

18/374  
appendix  
DECISION  
NOWMADE



## Notice of KEY Executive Decision

<b>Subject Heading:</b>	Waiver to award an interim contract award for the provision of mental health supported living services.
<b>Cabinet Member:</b>	Cllr Jason Frost, Lead Member Health and Adult Care Services
<b>SLT Lead:</b>	Barbara Nicholls, Director of Adult Services
<b>Report Author and contact details:</b>	Daren Mulley, Senior Commissioning Manager, T: 01708 433982 E: daren.mulley@havering.gov.uk
<b>Policy context:</b>	<p>Havering's Health and Wellbeing Strategy 2015- 2019; Theme 3 Provide the right health and social care/advice in the right place at the right time. In this section of the strategy, the Council commits to working with the health sector to reduce the number of unplanned and unnecessary hospital admissions, the frequency of admissions and the average length of stay in hospital.</p> <p>Section 117 of the Mental Health Act 1983 entitles patients to after-care on discharge from hospital. Patients are entitled to Section 117 after-care if they have been in hospital under section 3, 37, 45A, 47 or 48 of the Mental Health Act 1983. After-care should be provided by Adult Social Care and Health Services for as long as the patient needs it in order to live as well and independently as possible.</p>
<b>Financial summary:</b>	An interim contract of 27 months will have a financial implication of

Key Executive Decision

	£770,467.70. The contract will be funded as follows: £170,700 from existing budgets within Adult Social Care, and; £171,730 from the CCG (Better Care Fund).
<b>Reason decision is Key</b>	Expenditure of £500,000 or more
<b>Date notice given of intended decision:</b>	April 2018
<b>Relevant OSC:</b>	OSC Adult Social Care
<b>Is it an urgent decision?</b>	No
<b>Is this decision exempt from being called-in?</b>	No

**The subject matter of this report deals with the following Council Objectives**

Communities making Havering	<input checked="" type="checkbox"/>
Places making Havering	<input type="checkbox"/>
Opportunities making Havering	<input type="checkbox"/>
Connections making Havering	<input type="checkbox"/>

## Part A – Report seeking decision

### DETAIL OF THE DECISION REQUESTED AND RECOMMENDED ACTION

In consideration of this report, the decision maker is asked to approve the award of an interim contract with the current contractor, The Riverside Group, for medium and short term supported living services at The Boundaries and Lucas Court venues from the period 1<sup>st</sup> October 2017 – 31<sup>st</sup> December 2019.

### AUTHORITY UNDER WHICH DECISION IS MADE

The Council's Contract Procedure Rules provides for waivers to be approved. Paragraph 14.1 states that waivers can be permitted upon approval by an individual Cabinet member using an Executive Decision.

### STATEMENT OF THE REASONS FOR THE DECISION

The service offers supported living accommodation alongside housing related support to those clients with high and enduring mental health needs who are residents in the London Borough of Havering. The services provide support to maintain stable accommodation and to enable them to live as independently and inclusively in the community as possible and to enjoy the highest possible quality of life.

This is delivered at two venues providing differing levels of support based on need. Firstly, the Council commissions an intensive service which is based at the Boundaries scheme which offers 24 hour care and housing related support. Secondly, the Council commissions a service for clients with lower levels of support for those with mental health needs at the Lucas Court scheme. The table below provides a summary of some of the key features of each scheme;

Profile	Lucas Court	The Boundaries
Age	18 - 65	18- 65
Gender	Men and women	Men and Women
Length of stay	18 months to 2 years	Varies* (Maximum of 2 years)
Hours of support	6 hours per week	24 hour support
Type of accommodation	Bedsits	9 rooms (1 self-contained flat) communal bathroom/ kitchen/living area
Number of units	12	10
Contract type	Block	Block
Funding	JCU	JCU/NELFT/CCG
Referral route**	Self-referral/ accommodation panel	Accommodation panel

The contract will be funded from budgets as highlighted in the following table between the Local Authority and CCG . The service at Boundaries is joint-funded by Havering

