



ST HELENS
BOROUGH COUNCIL

Cabinet

24 April 2024

Report Title	Care and Support Services in Extra Care Retender - Foundry Wharf, Heald Farm Court, Reeve Court and Heyeswood
Cabinet Portfolio	Integrated Care and Health
Cabinet Member	Councillor Marlene Quinn
Exempt Report	No
Reason for Exemption	N/A
Key Decision	Yes
Public Notice issued	26 March 2024
Wards Affected	All
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Borough Priorities	Ensure children and young people have a positive start in life	
	Promote good health, independence, and care across our communities	x
	Create safe and strong communities and neighborhoods for all.	x
	Support a strong, thriving, inclusive and well-connected local economy.	x
	Create green and vibrant places that reflect our heritage and culture.	
	Be a responsible Council.	x

1. Summary

- 1.1 The Extra Care contract for the care and support provided at Foundry Wharf and Heald Farm Court will come to a natural end on 31st July 2024. Heyeswood and Reeve Court asked to terminate their care contract in the Autumn of 2023 and gave a notice period that ends on the 31st July. Therefore, commissioners are seeking to tender all 4 care and support contracts at the same time, working closely with residents, providers, and including the community and voluntary sector housing colleagues and social workers
- 1.2 This report sets out information regarding the tender process and seeks approval to award a contract to the successful provider(s). The contract length proposed is 5yrs (3+2), with a natural break clause after 3yrs of delivery. Contracts to go commence on the 1st August 2024.
- 1.3 The current hours provided within the schemes show that there is a significant amount of potential social care capacity in Extra Care and opportunity to utilise Extra Care as an alternative to 24hr residential setting providing individuals greater flexibility, independence and remaining locally within their communities. which is not being fully utilised. The nationally proposed ideal balance of care within Extra Care is for 30% of residents to have low needs, 40% to have moderate needs and 30% to have high needs. Currently Extra Care settings have around 80% low to moderate needs
- 1.4 Commissioners are working with housing and operation colleagues to commence commissioner led panels to support an informed allocation and ensuring that people requiring care and support are managed in the right settings. This approach will also support the delivery of the national targets through flexible care options further reducing the risk of provider failure in the future

2. Recommendation for Decision

Cabinet is recommended to:

- 1) Note the contents of the report and the commission of care and support within the four Extra Care residential units.**
- 2) Delegate authority to the Executive Director of People and NHS Place Director, Cabinet Member for Integrated Care and Health and the Director of Finance (Section 151 officer) to award the Extra Care contract covering all four units following a procurement and tender process.**
- 3) Authorise the Head of Legal and Democratic Services to execute the necessary legal documentation to put into effect the arrangements as set out above.**

4) Approve the approach to change the model of Extra Care to a 'core + flexi model' and to move towards the balance of care model over a period 3 years with an option to extend for a further 2 years.

3. Background / Reason for the recommendations

- 3.1 The current Extra Care contracts for the care and support provided to all four schemes will expire on 31st July 2024.
- 3.2 The Council holds the responsibility to ensure a sufficient supply of care and support services in the local area, supporting the key principles in the Care Act 2014 outlining market sustainability and supporting a preventative approach. As a Council we are committed to providing good safe value for money services that meet the needs of our local population. The Council is responsible for maintaining a stable care market and evidence value for money. The proposal outlined for supporting alternative options of care ensure the Council is meeting the core asks with in the Care Act 2014.
- 3.3 The term 'Extra Care' is used to describe self-contained apartments which are designed and supported by services which enable self-care and independent living. Extra Care services provide an alternative to residential care. Extra Care housing schemes help to preserve and build capacity in individuals to achieve independence and well-being.
- 3.4 Extra Care housing can also play a key role in delivering both preventative and reablement services by providing environments with practical (physical and emotional) support. The combination of an independent living ethos, flexibility, responsiveness, security and safety in these schemes can offer tenants an improved quality of life, a higher quality of care and more effective care, which is the true hallmark of personalisation.
- 3.5 It should be noted that Extra Care schemes provide a more economical and more personalised support to adults when compared to residential care settings.
- 3.6 There are currently 6 Extra Care schemes in St Helens which are designed for people aged over 55, who can remain independent with individually assessed care and support on-site, should this be needed. The current arrangements in place for the delivery of care within these schemes is summarised below:
- Portland House and Carter House are dementia specialist provision. There are 8 units at Portland House and 15 units at Carter House. The current contract for Extra Care support commenced in January 2024 and is therefore not forming part of this proposed tender process.

In scope are the following:

- **Foundry Wharf:** There are 130 apartments, 65 of which are for people with additional care needs and the remainder mixed tenure of shared ownership and freehold.

