

Notice of KEY Executive Decision

Subject Heading:	Mental Health Supported Living Service Contract Extension
Decision Maker:	Barbara Nicholls, Strategic Director of People
Cabinet Member:	Councillor Gillian Ford, Cabinet Member for Health and Adult Care Services
ELT Lead:	Barbara Nicholls, Strategic Director of People
Report Author and contact details:	Daren Mulley, Senior Commissioning Manager E: daren.mulley@havering.gov.uk
Policy context:	At a local level, this contract supports Havering Council to meet its People Theme priorities in its Corporate Plan 2022/23 – 2026/27. This plan sets out how the Council intends to invest and transform the borough with an emphasis on improving the lives of vulnerable children, adults and families.
Financial summary:	A 2-year extension of the contract would cost £609,436.00.
Reason decision is Key	In excess of £500,000.00
Date notice given of intended decision:	21 st October 2024

Key Executive Decision

Relevant OSC:	People
Is it an urgent decision?	No
Is this decision exempt from being called-in?	No

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

People - Things that matter for residents X

Place - A great place to live, work and enjoy

Resources - A well run Council that delivers for People and Place.

Part A – Report seeking decision

DETAIL OF THE DECISION REQUESTED AND RECOMMENDED ACTION

For the reasons set out in this report, the Strategic Director of People is recommended to agree to extend the mental health supported living service contract with the Riverside Group Ltd for a period of two years from 1st January 2025 to 31st December 2026.

AUTHORITY UNDER WHICH DECISION IS MADE

Scheme 3.3.3 Powers common to all Strategic Directors

1. General 1.1 To take any steps, and take any decisions, necessary for the proper management and administration of their allocated directorate, in accordance with applicable Council policies and procedures.

STATEMENT OF THE REASONS FOR THE DECISION

1. Background

Investing in supported living services is crucial for individuals with mental health conditions, as it provides them with the necessary resources to live independently and with dignity. Supported living services offer a combination of housing and support tailored to the needs of each individual, allowing them to manage their daily lives while accessing care and support when needed.

These services are not only a means to promote autonomy and self-reliance but also play a significant role in integrating individuals into the community, enhancing their quality of life, and reducing the need to either remain in hospital or be placed in more expensive residential care placements. This ensures that these vital services can continue to adapt and respond to the changing needs of individuals, fostering an environment where people with mental health conditions can thrive.

2. Current Contract & Service

The current five-year contract for the provision of supported living services for those affected by mental health conditions was awarded to the Riverside Group Ltd (RGL) following a competitive tender in 2019. The five-year period of the contract ends on 31st December 2024. There is provision within the contract to extend for an additional two years with the contract extended from January 2025 to December 2026. In more detail, the table below shows the key information relating to the contract;

Contract Holder	The Riverside Group Ltd
Contract Length	5 Years
Extension	2 years
Start Date	1 st January 2020

Key Executive Decision

End Date	31 st December 2026
Contract Value (inc extension)	£2,031,500.00
Funding Source	Adult Social Care Revenue
Contract Monitoring	Quarterly

Table 1: Overview of Contract

In more detail, RGL delivers the services across two locations in Romford consisting of a higher needs scheme (known as the Boundaries) and a lower needs scheme (known as Lucas Court). To be eligible, referrals are made by either mental health or adult social care services, approved by the local Mental Health Complex Care Panel and meet the following criteria;

- a) Have a diagnosed enduring mental health issue and have demonstrable need for a medium to high level of housing related support.
- b) Aged between 18 and 64 years of age.
- c) Be able to understand their tenancy agreement, with support if required.
- d) Be able to manage his/her finances, with support if required.
- e) Have the means to pay rent which may include being eligible for receipt of housing benefit.
- f) Be sufficiently independent to cook their own meals, clean, budget, shop and do their laundry, with support if required.

