



## CABINET

**11 December 2024**

**Subject Heading:**

Adults EDT Section 75 Agreement to NELFT for a period of 5 years

**Cabinet Member:**

Councillor Gillian Ford, Cabinet Members of Adult Service

**ELT Lead:**

Barbara Nicholls, Strategic Director of People

**Report Author and contact details:**

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**Policy context:**

Any function provided in relation to the adult social care or mental health services pursuant to any of the adult social services functions which are the responsibility of an adult social services authority under Schedule 1 to the Local Authority Social Services Act 1970, subject to regulation 6 of the NHS Bodies and Local Authorities Partnership Arrangements Regulations 2000, and the Care Act 2014.

**Financial summary:**

The service is currently procured under a partnership with three other London boroughs and the new s75 agreement would continue in this manner.

**Maximum total cost of 5-year s75 agreement: £4,460,319.20**

Year 1: £807,205.00  
Year 2: £847,566.00  
Year 3: £889,944.00  
Year 4: £934,441.00  
Year 5: £981,163.00

The costs will be split equally across the four partner boroughs.

**Individual Borough maximum costs (including Havering):**

Year 1: £201,801.25  
Year 2: £211,891.50  
Year 3: £222,486.00  
Year 4: £233,610.25

Year 5: £245,290.75

**Total: £1,115,079.95**

**Is this a Key Decision?**

(a) Expenditure or saving (including anticipated income) of £500,000 or more

(c) Significant effect on two or more Wards

**When should this matter be reviewed?**

December 2024

**Reviewing OSC:**

Peoples Overview & Scrutiny Committee

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

**People - Supporting our residents to stay safe and well**

**X**

Place - A great place to live, work and enjoy

Resources - Enabling a resident-focused and resilient Council

## **SUMMARY**

The current section 75 agreement with NELFT for the provision of the Adults Emergency Duty Team expires on the 31<sup>st</sup> March 2025. This service provides an emergency social care service outside of normal office hours. This paper is seeking a decision to approve a new 5-year section 75 agreement.

The North East London Adult Emergency Duty team (EDT) provides an emergency social care service outside of normal office hours. It covers Barking and Dagenham, Havering, Redbridge and Waltham Forest. The service is designed to deal only with emergency situations that cannot wait until the next working day.

Members of the public and health and social care professionals can contact the team if a carer or a vulnerable adult is in urgent need or requires protection from harm. A vulnerable adult is a person of 18 years or over with a social care need. This can include people with mental health problems, physical or learning disabilities or older people.

The service includes but is not restricted to the provision of Mental Health Act assessments by an approved mental health professional.

## **RECOMMENDATIONS**

This decision paper is seeking the approval of Cabinet to:

1. Enter into a Section 75 Agreement for an Adults Emergency Duty Team between the four partner boroughs and the North East London Foundation NHS Trust (NELFT), for a period of 5 years. The four partner boroughs are Barking & Dagenham, Havering, Redbridge and Waltham Forest. The proposed s75 agreement has a maximum value of £4,460,319.20 which will be split equally between the four partner boroughs. Each of the four partner boroughs pays for the service directly to NELFT with the maximum value for Havering being £1,115,079.95 over the five-year life of the Section 75 agreement.
2. Delegate to the Strategic Director of People authority to sign off the terms of the Section 75 Agreement, on behalf of Havering.

## **REPORT DETAIL**

### **Service Summary**

The service is commissioned by Adult Social Care to fulfil the statutory requirement to provide an emergency Adult Social Care and Mental Health response including the provision of 24 hour Approved Mental Health Professionals (AMHPs) under the Care Act 2014, the Mental Capacity Act 2005 and the Mental Health Act 1983.

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The service manages emergency situations that cannot wait until the next working day by operating out of hours i.e. from Monday to Friday, 5.15pm – 8.45am and 24 hours on Saturday and Sunday including Public Holidays and additional statutory days.