- **Heald Farm:** This has 86 apartments with a shared care and support options as well as three adjacent bungalows.
- **Heyeswood:** This has 37 Extra Care units within a larger retirement village. The Provider, HICA, is currently contracted by the housing association Your Housing Group (YHG) and has served notice due to their current models of care no longer being financially viable. The notice period expires at the end of July 2024 and therefore the care service for residents with eligible needs requires recommissioning.
- **Reeve Court:** Has 65 Extra Care units within larger retirement village. The Provider, Extra Care Charitable Trust (ECCT), is currently contracted by the housing association. Both ECCT and the housing association have served notice due to their current models of care no longer being financially viable, and therefore the care service for residents with eligible needs requires recommissioning.

New Service Offer:

- 3.7 All care in Foundry Wharf and Heald Farm Court is purchased based on a block arrangement. Core night provision at Heyeswood is purchased on a block arrangement with daytime support being purchased on a spot basis. Core night provision and some core day-time provision at Reeve Court is purchased on a block arrangement and all care packages are purchased on a spot basis. The existing models have impacted the flexibility, efficiency, and sustainability of services in some schemes, as well as providing inconsistencies within the delivery of care dependant on which scheme people reside in.
- 3.8 It is recommended that the new contract replaces the existing models with a 'core + flexible model', with core hours covering 18 hours a day to be paid on block and care planned hours to be delivered flexibly and paid on the submission of actuals. A core of 18 hours a day would represent an increase of funds required around £10k which will be reflected in the cost of contract.
- 3.9 The core hours will include a minimum of 2 x staff through the night, between the hours of 11pm and 7am. The cost of the core support provided with Extra Care schemes is currently met by Service Users with a care package and is determined by the level of care that they receive. We will work with all residents moving forward, to identify an equitable process for the charging of the core service to ensure a consistent core offer across all 4 schemes.
- 3.10 Studies have shown that Extra Care housing is a preventative service model which enables people to remain in the community and not enter residential care or nursing care; it is a more cost-effective model than residential/nursing and remaining in a home environment. The flexibility of Extra Care allows individuals to remain at home for longer, reducing pressure on demand for residential care. The 'core + flexi model' ensures that additional hours of care purchased in Extra Care will only be necessary where this care is used as an alternative to purchasing other forms of care.

- 3.11 Commissioners will look to establish an allocations group including all key individuals across housing and social care to ensure that we are supporting people to access the right support at the right time following a social care assessment. This approach supports HomeFirst social work practice.
- 3.12 St Helens Borough Council is seeking to appoint a Provider for an Extra Care, care and support service, at Foundry Wharf, Heald Farm Court, Reeve Court and Heyeswood, who can deliver these service requirements. The authority is intending to present the tender opportunity as 2 lots, based on market share, to maximise the opportunity for joint service models, flexible use of staffing across schemes and additional economies on costs:
- Lot 1 = Heyeswood + Foundry Wharf
 - Lot 2 = Heald Farm Court + Reeve Court

The contract will run for a period of 3 years with the option to extend for additional 2-year extensions, subject to annual review.

- 3.13 The total contract value of the contract is £2,175,167 (subject to inflationary uplifts) across all four units. Tender submissions, which exceed this contract value, will not be considered.

4. Consideration of Alternatives

4.1 Extend the existing contracts with the current provider:

This option is not compliant with the contracting and procurement standing orders and regulations as the existing contract will have reached the end of all possible extension options. This option is not possible for Heyeswood and Reeve Court as the incumbent provider has served notice.

4.2 Do nothing:

The Council has a statutory duty to assess and arrange appropriate care and support for adults meeting its eligibility criteria and therefore is required to secure appropriate contracts for provision of this support. This option would mean the existing contracts would lapse on 31st July 2024 with no ongoing arrangements in place, bringing the Council into breach of its obligations under the Care Act 2014. This option is also not compliant with the Council's Contract Procedure Rules.

5. Conclusions

- 6.1 The new model will ensure an enhanced flexible model of care and support as well as ensuring consistencies in the delivery of safe care. This tender and procurement exercise offers the Council, current residents, providers, and partners to shape the future of how care and support is provided in the future, maintaining independence as long as possible and enabling good outcomes.

6. Legal Implications

- 6.1 The services being procured are subject to the light touch regime set out in Regulations 74 to 77 of the Public Contracts Regulations 2015. The threshold for application of the light touch regime for Find a Tender System (FTS) Procedures is currently £663,540. The value of the proposed contract is above this threshold and therefore needs to be advertised via the FTS. There are no prescribed procurement processes under the light touch regime, therefore the Council may use its discretion as to how it conducts the procurement process, if it discharges its duty, to comply with the principles of equal treatment, non-discrimination and fair competition. The proposed procurement process is compliant with these.