In the table below, a more detailed overview of the two schemes are as follows;

Higher Needs Service (Boundaries)
<p>RGL delivers the service at Boundaries which has;</p> <ol style="list-style-type: none"> a) 9 single bedrooms b) 1 self-contained flat c) Communal facilities (e.g. kitchen, dining area/lounge, laundry, garden) d) A staff office and meeting room e) 24 hour staff support for 365 days a year f) Staff sleepover facilities for waking night cover g) Service users receive a maximum of 12 hours of support per week h) The progression route for service users is the lower needs scheme (see below).
Lower Needs Service (Lucas Court)
<p>RGL delivers the service at Lucas Court which has;</p> <ol style="list-style-type: none"> a) 12 self-contained bedsits each with their own kitchen and bathroom c) Shared communal facilities (e.g. dining area/lounge, laundry, garden) d) On-site floating support 6 days a week e) Out-of-hours emergency on-call service f) Service users receive a maximum of 6 hours of support per week

Table 2: Overview of Services

RGL delivers the services with the expectation that service users across both schemes will be supported to develop greater independence and consequently move on to more independent living and deliver support by;

Key Executive Decision

- a) Adopting person centred recovery based support in a flexible manner to suit the changing needs of individual service users.
- b) Delivering the services that respects individual dignity and privacy of service users' racial and cultural background
- c) Providing support to each service user in order to develop the service user daily living skills.
- d) Working closely in partnership as part of an overall network of support and care for service users including health and social services where appropriate
- e) Providing appropriate advice and support to each service user to maintain a health and well-being.
- f) Maximising opportunities and enabling individuals who are supported to attend further education training and enter into full, part time or voluntary work.
- g) Co-production of the services involving users in the reviewing of policies and procedures and the delivery of services.

3. Performance

Formal contract meetings take place between the Council and the Riverside Group Ltd on a quarterly basis and are attended by the Lead Commissioner, Service Manager and Regional Manager.

The content of these regular meetings includes the monitoring of the quarterly performance reports, which include performance, service activity, and governance (e.g. staff training, safeguarding incidents, data governance, audits) and a detailed case study, which highlights the impact of the service on supporting people, achieve positive outcomes.

In terms of the key performance indicators (KPIs), 10 KPIs measure the mental health supported living service performance with the table below showing KPIs from the last full year (2023/24);

KPI	Higher Needs Service (Boundaries)	Annual	2023-24
1	Number of people moving on to more independent living	4	3
2	Number of new referrals accepted	4	5
3	Number of Support Plans	14	15
4	Number of Reviews	14	15
5	Internal Quality Assessment of Service	1	1

KPI	Lower Needs Service (Lucas Court)	Annual	2023-24
1	Number of people moving on to more independent living	5	1
2	Number of new referrals accepted	5	2
3	Number of Support Plans	17	14
4	Number of Reviews	17	14
5	Internal Quality Assessment of Service	1	1

Table 3: KPIs Performance, 2023/24

The performance of the provider across the two element of the service has on average been good over the contract period. Officers have been working with the provider during 23/24 on improving the footfall for the lower need service in Lucas Court, (table 3). This has been a focus for the provider to improve the move on performance at present with 7 tenants registering and bidding via their Havering Housing Accounts during 23-24. So far this year (24-25), we have seen an improvement with 3 tenants

Key Executive Decision

moving on. Officers will continue to monitor the performance closely through future contract monitoring and continue to work closely with the provider to ensure continued improvement.

4. Contract Extension

The two year extension of the contract will cost £609,436.00. The costs for these two years were submitted in RGL’s original bid for the contract so there has been no request for an uplift and the total value of the contract will therefore remain the same.

Once this extension decision has been formally agreed, the Lead Commissioner will write to RGL and inform them of the extension. The management of the contract will therefore continue with regular quarterly reporting and contract meetings between the Council and RGL.

OTHER OPTIONS CONSIDERED AND REJECTED

1. Do nothing: The impact of not securing the extension will have a significant impact on maintaining the current service and would lead the Council to undertake a re-commissioning of the service. This has been rejected as the current contract holder is delivering a service that is performing well.

2. Re-commission the service: As the service is performing well, this option has been rejected. However, this will be adopted during the two year extension period with a re-tender of the service taking place and a new contract awarded for 2027.

PRE-DECISION CONSULTATION

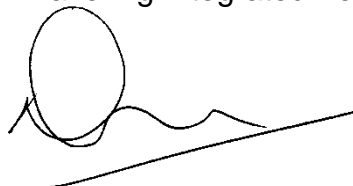
The pre-decision consultation has involved engaging with a number of stakeholders to prepare this report. This includes the Riverside Group Ltd, Legal and Finance.