It provides a responsive front line service to safeguard people in an emergency, as well as in accordance with the respective procedures and reporting protocols of each local authority.

They signpost to appropriate agencies or refer matters to day service staff or to assessors, give advice and guidance over the phone where necessary or to visit and/or arrange an intervention where necessary.

Emergency Duty Team staff are supported by the Local Authority Adult Social Care (ASC) management team to deal with any practice issues during out of hours. This is covered on a rotational basis between the service managers from each of the London boroughs.

### Current Contract Costs

|                           |      | Year 1         | Year 2         | Year 3         |
|---------------------------|------|----------------|----------------|----------------|
|                           |      | 2022/23        | 2023/24        | 2024/25        |
| Post                      | WTE  | £              | £              | £              |
| Management Lead – Band 8A | 0.40 | 27,952         | 28,567         | 29,195         |
| Social Workers – Band 7   | 6.00 | 579,072        | 591,811        | 604,831        |
| Administration – Band 4   | 0.20 | 6,851          | 7,001          | 7,155          |
| <b>Total Pay</b>          |      | <b>613,874</b> | <b>627,380</b> | <b>641,182</b> |
| Non-Pay/Support costs     |      | 80,223         | 81,502         | 82,810         |
| <b>TOTAL</b>              |      | <b>694,097</b> | <b>708,882</b> | <b>723,992</b> |

### New Contract Costs

The current contract is commissioned as a partnership with the London Boroughs of Barking & Dagenham, Redbridge, Waltham Forest and NELFT. Contributions are split equally and pooled funding is paid annually and the new 5-year section 75 agreement would continue in the same way.

NELFT provided the below outlining costs for the new five-year section 75 agreement totalling £4,460,319.20.

| Emergency Duty Team (EDT) 5 Year Contract |      |                |                |                |                |                |
|---|------|----------------|----------------|----------------|----------------|----------------|
|   |      | Year 1         | Year 2         | Year 3         | Year 4         | Year 5         |
|   |      | 2025/26        | 2026/27        | 2027/28        | 2028/29        | 2029/30        |
| Post                                      | WTE  | £              | £              | £              | £              | £              |
| Management Lead – Band 8A                 | 0.40 | 32,137         | 33,744         | 35,431         | 37,203         | 39,063         |
| Social Workers – Band 7                   | 6.00 | 674,980        | 708,729        | 744,166        | 781,374        | 820,443        |
| Administration – Band 4                   | 0.20 | 8,087          | 8,491          | 8,916          | 9,362          | 9,830          |
| <b>Total Pay</b>                          |      | <b>715,204</b> | <b>750,965</b> | <b>788,513</b> | <b>827,939</b> | <b>869,336</b> |

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|                       |                |                |                |                |                |
|-----------------------|----------------|----------------|----------------|----------------|----------------|
| Non-Pay/Support costs | 92,001         | 96,601         | 101,431        | 106,503        | 111,828        |
| <b>TOTAL</b>          | <b>807,205</b> | <b>847,566</b> | <b>889,944</b> | <b>934,441</b> | <b>981,163</b> |

The year 1 staffing costs are 11.49% more than the current costs. This is due to previous contract costs not being increased by the same % as wage increases. The year 1 costs accurately reflect the current staffing costs for the Emergency Duty Team and support costs have been benchmarked against other nearby trusts and the increase applied is either equal or lower than other trusts.

The costs provided by NELFT also include a 5% uplift year on year. Annual uplifts for staffing costs will be considered in line with the in-year pay and price increases up to maximum of 5%. The increase will be reviewed and agreed annually at Q3/Q4 Strategic EDT meetings for the following contractual year.