## Key Executive Decision

CCG, from their Better Care fund (BCF) and Adults Directorate. . This budget element supports both care and housing related support. The service at Lucas Court is funded by the Adults Directorate only, covering housing related support. The table below presents the sources and annual contributions to this contract;

<b>Property</b>	<b>Support Type</b>	<b>LB Havering - Adults Strategy &amp; Commi- ssioning Budgets £</b>	<b>CCG (BCF) £</b>	<b>Total £</b>
<b>The Boundaries</b>	Housing Related Support	32,660	-	32,660
	Care & Support	67,500	171,730	239,230
	<b>Sub Total</b>	<b>100,160</b>	<b>171,730</b>	<b>271,890</b>
<b>Lucas Court</b>	Housing Related Support	<b>70,540</b>	-	<b>70,540</b>
<b>Total</b>		<b>170,700</b>	<b>171,730</b>	<b>342,430</b>

The reasons for requesting an interim contract and procuring a new service are as follows;

- a) In accordance with the Council's Contract Procedure Rules (Paragraph 14.4), it is in the best interests of the Council to waive its Rules in order to progress the procurement of the service. In the case of this decision, awarding an interim contract will provide the Council and CCG sufficient time to complete an open competitive tender as nine Providers have expressed an interest in the tender via a Prior Information Notice or PIN (published in January 2018).
- b) An interim contract will ensure there's a formal agreement in place between the Council and Provider to continue services whilst avoiding instability and uncertainty for the Provider and service users.
- c) The CCG has formally agreed to the funding of the interim contract. The tender for these services will begin in July 2018 with the aim of the new contract beginning in January 2020. The reasons for choosing this time period are outlined in (d) – (f) below.
- d) An interim contract will enable the Council and CCG sufficient time to develop a new specification drawing on the findings and recommendations from the review of the service conducted by the Council in 2017. The documentation for the tender and contract will be produced jointly between JCU, CCG and NELFT to ensure it meets the needs and expectations of all services.
- e) An interim contract will provide the market with sufficient time to mobilise the contract which, for a new Provider, will involve identifying and securing accommodation to provide the service. Providers contacted via the PIN indicated that they would require a minimum of six months to secure accommodation. As a result, the Council will include a nine month mobilisation to mitigate against any risks or delays in securing the appropriate accommodation.
- f) As the interim contract will ensure that there is a longer mobilisation period for a new Provider time to secure accommodation, it will also enable the incumbent provider and new provider to consult and prepare service users for transferring to

### Key Executive Decision

new accommodation.

### **OTHER OPTIONS CONSIDERED AND REJECTED**

- 1) Do Nothing: The contract terminated on 31st September 2017 and currently Riverside have been operating on good will under the previous contracts terms and conditions. If we do nothing and Riverside continues they will be delivering the service outside of any legal agreement. A further possible outcome would be Riverside will cease to deliver accommodation alongside housing related support for clients with Mental Health. This will result in both reducing what are already limited resources for Mental Health service users within the borough and having to source alternative provision for the current tenants; in all likelihood at an increased cost. Given the limited timeframe and lack of planning this option is rejected in order to minimise the negative impact on the current care and support.

### **PRE-DECISION CONSULTATION**

In order to inform its commissioning strategy, the Council conducted a review of these residential mental health services through the schemes at Lucas Court and The Boundaries. Interviews were carried out with a number of key stakeholders;

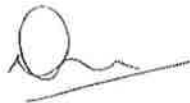
- The Service Area Manager for The Riverside Group (East London)
- Service Manager – The Boundaries
- Service Manager – Lucas Court
- Havering Mental Health Social Care Lead (NELFT)
- Service users at Lucas Court and the Boundaries
- Havering Council Mental Health Social Care Lead
- Senior Commissioner and Project Manager Mental Health Portfolio Holder
- NELFT integrated team; Nurses, OTs, Care Co-ordinators
- Members of the local Mental Health Accommodation Panel

### **NAME AND JOB TITLE OF STAFF MEMBER ADVISING THE DECISION-MAKER**

Name: Daren Mulley

Designation: Senior Commissioning Manager, Joint Commissioning Unit

Signature:



