



## **ADULT SOCIAL CARE AND PUBLIC HEALTH COMMITTEE**

**21 JANUARY 2025**

<b>REPORT TITLE:</b>	<b>RE-TENDERING OF CARE AND SUPPORT WITHIN WIRRAL'S EXISTING EXTRA CARE HOUSING SCHEMES</b>
<b>REPORT OF:</b>	<b>DIRECTOR OF ADULTS, HEALTH, AND STRATEGIC COMMISSIONING</b>

### **REPORT SUMMARY**

The purpose of this report is to seek approval for the re-commissioning of the care and support services within eight of Wirral's existing Extra Care schemes. The care and support services within eight general extra care schemes are due to expire between March and June 2026. The new services once procured will commence on either 1 April 2026 or 1 July 2026.

Furthermore, the tender will also include an invite to Providers to bid for a contract to deliver care and support within a new general Extra Care scheme on Pasture Road, Moreton which is currently in development with an estimated completion date in late 2026.

General Extra Care services in Wirral are for people age of 55 or over who are assessed as meeting the eligibility criteria.

The commissioning of these services will contribute towards the Wirral Plan (2023 to 2027) and its delivery theme 3 which has several outcomes related to this retender. The outcomes include- people live independently for longer, people get the right care at the right time, quality improvements are made within the care sector and inequalities in health are reduced.

Continuing to increase the Extra Care Housing Offer within Wirral as an alternative to residential care is also a Strategic Commissioning Priority within the Adult Social Care Commissioning Strategy - Community Care Market Sufficiency. These plans also align with other cross cutting strategies including the Wirral Health and Wellbeing and All Age Disability Strategies.

This affects all wards and is a key decision.

## **RECOMMENDATION/S**

The Adult Social Care and Public Health Committee is recommended to:

1. Approve the commencement of a procurement process pursuant to the Liverpool City Region Flexible Purchasing System for Extra Care for the provision of suppliers to deliver Care and Support within nine general Extra Care schemes; eight of which are due to expire in 2026 as outlined in section 3.5 of this report and one new scheme in Pasture Road, Moreton as referred to in paragraph 3.6 of this report. Each of which are to be of a contract term of 3 years with the option to extend for a further 2 years.
2. Authorise the Director of Adults, Health and Strategic Commissioning to award the tenders to the respective successful bidders following the tender process.

## SUPPORTING INFORMATION

### 1.0 REASON/S FOR RECOMMENDATION/S

- 1.1 Extra care aims to meet the housing, care and support needs of older people while maintaining their independence in self-contained accommodation. There are several benefits for residents and the Council in the form of costs and outcomes as set out in Section 4.8 below
- 1.2 Extra Care Schemes have a very important role to play in an individual's care and support journey as they help to maintain people's levels of independence and enable them to remain living in the community for longer. This results in better outcomes for residents as they can maintain social contacts, interests and routines even as their care needs change.
- 1.3 The Council has stated its commissioning intentions in its Market Position Statement to reduce demand on residential and nursing placements and increase the Extra Care Housing offer. This is because they can provide flexible and responsive care and support an individual's changing needs.
- 1.4 The current care and support contracts in majority of the general Extra Care schemes end in 2026 and there are no provisions for extending the contracts beyond their current end dates therefore there is a need to recommission the existing services.
- 1.5 The care and support provision for a new development on Pasture Road will also be undertaken at the same time to prevent having to undertake a lengthy procurement process at a later date for just one scheme.
- 1.6 The intention is to procure the care provision from the established Liverpool City Region (LCR) Flexible Purchasing System, as per current regional agreements. This allows access to wider choice of providers as there have been several recruitment rounds since the LCR Flexible Purchasing System was initially established in 2018

### 2.0 OTHER OPTIONS CONSIDERED

- 2.1 **Do nothing-** This will require the Council to allow the current Extra Care contracts to expire and terminate when they reach their individual end dates in 2026 without completing a procurement exercise to secure new services. This is not recommended because the local authority has a statutory duty to the people in Extra Care under the Care Act so the Council would have to put in place alternative care provision such as residential care for these individuals which would be more costly overall. This approach also does not embrace the independence principles in the Care Act and also will not be in line with Wirral's vision and outcomes outlined in the Council Plan.
- 2.2 **Extend the current contracts-** The current contracts have already been extended with no more extensions available. This approach will therefore contravene the Council's Contract Procedure rules.