### **Maximum Contract Costs for 2025-2030**

| Local Authority               | Year 1 2025/26     | Year 2 2026/27     | Year 3 2027/28     | Year 4 2028/29     | Year 5 2029/30     | Total                |
|-------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|----------------------|
| <b>Barking &amp; Dagenham</b> | £201,801.25        | £211,891.50        | £222,486.00        | £233,610.25        | £245,290.75        | <b>£1,115,079.95</b> |
| <b>Havering</b>               | £201,801.25        | £211,891.50        | £222,486.00        | £233,610.25        | £245,290.75        | <b>£1,115,079.95</b> |
| <b>Redbridge</b>              | £201,801.25        | £211,891.50        | £222,486.00        | £233,610.25        | £245,290.75        | <b>£1,115,079.95</b> |
| <b>Waltham Forest</b>         | £201,801.25        | £211,891.50        | £222,486.00        | £233,610.25        | £245,290.75        | <b>£1,115,079.95</b> |
| <b>Totals</b>                 | <b>£807,205.00</b> | <b>£847,566.00</b> | <b>£889,944.00</b> | <b>£934,441.00</b> | <b>£981,163.00</b> | <b>£4,460,319.20</b> |

The total maximum value of the 5-year section 75 agreement is £4,460,319.20.

Year 1 total costs for 2025-2026 is £807,205.00. All 4 Local Authorities will pay the provider directly in advance in one annual sum of £201,801.28.

## **REASONS AND OPTIONS**

### **Reasons for the decision:**

Local authorities have a statutory duty to provide emergency duty teams (EDTs) as part of their adult social care services. This requirement ensures that vulnerable adults receive timely and appropriate support during emergencies, safeguarding their wellbeing and promoting their safety outside of normal working hours, including evenings, weekends, and public holidays. This contract is to replace the current Adult Emergency Duty Team Contract that ends on the 31<sup>st</sup> March 2024.

The benefits of entering into a Section 75 Agreement are the ability for budgets to be pooled between local health and authorities, along with the delegation of the provision of the EDT service to NELFT, which will lead to an improvement in the way this function is exercised.

**Other options considered:**

**1. Do nothing**

There is the option to do nothing and stop providing Emergency Duty Team services when the contract ends on the 31<sup>st</sup> March 2024. This option is not advised, due to our statutory responsibility to provide this level of service.

**2. Develop an Emergency Duty Team service in-house**

This option has been considered however this does not align with the approach the Local Authorities' are taking to commissioning this type of service with a Provider:

- The difficult 'fit' between the service and local authority structures
- The up-front investment required from the local authority in order to establish and maintain an Emergency Duty Team

**3. Extend the current Section 75 Agreement**

This option has been considered however this was not possible due to no available extension built within the current agreement.

**IMPLICATIONS AND RISKS**

**Financial implications and risks:**

The function provided in relation to the adult social care or mental health services pursuant to any of the adult social services functions which are the responsibility of an adult social services authority under Schedule 1 to the Local Authority Social Services Act 1970, subject to regulation 6 of the NHS Bodies and Local Authorities Partnership Arrangements Regulations 2000, and the Care Act 2014.

A prior information notice was issued and NELFT were the only interested party

The following table highlights the current contract costs and the new contract costs received from NELFT.

| <b>Total Cost of Service</b> | <b>Current Costs</b> | <b>New Costs Year 1</b> | <b>New Costs Year 2</b> | <b>New Costs Year 3</b> | <b>New Costs Year 4</b> | <b>New Costs Year 5</b> |
|------------------------------|----------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
|                              | £723,992.00          | £807,205.00             | £847,566.00             | £889,944.00             | £934,441.00             | £981,163.00             |
| Barking & Dagenham           | £180,998.00          | £201,801.25             | £211,891.50             | £222,486.00             | £233,610.25             | £245,290.75             |
| Havering                     | £180,998.00          | £201,801.25             | £211,891.50             | £222,486.00             | £233,610.25             | £245,290.75             |
| Redbridge                    | £180,998.00          | £201,801.25             | £211,891.50             | £222,486.00             | £233,610.25             | £245,290.75             |
| Waltham Forest               | £180,998.00          | £201,801.25             | £211,891.50             | £222,486.00             | £233,610.25             | £245,290.75             |
| <b>Total</b>                 | <b>£723,992.00</b>   | <b>£807,205.00</b>      | <b>£847,566.00</b>      | <b>£889,944.00</b>      | <b>£934,441.00</b>      | <b>£981,163.00</b>      |

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The costs are capped at a 5% increase per year, which could be reduced if the yearly inflationary salary increase is lower than 5%.