7. Financial Implications

- 7.1 Commissioners are putting forward a fixed price model that will support commissioners.
- 7.2 Excluding the financial implications of the implementation of a Balance of Care model, the proposed contract value over the three-year period is £6.5m. The contract will be subject to any inflationary increases, in line with the proposed annual provider fee uplifts for the duration of the contract.
- 7.3 The proposal is to move to a balance of care model over a 5-year period, should result in the saving of 6 residential admission over a 12-month period. This will further support the delivery of a core in house offer for residents.
- 7.4 Should the balance of care model shift, there is a financial risk that the cost may be greater than (or less than) the indicative financial modelling. For modelling purposes, it has been assumed the average number of hours are delivered per individual for each level of care. If the hours delivered were to increase additional residential beds would need to be decommissioned or alternative budget provision identified. However, to minimise the risk commissioners will monitor the hours delivered across each scheme and flex accordingly where possible.

8. Equality Impact Assessment

- 8.1 An Equality Impact Assessment has been completed to inform the development of this process. Please see appendix 1 for full details

9. Social Value

- 9.1 Extra Care Schemes are an example of a social care service that deliver social value by enabling people to remain in their own accommodation. It also eases pressure on other parts of the social care system such as hospitals and nursing homes.
- 9.2 Commissioners will work with providers and ensure the tender specifications includes opportunities for wider involvement including apprenticeships,

volunteering, and peer to peer support particular for carers and people with dementia. The successful providers will work with local schools and business to enhance community interaction and joint working.

- 9.3 By creating job possibilities and assisting companies along the entire supply chain, the service significantly impacts local economies. Investing in local services and staff will support skill development and improve the quality of care delivered to residents.
- 9.4 Creating social value can be facilitated, in part, by fostering a workforce that is representative of the communities they serve. A diverse workforce is one that includes people of different racial and ethnic groups, gender identities, and sexual orientations.

10. Net Zero and Environment

- 10.1 Any provider commissioned to undertake Extra Care must demonstrate systems and processes to manage their environmental impacts. They will be required to provide data to demonstrate their environmental improvements throughout the duration of the contract.

11. Health and Wellbeing

- 11.1 Extra Care Housing enables individuals with assessed care and support needs to remain living in their private accommodation while helping them to maintain independence and reducing the need for bed-based care and support.

12. Customer and Resident

- 12.1 Providers and Service users have been, and will continue to be, engaged and consulted on the proposals.
- 12.2 Strong evidence supports the notion that encouraging and involving communities and local people in decision-making and using community skills and assets reduces dependence on services and improves wellbeing.

13. Asset and Property

- 13.1 No implications were identified.

14. Staffing and People Management

- 14.1 TUPE regulations will apply, meaning the Transfer of Undertakings (Protection of Employment) Regulations 2006, which govern the position of employees on the transfer of an undertaking (which may include the transfer of a business, part of a business, or a defined service).
- 14.2 The Provider will be required to comply with all requirements of the TUPE Regulations in respect of the transfer of the Transferring Employees and shall use its best endeavours to ensure minimal disruption in service provision. The

Provider must ensure that it undertakes all relevant consultation and communication with the former provider to ensure that all transfers of suitable employees are undertaken in accordance with the TUPE Regulations.

15. Risks

- 15.1 A new contract may present opportunities for the Council to improve service user's quality of life and independence as well as supporting efficiencies in care delivery. However, the new tender process may create anxiety amongst stakeholders and service users throughout the tender process and have an undesirable impact on transition arrangements for the Council. Engagement with service users, family members and staff were undertaken in 2023/24 to mitigate the risk of anxiety amongst the service.
- 15.2 The risk will continue to be carefully monitored throughout the tendering process, supported by continuous effective communication with all stakeholders involved.
- 15.3 If all the tenders received are above the contract value, then this will be reviewed and ultimately the hours provided through the scheme adjusted to stay within the financial envelope.

16. Policy Framework Implications

- 16.1 The recommendations within this report are in line with the existing Council policies.

17. Impact and Opportunities on Localities

- 17.1 Prevention, Independence, Community, Choice, and Values are reflected throughout the new contract specification and terms, where there are clear expectations of the providers. This includes ensuring providers work to support the individual to keep their community-based connections (friends, family, support groups etc) and maintain their independence for as long as possible, which impacts positively on localities in making people feel safe and promoting opportunities for localities to develop and thrive.

18. Background Documents

- 18.1 N/A

19. Appendices

- 19.1 Appendix 1: Equality Impact Assessment