2.3 **Set up a local Wirral Council Framework for Extra Care-** This option was discounted as a framework is usually conducted in two phases and can be a very lengthy process with an initial onboarding stage and then a call off stage which will impact on current timelines. With an existing LCR Flexible Purchasing System, the Council will have access to an already established framework with a pool of pre-accredited suppliers. Furthermore, in our Market Position Statement, Wirral Council has committed to working with Liverpool City Region Commissioners and working with a Flexible Purchasing Framework to support Providers access work across the region.

### **3.0 BACKGROUND INFORMATION**

- 3.1 The Wirral Plan sets out a clear vision to create equity for people and place and opportunities for our residents, communities, and businesses. The vision has been developed to build on five thematic priorities that focus on improving outcomes such as working for safe and vibrant communities where our residents are proud to live and raise their families and working to provide happy, active and healthy lives for all, with the right care, at the right time to enable residents to live longer and healthier lives.
- 3.2 Furthermore, the Council's commissioning intentions as set out in the Market Position Statement of the Council are to commission apartment style schemes where people live with 'their own front door' and can have access to background support when needed. The Council has also pledged to continue to develop general Extra Care accommodation to meet the growing demand for older people and ensure it is a viable alternative to residential care.
- 3.3 Extra Care Housing is defined as specialist accommodation where residents live in a self-contained flat, with their own front door, care staff are usually available up to 24 hours per day to provide personal care and support services. These are tailored to the resident based on eligible assessed need.
- 3.4 In Wirral, there are currently 10 general Extra Care schemes consisting of 405 apartments with further pipeline schemes which are emerging for delivery in late 2026 onwards. These schemes offer a mix of on-site domiciliary support, catering, and care facilities, enabling older people to lead active and independent lives for as long as possible.
- 3.5 Each scheme also provides access to a range of communal services which may include hairdressers, shops, restaurants, assisted bathing, social activities, garden areas, health and well-being clinics.
- 3.6 The Council currently commissions the care and support in all its Extra Care schemes with core or background hours and individuals receiving direct one to one support. The level of support can range from low dependency to high dependency. Each scheme is designed to have a mix of dependency levels i.e. low to high.

- 3.5 The care and support contracts for 8 of Wirral's current general Extra Care schemes are due to expire in 2026. Therefore, there is a need to undertake a procurement exercise to renew those contracts. Details of these schemes are outlined in the table below:

	<b>Scheme Name</b>	<b>Number of Units</b>	<b>Landlord</b>	<b>Current Care Provider</b>	<b>Date Contract Expires</b>
1.	Barncroft	21	Magenta Housing	Community Caring	31/03/2026
2.	Cherry Tree House	10	Liverpool Housing Association	Local Solutions	30/06/2026
3.	Granville Court	34	Housing 21	Premier Care	30/06/2026
4.	Harvest Court	39	Housing 21	Premier Care	30/06/2026
5.	Mendell Court	49	Housing 21	Haven Care	30/06/2026
6.	Poppyfields	78	Alpha Living	Premier Care	15/03/2026
7.	St. Oswalds	27	Inclusion Housing	Professional Carers	31/03/2026
8.	Willowbank	71	Housing 21	Premier Care	30/06/2026

- 3.6 In addition to the 8 schemes outlined above, the commissioning of the care and support provision within a new development on Pasture Road (Moreton) with 80 units will be undertaken at the same time. The estimated completion date for this scheme is late 2026.
- 3.7 The already established Liverpool City Region (LCR) Flexible Purchasing System for Extra Care which was procured by Knowsley, Sefton and Liverpool will be used as a mechanism to advertise all 9 schemes to a wide pool of providers who have already gone through a competitive process to be admitted to the framework. All six LCR authorities are named as a "Permitted Purchasing Body" which means that they can commission and award individual contracts to the Providers on the LCR Flexible Purchasing System for Extra Care.
- 3.8 A high level procurement timetable has been drafted and included as an appendix. The procurement plan is to advertise all the schemes in one go however, the contract start dates will be tailored to the end date of each scheme meaning some schemes will have longer mobilisation periods.
- 3.9 Advertising all the schemes together will allow the Council to create rules such as limiting the number of schemes one organisation can bid for. This will support our Care Act duties to promote diversity and quality in the provision of services. This is also outlined within our commissioning priorities to ensure we have a good offer for people of Wirral by creating a vibrant and responsive market.

