

**Report of: Deputy Director, Integrated Commissioning Adults and Health**

**Report to: Director of Adults and Health**

**Date: 8 August 2018**

**Subject: To seek approval from the Director of Adults and Health to invoke the 6 month contract extensions for Leeds Mind, Community Links and Touchstone.**

Are specific electoral wards affected? If yes, name(s) of ward(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is the decision eligible for call-in?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, access to information procedure rule number: Appendix number:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

**Summary of main issues**

1. Following a Delegated Decision taken by the Director of Adults and Health, in February 2017, contracts were entered into on 1 April 2017 with Leeds Mind, Touchstone, and Community Links. These contracts end on 30 September 2018.
2. It is proposed that the 6 months extension period agreed to in February 2017 is invoked from 1 October 2018. This will allow for continuity of these essential services whilst an on-going procurement exercise is completed during the latter half of 2018/19 for the provision of a Community Based Mental Health Service (CBMHS).
3. There are existing funds in the budget to cover the extension period.
4. In order to implement this course of action the Director of Adults and Health is recommended to approve the following:

**Recommendations**

1. For the Director of Adult and Health to approve the use of the 6 month contract extension to award the following contracts:

- I. Leeds Mind for the provision of the well-being service and the Drop-In and Outreach Budget. The value for 6 months is £175,977.
- II. Touchstone for the provision of the Community Support Team, Dosti and the Support Centre. The value for 6 months is £287,105.
- III. Community Links for the provision of the Mental Health Support Service (MHSS) and Oakwood Hall. The value for 6 months is £410,845.

## **1. Purpose of this report**

- 1.1 To seek approval from the Director of Adult and Health to invoke the 6 month contract extension period made available via a delegated decision taken in February 2017.

## **2. Background information**

- 2.1 The contracts under discussion have a historical origin, largely dating from the old mental health support grant. Historically these services were classified as Part B services for the purposes of the Public Contracts Regulations 2006, meaning that there was no real obligation to tender these services provided they continued to represent value for money.

## **3. Main issues**

- 3.1 The obligation to retender was last waived in February 2017 by the Director of Adults and Health that approved new contracts to be issued to the current providers until 30 September 2018 with an option for a 6 month extension. This reports seeks approval to utilise that extension.
- 3.2 A procurement exercise is currently being undertaken and is at the stage of evaluating the returned bids from providers.
- 3.3 The reason for this is to allow the procurement exercise to be completed by Adults and Health for a new CBMHS which will combine the services currently provided by Leeds Mind (minus the employment element), Touchstone (minus the CST element) and Community Links Mental Health Support Service. The additional 6 months will ensure an adequate mobilisation period is entered into that may address TUPE and promises.

## **4 Corporate considerations**

### **4.1 Consultation and engagement**

- 4.1.1 Consultation has taken place with users of mental health services to design the model for the citywide Mental Health Framework and CBMHS.

### **4.2 Equality and diversity / cohesion and integration**

- 4.2.1 An Equality Impact Assessment Screening Tool has been completed and is attached at Appendix 1. If the recommendations are approved an Equality, Diversity, Cohesion and Integration screening will be undertaken.

### **4.3 Council policies and best council plan**

- 4.3.1 The voluntary sector mental health services directly contribute to the delivery of key outcomes within the Best Council Plan 2013/17, specifically to improve the quality of life for our residents, particularly those who are vulnerable or in poverty and the delivery of the 'Better Lives' objective.
- 4.3.2 The services make significant contributions to all of the City Priority Plans, but particularly the Health and Wellbeing Plan and its priority to make Leeds the best City for Health and Wellbeing by 2030. This is achieved through supporting clients to make healthy lifestyle choices and to live safely.

### **4.4 Resources and value for money**

- 4.4.1 It will be difficult to generate further savings during 2018/19 beyond those already made in the past 5 years, as services are already stretched due to the previous two rounds of budget reductions totally 25%.
- 4.4.2 The transaction costs of procurement (to both providers and commissioners) are significant, so this paper proposes an approach that minimises the costs.
- 4.4.3 The total values for each individual six month contract are as follows and there is budget provision for these services:
- Leeds Mind – 6 months £175,977.
  - Touchstone – 6 months £287,105.
  - Community Links – 6 months £410,845.

### **4.5 Legal implications, access to information, and call-in**

- 4.5.1 This is a Key Decision and subject to call-in as the maximum cost of two of the services within this decision is more than £250k.
- 4.5.2 This report does not contain any exempt or confidential information under the Access to Information Rules.
- 4.5.3 Although there is no overriding legal obstacle preventing the extension of this contract the contents of this report should be noted. In making their final decision, the Director of Adults and Health should be satisfied that the course of action chosen represents best value for the Council.

### **4.6 Risk management**

- 4.6.1 The contracts will continue to be performance managed by officers in ASC. This includes regular reviewing of performance information and quarterly contract management meetings with the provider, at which any delivery issues are discussed. To date the service has delivered in accordance with the service requirements and performance criteria outlined in the specification.

## **5. Conclusions**

- 5.1 The new contracts will ensure that there is continuity of service delivery whilst the Leeds Mental Health Framework is established.
- 5.2 The procurement exercise will see the establishment of a new CBMHS that is fully coproduced with service users and stakeholders and this has not previously happened in the history of the existing services.

## **6. Recommendations**

- 6.1 For the Director of Adult and Health to approve the use of the 6 month contract extension to award the following contracts:
  - I. Leeds Mind for the provision of the well-being service and the Drop-In and Outreach Budget. The value for 6 months is £175,977.
  - II. Touchstone for the provision of the Community Support Team, Dosti and the Support Centre. The value for 6 months it is £287,105.
  - III. Community Links for the provision of the Mental Health Support Service (MHSS) and Oakwood Hall. The value for 6 months it is £410,845.
- 6.2 That the Director of Adults and Health notes:
  - Sinead Cregan, Adult Commissioning Manager is the officer responsible for implementation and will liaise with Procurement and Commercial Services for the task to be undertaken.

## **7. Background documents<sup>1</sup>**

None.

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<sup>1</sup> The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.