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Tender

## **Care home services and care home re-development opportunities in Cornwall**

Cornwall Council

F02: Contract notice

Notice identifier: 2023/S 000-019524

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

Published 7 July 2023, 4:29pm

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

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

Cornwall Council

County Hall, Treyew Road

Truro

TR1 3AY

#### **Contact**

Mr John Ward

#### **Email**

[john.ward@cornwall.gov.uk](mailto:john.ward@cornwall.gov.uk)

#### **Telephone**

+44 1872326058

#### **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=dd3451ef-d740-ed11-8119-005056b64545>

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=dd3451ef-d740-ed11-8119-005056b64545>

**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 re-development 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 Sites located in Cornwall:

- 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 a Contract that will require the Service Provider to deliver the following services at two Sites located in Cornwall:

1) Purchase the freehold interest in the two (2) Sites with a restriction for the Service Provider to build and operate a care home on each Site. Any disposal of the Council's freehold interests in the Sites shall as a minimum:

a) Be based on a conditional contract or option to be taken up at the point that full planning is achieved for the redevelopment of the Site(s), and

b) Be at the Council's valuation (restricted to care home use) for each Site(s), or where the sale of the Site(s) is at an undervalue within the terms of Section 123 of the Local

Government and Property Act 1990 and therefore with a reduced or no capital receipts on disposal, so long as there is a contractually binding agreement which can demonstrate a sum equal to or in excess of the level of undervalue being received by the Council across the Council Contract with the purchaser of the Site(s)

2) Undertake the operational management of the existing nursing care home at Site 1 while the Service Provider redevelops Site 1 in accordance with the Contract that will include the provision of care services and dedicate access to a number of guaranteed beds for Council placements 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, redevelop and construct a scheme on each of the two (2) Sites. As a minimum each scheme must include a new build care home 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. In addition to providing a new build care home on each of the two (2) Sites, the Service Provider will also be required to gain the best possible use of the wider Sites, and

4) Following completion of the schemes, the Service Provider shall own and undertake the operational management of the scheme at each of the two (2) Sites and provide the provision of care services at the two (2) new build care homes developed on the Sites in accordance with the Council's care services contract that requires the Service Provider to provide the Council with:

a) 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

b) The ability to spot purchase additional beds over and above the guaranteed beds at a confirmed fee that must be below or within the Council's fee methodology.

#### **II.1.5) Estimated total value**

Value excluding VAT: £172,000,000

#### **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**

The Council wishes to procure one (1) Service Provider and award them a Contract that includes an agreement for the redevelopment of Trengrouse and Trefula care homes and the provision of residential and nursing care services, with the residential and nursing care contract having an initial term of 15 years with an option to extend to up to 25 years.

The Council's Contract requires the Service Provider to deliver the following services at two Sites located in Cornwall:

1) Purchase the freehold interest in the two (2) Sites with a restriction for the Service Provider to build and operate a care home on each Site. Any disposal of the Council's freehold interests in the Sites shall as a minimum:

a) Be based on a conditional contract or option to be taken up at the point that full planning is achieved for the redevelopment of the Site(s), and

b) Be at the Council's valuation (restricted to care home use) for each Site(a), or where the sale of the Site(s) is at an undervalue within the terms of Section 123 of the Local Government and Property Act 1990 and therefore with a reduced or no capital receipts on disposal, so long as there is a contractually binding agreement which can demonstrate a sum equal to or in excess of the level of undervalue being received by the Council across the Council Contract with the purchaser of the Site(s).

2) Undertake the operational management of the existing nursing care home at Site 1 while the Service Provider redevelops Site 1 in accordance with the Contract that will

include the provision of care services and dedicate access to a number of guaranteed beds for Council placements 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, redevelop and construct a scheme on each of the two (2) Sites. As a minimum each scheme must include a new build care home 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. In addition to providing a new build care home on each of the two (2) Sites, the Service Provider will also be required to gain the best possible use of the wider Sites.

4) Following completion of the schemes, the Service Provider shall own and undertake the operational management of the scheme at each of the two (2) Sites and provide the provision of care services at the two (2) new build care homes developed on the Sites in accordance with the Council's care services contract that requires the Service Provider to provide the Council with:

- a) 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
- b) The ability to spot purchase additional beds over and above the guaranteed beds at a confirmed fee that must be below or within the Council's fee methodology.

Full details of the Service Providers role and the Council's requirements and minimum standards are provided in the Draft Procurement Documents which are made available for the purpose of Public Contract Regulations and are set out 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.2.7) Duration of the contract, framework agreement or dynamic purchasing system**

Duration in months

300

This contract is subject to renewal

No

#### **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: Yes

#### **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: [2022/S 000-029010](#)

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

Date

31 July 2023

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, you 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

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 includes is a pre-estimated contract value for the care services associated with Council's procurement process and assumes that the maximum number of guaranteed beds are provided to the Council over the contract term in accordance with the care mix% and are priced at the top of the expected range.

Given that the Council's requirement also includes a minimum number of guaranteed beds a pre-estimated value on the same basis has also been calculated resulting in a pre-estimated contract value between £110 million and £172 million.

3) 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:

- 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

- 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