## 4.0 FINANCIAL IMPLICATIONS

4.1 Extra Care schemes provide potential savings to the Council as they support avoidance into more expensive residential placements. The schemes are considered homes for life and with available care and support on site, people can remain there unless they end up requiring nursing care.

4.2 Funding from this service is from the Adult Social Care Revenue budget. The table below outlines the hourly rate per scheme, the costs of the block arrangements which is the level of core staffing, the current total individual one to one costs, and the total estimated annual budget for each scheme being recommissioned.

<b>Scheme</b>	<b>Number of Units</b>	<b>Hourly Rate</b>	<b>Costs of Block</b>	<b>Costs of Spot</b>	<b>Total Current Cost Per Year</b>
Barncroft	21	£18.80	£226,446	£153,342	£379,788
Cherry Tree House	10	£21.36	£187,114	£140,965	£328,079
Granville Court	34	£18.80	£226,446	£324,013	£550,459
Harvest Court	39	£18.80	£226,446	£434,759	£661,205
Mendell Court	49	£18.80	£164,688	£264,643	£429,331
Poppyfields	78	£18.80	£226,446	£715,566	£942,012
St. Oswalds	27	£18.80	£226,446	£370,741	£597,187
Willowbank	71	£18.80	£226,446	£466,127	£692,573
Pasture Road (New development)	80	£18.80	£226,446	£733,913	£960,359
<b>Total</b>			<b>£1,936,924</b>	<b>£3,604,070</b>	<b>£5,540,994</b>

4.3 The hourly rate for Cherry Tree House differs as this is a specialist dementia service. All current Providers of care and support within Extra Care have committed to paying the real living wage.

4.4 While Pasture Road is a new development, its costs have been estimated using the costs from Poppyfields which is a scheme that is similar in size.

4.5 The hourly costs for the extra care schemes are set every year as part of Wirral's annual Adult Health and Care fee setting exercise. So, the figures above are just an estimate based on 2024/2025 costs.

4.6 Therefore the overall total estimated costs for this procurement exercise will be £16,622,982 for the initial 3-year term and £27,704,970 for 5 years if the extensions are utilised.

4.7 The fees structure for the general Extra Care Schemes includes 2 rates: a standard and an enhanced rate for the Real Living Wage. Therefore, during the procurement exercise, bidders will be asked to confirm whether they intend to pay their staff the Real Living Wage as part of their bid.

- 4.8 Levels of costs for these schemes will fluctuate based on individual support hours. However, as described above, Extra Care costs are expected to be more cost effective than other forms of care, such as residential care. The table below shows the potential savings that are being achieved by the current Extra Care schemes.

<b>Type of service</b>	<b>Number of Schemes</b>	<b>Average weekly costs in Extra Care (23/24 rates)</b>	<b>Average weekly cost in residential Care</b>	<b>Net favourable cost per week</b>
General Extra Care (Older People)	9	£272	£637	£365
Early Onset Dementia	1	£606	£710	£104

- 4.9 The costs for the services will be contained within available budget provision, which is yet to be formally approved given that the contract will commence in 2026.

## **5.0 LEGAL IMPLICATIONS**

- 5.1 The commissioning of care and support within general extra care will enable the Council to deliver its statutory duties under The Care Act 2014.
- 5.2 The Care Act specifies the general legal duties that the Council has towards every individual living in their local area. One of these general duties is to promote individual wellbeing. Extra care offers people the opportunity to remain independent for longer as the emphasis is on people's quality of life with the availability of facilities and creation of community hubs.
- 5.3 The procurement process will be undertaken in accordance with the UK Public Contracts Regulations 2015 or the Procurement Act 2023 as applicable and the Council's Contract Procedure Rules to ensure compliance and best value.

## **6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS**

- 6.1 There will be no resource implications arising directly for this exercise.

## **7.0 RELEVANT RISKS**

- 7.1 There will be a financial risk to Wirral Council if the care and support in the extra care schemes is not recommissioned. This is because alternative care arrangements will have to be put in place for 329 people. These care arrangements such as residential and domiciliary care will be more costly overall.
- 7.2 The risk of the tenders receiving a poor response will be mitigated by market development and engagement on the service specification, and service design.

