service Provider's new build older persons care home on Site 1 is complete and operational.

**II.2.9) Information about the limits on the number of candidates to be invited**

Envisaged number of candidates: 4

**II.2.10) Information about variants**

Variants will be accepted: No

**II.2.11) Information about options**

Options: No

**II.2.13) Information about European Union Funds**

The procurement is related to a project and/or programme financed by European Union funds: No

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## Section IV. Procedure

### IV.1) Description

#### IV.1.1) Type of procedure

Competitive procedure with negotiation

#### IV.1.5) Information about negotiation

The contracting authority reserves the right to award the contract on the basis of the initial tenders without conducting negotiations

#### IV.1.8) Information about the Government Procurement Agreement (GPA)

The procurement is covered by the Government Procurement Agreement: Yes

### IV.2) Administrative information

#### IV.2.1) Previous publication concerning this procedure

Notice number: [2023/S 000-027614](#)

#### IV.2.2) Time limit for receipt of tenders or requests to participate

Date

20 February 2024

Local time

12:00pm

#### IV.2.4) Languages in which tenders or requests to participate may be submitted

English

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## Section VI. Complementary information

### VI.1) Information about recurrence

This is a recurrent procurement: No

### VI.3) Additional information

- 1) To access this procurement opportunity, Applicants are invited to:
  - a) Register on the Council's e-tendering system <https://www.supplyingthesouthwest.org.uk>
  - b) Express an interest in the project titled "Care services and the re-development of two care homes in Cornwall - DN635670"
  - c) Download, read and carefully consider the Council's Selection Questionnaire Guidance Document and Draft Procurement Documents, and
  - d) Complete all parts of the Council's Selection Questionnaire (Part 1, 2 and 3) and return your completed Selection Questionnaire using the Council's e-tendering system <https://www.supplyingthesouthwest.org.uk> by the Selection Questionnaire Return Date.
- 2) The value provided in II.1.5 is indicative only and combines the estimated value of the Council's Contract. The estimated value has been calculate by taking the value of the 28 No. Guaranteed Beds at nursing tier 1 for the five (5) year term of the Trefula Existing Care Home Services Contract plus (+) the estimated values to deliver the two (2) new build older person care homes on the Sites plus (+) the estimated value of the Council's Care Home Contracts (Trefula Care Home Contract and Trengrouse Care Home Contract) with 40% of the beds in the new build older person care homes being Guaranteed Beds that are priced at the top of the expected range and in accordance with Council's Care mix over a twenty-five (25) year term. The estimated value is not an undertaking on behalf of the Council to purchase to this or any other particular value and shall not create a binding obligation unless specifically stated within the Council's Contract.
- 3) While the services required in this procurement process relate to care services that fall under Schedule 3 (Health, social and other services) of Public Contract Regulation 2015 (the Regulations) this procurement process is not subject to the full regime of the Regulations but are instead governed by regulations 74 to 77 of the Regulations (the light-touch regime), however given the nature of Council's requirement, the Council is conducting this procurement in accordance with the Competitive Procedure with

Negotiation as set out in the regulation 29 of the Regulations on the grounds that the Council cannot award a contract without prior negotiation because of specific circumstances related to the nature, the complexity or the legal and financial make-up or because of risks attaching to them. Applicants/Bidders are asked to note that:

- a) Although the Council is utilising the Competitive Procedure with Negotiation, it intends to undertake a streamlined process, limiting negotiations to matters that are strictly necessary and which would benefit from discussion between the parties, and
- b) The Council reserves the right to identify a Preferred Bidder following the evaluation of Initial Tender responses. In such a scenario, Bidders would not be required to undertake the negotiation meetings or submit a Final Tender.

## **VI.4) Procedures for review**

### **VI.4.1) Review body**

Cornwall Council

Treyew Road

Truro

TR1 3AY

Country

United Kingdom