Staffing levels are staying at the current level within the team and are currently deemed appropriate.

The option to bring the EDT team in house was not considered as the cost was considered too high, along with the difficulty to recruit social workers. Bringing the team in house would lose the economies of scale and it is estimated an in house team would still need 3 social workers and a Social work manager. The cost of 3 social workers and a team manager at midpoint would cost £258,740. This does not include any support costs or the setup cost for equipment.

Due to the statutory nature of the service and the increased costs of running a team in house the recommendation is to proceed with the award of the contract. However, additional funding will need to be identified to cover the increased costs. The additional pressure of the contract in year 1 is c£20k and this will need to be met from the anticipated growth that will be allocated in 25/26. The below shows the annual growth/funding that would need to be found year on year to fund the contract and the most likely source of funding for this would be for annual submission of growth bids.

|        | Annual Increase | Cumulative Increase |
|--------|-----------------|---------------------|
| Year 1 | 20,803.25       | 20,803.25           |
| Year 2 | 10,090.25       | 30,893.50           |
| Year 3 | 10,594.50       | 41,488.00           |
| Year 4 | 11,124.25       | 52,612.25           |
| Year 5 | 11,680.50       | 64,292.75           |

By year five of the contract, the contract would be costing an additional c£64k per annum.

### **Legal implications and risks:**

Under Schedule 3 of the Care Act 2014, where it is not considered safe to discharge a hospital patient, without arrangements for meeting the patient's needs for care and support being in place, the NHS body must give the Local Authority (where the patient is ordinarily resident) an assessment notice.

The local authority must then carry out an assessment of the patient's need and, where applicable, the carer's need, with a view to identifying the care and support that is necessary for them to be safely discharged.

Adults Social Care and Health therefore seek approval to enter a section 75 agreement to meet such statutory duties. Under section 75 of the National Health Service Act 2006, local authorities and NHS bodies are enabled to enter into integrated partnership arrangements in relation to the exercise of certain functions of local authorities and the NHS. Section 75 agreements aim to provide a more streamlined service and to pool resources, if such arrangements are likely to lead to an improvement in the way their functions are exercised. It is pursuant to these powers that the section 75 Agreement detailed in this Report is proposed.

**Human Resources implications and risks:**

The recommendations made in this report do not give rise to any identifiable Human Resources implications or risks.

**Equalities implications and risks:**

Havering has a diverse community made up of many different groups and individuals. The council values diversity and believes it essential to understand and include the different contributions, perspectives and experience that people from different backgrounds bring.

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, gender, race and disability, sexual orientation, marriage and civil partnerships, religion or belief, pregnancy and maternity and gender reassignment.

The council demonstrates its commitment to the Equality Act in its decision-making processes, the provision, procurement and commissioning of its services, and employment practices concerning its workforce. In addition, the council is also committed to improving the quality of life and wellbeing of all Havering residents in respect of socio-economics and health determinants.

The recommendations made in this report do not give rise to any identifiable equalities and social inclusion implications or risks and therefore an (Equality and Health Impact Assessment) isn't required.

**Health and Wellbeing implications and Risks**

The recommendations made in this report do not give rise to any identifiable Health and Wellbeing risks. The nature of this service is about the health and wellbeing of the service users and therefore would have positive implications on those service users.

**ENVIRONMENTAL AND CLIMATE CHANGE IMPLICATIONS AND RISKS**

The recommendations made in this report do not give rise to any identifiable environmental implications or risks.

**BACKGROUND PAPERS**

Not Applicable