Date: 22<sup>nd</sup> May 2018

## Part B - Assessment of implications and risks

### LEGAL IMPLICATIONS AND RISKS

1. This report seeks Cabinet member approval to award an additional interim contract to the incumbent provider, the Riverside Group, for the provision of supported living services for those affected by mental health conditions (the "Services") from 1 October 2017 to 31 December 2019.
2. This is a key decision, subject to Part 4 [Rules of Procedure] of the Havering Constitution (the "Constitution"), Overview & Scrutiny Committee Procedure Rules, paragraph 17 and the Council's call-in (requisition) procedure.
3. The Council has a general duty under Section 1 of the Care Act 2014 to promote the well-being of individuals. "Well-being" in relation to an individual is defined within the 2014 Act as including physical and mental health and emotional well-being; and suitability of living accommodation.
4. In a key decision dated, 19<sup>th</sup> December 2017, the Council was granted approval to commence procurement activity for the Services and to award an interim contract to the Riverside Group to provide the Services for the period 1 October 2017 to 30 September 2018.
5. Following publication of a Prior Information Notice (PIN), dated 20<sup>th</sup> December 2017, notifying the market of the Council's intention to undertake the planned procurement of the Services, it became apparent that the allotted time was insufficient to complete the competitive process and that an extended interim contract would be required.
6. Exceptions to the competition requirements may be made, under Part 4 [Rules of Procedure] of the Constitution, Contract Procedure Rules (CPR), paragraph 14.3(ii), if all relevant law is complied with and an individual Cabinet member has approved the waiving of the CPR.
7. The exception by which the waiver is sought is under paragraph 14.6.6, CRP, where it is in the best interest of the Council for the competition requirements to be waived to enable contract procurement to be rapidly progressed while still complying with the EU procurement rules.
8. This approval is sought in accordance with Part 5 [Codes and Protocols] of the Constitution, paragraph 2.5(g), denoting Cabinet members individual decision making powers to approve an exception to the CPR, in accordance with Rule 14 (1) of the CPR.

### FINANCIAL IMPLICATIONS AND RISKS

The Local Authority's element of the extension to the jointly commissioned contract will be funded from existing budgets held in the Adults directorate's strategy and commissioning cost centre – A34090 and is sufficient to cover the 27 month period (over 2 separate financial years). There is a low risk of an overspend to the Authority due to being a fixed price contract however, there is some risk around the element funded from the CCG, as this is funded using a proportion of their BCF funding and adequate safeguards should be sought to ensure continued funding for the term, especially if there is material change in their funding arrangements in future.

Key Executive Decision

**HUMAN RESOURCES IMPLICATIONS AND RISKS  
(AND ACCOMMODATION IMPLICATIONS WHERE RELEVANT)**

The recommendations made in this report do not give rise to any identifiable HR risks or implications that would affect either the Council or its workforce.

**EQUALITIES AND SOCIAL INCLUSION IMPLICATIONS AND RISKS**

An EIA (Equalities Impact Analysis) report has been completed and reviewed by the Corporate Diversity Officer in April 2018. The EIA highlighted that the service does and will continue to have a similar impact on protected characteristics including age, gender and socio-economic disadvantage. The recommendation to award an interim contract does not give rise to any identifiable Equalities and Social Inclusion risks that would affect the Council, Provider, Service Users or the wider community.

**BACKGROUND PAPERS**

Key Executive Decision

**Part C – Record of decision**

I have made this executive decision in accordance with authority delegated to me by the Leader of the Council and in compliance with the requirements of the Constitution.

**Decision**

Proposal agreed

*Delete as applicable*

~~Proposal NOT agreed because~~

**Details of decision maker**

Signed



Name:

Jason Frost

Member title:

Cabinet Member for Health & Adult Care Services

Date:

14/06/2018.

**Lodging this notice**

~~The signed decision notice must be delivered to the proper officer, Debra Marlow, Principal Committee Officer in Democratic Services, in the Town Hall.~~

**For use by Committee Administration**

This notice was lodged with me on

14/06/2018

Signed