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

Name: Daren Mulley

Designation: Havering Integrated Team At Place

Signature:



Date: 23rd October 2024

Part B - Assessment of implications and risks

LEGAL IMPLICATIONS AND RISKS

The Council has power to extend the contract under s111 of the Local Government Act 1972 which permits the Council to do anything which is calculated to facilitate, or is conducive or incidental to, the discharge of any of its functions.

The Council also has a general power of competence under Section 1 of the Localism Act 2011 to do anything an individual can do, subject to any statutory constraints on the Council's powers. None of the constraints on the Council's s.1 power are engaged by this decision.

The extension is provided for within the terms of the contract and is permissible for the purposes of the Public Contracts Regulations 2015.

For the reasons set out above the Council may extend the contract.

FINANCIAL IMPLICATIONS AND RISKS

This decision paper is seeking permission to agree an extension to the Mental Health Supported Living Service with Riverside Group. The extension to the contract will be for two years to commence on 1st January 2025.

The initial contract was for 5 years which commenced on 1st January 2020. The current contract is due to end on 31st December 2024.

The total value of the 5-year contract plus the 2-year extension is £2,031,500. The annual breakdown of the contract values are as follows:

Year 1:	Year 2:	Year 3:	Year 4:	Year 5:	Ex Y1	Ex Y2
273,262	278,727	284,301	289,987	295,787	301,701	307,735

The total cost of the two-year contract extension is estimated to cost 609,436.00. This will add additional cost pressure to the budget of approximately 17k over the 2-year extension, approximately 6k in year one and £11k in year 2.

Of the £6k increase in year 1, approx. £1.5k will be an additional pressure in the 24-25 financial year and for the remainder of the pressure will have to be considered as part of the growth bid or managed within existing resources.

Although, there is a slight additional pressure the increase is below other inflationary increases that are being seen across the market.

No additional uplift requests have been submitted by the provider since the commencement of the contract and therefore an extension of the contract is most advantageous as it unlikely that similar prices would be obtained in the current market.

Key Executive Decision

Recommissioning of the contract will be undertaken during the extension period with the award of a new contract in 2027, this will ensure the service is still meeting the market needs and providing value for money for the council.

The contract is currently performing well and is cost effective in providing supported accommodation compared to the average costs of other supported living placements.

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

The Public Sector Equality Duty (PSED) under section 149 of the Equality Act 2010 requires the Council, when exercising its functions, to have due regard to:

- (i) the need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;
- (ii) the need to advance equality of opportunity between persons who share protected characteristics and those who do not, and;
- (iii) foster good relations between those who have protected characteristics and those who do not.

Note: 'Protected characteristics' are: age, sex, race, disability, sexual orientation, marriage and civil partnerships, religion or belief, pregnancy and maternity and gender reassignment.

The Council is committed to all of the above in the provision, procurement and commissioning of its services, and the employment of its workforce. In addition, the Council is also committed to improving the quality of life and wellbeing for all Havering residents in respect of socio-economics and health determinants.

The action undertaken will include monitoring how the service meets the needs of all eligible users, including those from ethnic minority communities and the disabled. The Council will also ensure that potential providers have undertaken equality training and adhere to the Council's Fair to All Policy or their own equivalent.

HEALTH AND WELLBEING IMPLICATIONS AND RISKS

Under the Health and Social Care Act 2012 the Council is responsible for improving and protecting the health and wellbeing of local residents. Havering Council is committed to improving the health and wellbeing of all residents.

There are no health and wellbeing implications arising from the proposed decision to extend the contract for Mental Health Supported Living Service.

ENVIRONMENTAL AND CLIMATE CHANGE IMPLICATIONS AND RISKS

Supplier will minimise impact on the environment by:

- a) Eliminating the need for one use plastics
- b) Ensuring that all waste is correctly recycled
- c) Utilising public transport when this fits with Infection Protection Control measures
- d) Employing locally wherever possible to reduce the environmental impact of travelling to work
- e) Employing digital solutions to reduce the need for manual recording and disposable materials.

BACKGROUND PAPERS

None

APPENDICES

None

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

Details of decision maker

Signed

Name: **Barbara Nicholls, Strategic Director of People**

Cabinet Portfolio held:

CMT Member title:

Head of Service title

Other manager title:

Date: 2024

Lodging this notice

The signed decision notice must be delivered to Democratic Services, in the Town Hall.

For use by Committee Administration

This notice was lodged with me on _____

Signed _____