- 7.3 The risk of organisations without the skills, knowledge, capability and capacity being awarded any Extra Care contracts will be mitigated through the design of the quality questions and evaluation process which will ensure all key aspects of the service are tested. Furthermore, once contracts are awarded, existing contract management processes will ensure KPIs are being met and that the quality-of-service delivery is of a good standard.
- 7.4 The risk of challenge to the tender process has been mitigated by close working with the Procurement Team to agree a fair and transparent process that will minimise the risk.
- 7.5 Risk of Provider failure will be mitigated by robust contract monitoring processes. Key Performance Indicators will be set for the services and the monitoring of these will be undertaken by the Contracts and Commissioning Team. Furthermore, this risk has been further mitigated by the procurement process which will be designed to limit the number of bids one organisation can make.

## **8.0 ENGAGEMENT/CONSULTATION**

- 8.1 In line with the Council's Co-Production Strategy and commissioning good practice, the project team want to ensure that a range of committed stakeholders can feed into the service design.
- 8.2 A mixture of face to face and virtual consultations will be carried out with key stakeholders including extra care residents, Providers of care and support in extra care and front-line practitioners that refer into these schemes.
- 8.3 A stakeholder analysis has been carried out and an engagement plan has been developed and included as an appendix.

## **9.0 EQUALITY IMPLICATIONS**

- 9.1 Wirral Council has a legal requirement to make sure its policies, and the way it carries out its work, do not discriminate against anyone. An Equality Impact Assessment is a tool to help council services identify steps they can take to ensure equality for anyone who might be affected by a particular policy, decision or activity.
- 9.2 An EIA for the proposed service can be found here:  
<https://www.wirral.gov.uk/communities-and-neighbourhoods/equality-impact-assessments>

## **10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS**

- 10.1 The environmental implications are relatively low in relation to this service. Due to the design of extra care schemes, staff travel between sites to deliver care and support is not required.
- 10.2 The invitation to tender will include the requirement for bidders to state how they will minimise their impact on the environment.



## **11.0 COMMUNITY WEALTH IMPLICATIONS**

- 11.1 Extra Care Housing and services can enhance the quality of life for residents by providing the necessary care and support to live independently. This can lead to improved health outcomes and reduced pressures on other services e.g. hospitals and other acute settings.
- 11.2 The commissioning of Extra Care services can lead to community cohesion as they provide a supportive environment for residents to interact and engage with each other. This can reduce isolation and improve people's wellbeing overall.
- 11.3 The commissioning of this service will maximise the Council's spend as people that access Extra Care Housing will have their needs met in a way that ensures they are not required to seek more intensive and expensive forms of care. Extra Care is also designed to be a home for life so they can respond to the changes in demographic need and the requirements of an ageing population.
- 11.4 Extra Care Housing provides opportunities for local employment as the care and support staff within Extra Care Housing are usually recruited locally. Furthermore, the tender will require bidders to make social value commitments that will ultimately benefit the Council.
- 11.5 Developers of Extra Care Housing have requirements to meet in relation to protecting the environment, minimising waste and energy consumption and using other resources efficiently, within providers' own organisations and within their supply chain.

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## **APPENDICES**

Appendix 1 - Procurement Timetable  
Appendix 2 - Stakeholder engagement Plan

## **BACKGROUND PAPERS**

Wirral Plan (2023 to 2027)  
Wirral Health and Wellbeing Strategy (2022 to 2027)  
Wirral All Age Disability Strategy (2024 to 2029)  
Adult Social Care Commissioning Strategy - Community Care Market Sufficiency  
Wirral Market Position Statement (2022 to 2027)  
Design Principles for Extra Care Housing (Housing Learning and Improvement Network)  
23/06/2020

## **TERMS OF REFERENCE**

This report is being considered by the Adult Social Care and Public Health Committee in accordance with Section 2.2(a) and (b) of its Terms of Reference: adult social care matters (e.g., people aged 18 or over with eligible social care needs and their carers) and promoting choice and independence in the provision of all adult social care).

## **SUBJECT HISTORY (last 3 years)**

<b>Council Meeting</b>	<b>Date</b>
Adult Social Care and Public Health Committee	19 September 2023
Adult Social Care and Public Health Committee	02 March 2021
Adult Social Care and Public Health Committee	18 January 2021