

Report of the Deputy Director, Integrated Commissioning
Adults and Health, Leeds City Council & NHS Leeds Clinical Commissioning Group

Report to the Director of Adults and Health

Date: 13 February 2019

Subject: To seek approval from the Director of Adults and Health to waive Contract Procedure Rules (CPRs) CPRs 9.1 and 9.2 to enter into a new contract with Touchstone for the provision of the Community Support Team (CST) from 1 April 2019 for fourteen months. The annual value for this contract is £201,473 and the total for fourteen months is £235,051.

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. Adults and Health currently has a contract with Touchstone for the provision of the CST. The current contract expires on 31 March 2019.
2. This service is jointly funded by Adults and Health and the Leeds Clinical Commissioning Group (Leeds CCG). The Leeds CCG has already agreed to award Touchstone a new contract from 1 April 2019 for fourteen months. The Leeds CCG annual contribution is £226,323 and for 14 months it will be £263,937.
3. In order to keep the contracts aligned and to ensure service continuity Leeds Adults and Health will need to enter into a new contract for fourteen months from 1 April 2019.
4. This service will be subjected to a review to be undertaken jointly by Adults and Health and the Leeds CCG. Following the review a procurement exercise will be undertaken during 2019/20 with the view to awarding a five year contract.

Recommendations

1. For the Director of Adults and Health to approve the waiver of Contract Procedure Rules (CPRs) CPRs 9.1 and 9.2 to enter into a new contract with Touchstone for the provision of the Community Support Team (CST) from 1 April 2019 for fourteen months. The annual value for this contract is £201,473 and the total for fourteen months is £235,051.
2. That the Director of Adults and Health notes;
The Council's Procurement and Commercial Services Unit will be requested to issue the new contract.
The Adult Commissioning Manager is the officer responsible for the implementation of this contract.

1. Purpose of this report

- 1.1 To seek approval from the Director of Adults and Health to award a contract to Touchstone for the provision of the Community Support Team from 1 April 2019 for fourteen months.

2. Background information

- 2.1 The CST is an assertive outreach service in the third sector, working with people who have complex mental health support needs and who are excluded from or unable to access other services. The CST use a Strengths based Recovery approach, working in collaboration with service users to develop a support plan that identifies their chosen goals. The service is available six days a week, generally within office hours although support can be given outside these times if needed, and planned in advance.
- 2.2 A large proportion of service users have long term, enduring mental health issues, with challenging behaviour, a forensic history, and/or dual diagnosis. Significant numbers of service users have a diagnosis of personality disorder. The current caseload is 116 individuals and there is a waiting list that is now closed to new referrals and this was reviewed in mid-January 2019 and the outcome being the service will be open for referrals.
- 2.3 Eighty percent of the CST referrals come directly from the Community Mental Health Teams (CMHTs) and twenty percent from other organisations, to meet the mental health support needs of particularly marginalised groups.

3. Main issues

- 3.1 The NHS CCG business cases for Mental Health had to be submitted in October 2018 and the Head of Service requested that this contract be renewed for 14 months to allow for the service to be reviewed and procured. The NHS CCG has a resource issue in terms of this work being completed.
- 3.2 It was decided at a meeting held in January 2019 between the mental health commissioners for the NHS CCG and Adults and Health that Adults and Health would take the lead on the service review and procurement exercise.
- 3.3 The contract will continue to be performance managed by officers in Adults and Health and the Leeds CCG. 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 service specification.

- 3.4 This service is jointly funded by Adults and Health and the Leeds CCG. The Leeds CCG has already agreed to award Touchstone a new contract from 1 April 2019 for fourteen months. The Leeds CCG annual contribution is £226,323 and for 14 months it will be £263,937.
- 3.4 This service has not been subject to a procurement exercise for more than ten years but has been developed over the years via a service specification to what it is now. In order to allow for service continuity whilst the service review and procurement exercise are being undertaken a new contract is required for two years.

4. Corporate considerations

4.1 Consultation and engagement

- 4.1.1 Service users and other stakeholders will be included in the service review and the subsequent procurement exercise.
- 4.1.2 Councillor Charlwood (Executive Member for Health, Wellbeing and Adults) has been briefed on the 29 November 2018.

4.2 Equality and diversity / cohesion and integration

- 4.2.1 An Equality, Diversity, Cohesion and Integration Screening Assessment has been completed for this report, see Appendix 1. This will be submitted alongside the report for Delegated Decision Panel.

4.3 Council policies and best council plan

- 4.3.1 There are five outcomes from Leeds Health and Wellbeing Plan relevant to the CST; People will live longer and have healthier lives, People will live full, active and independent lives, People will be actively involved in their health and their care, People's quality of life will be improved by access to quality services and People will live in healthy, safe and sustainable communities.
- 4.3.2 The Best Council Plan is our strategic planning document, sitting at the top of a range of supporting strategies. It sets out what the council, working in partnership, will do to deliver better outcomes across Leeds.
- 4.3.3 The high level outcomes from the Best Council Plan are;
- Be safe and feel safe
 - Enjoy happy, healthy, active lives
 - Live in good quality, affordable homes within clean and well cared for places
 - Do well at all levels of learning and have the skills they need for life
 - Enjoy greater access to green spaces, leisure and the arts
 - Earn enough to support themselves and their families
 - Move around a well-planned city easily
 - Live with dignity and stay independent for as long as possible

The CST outcomes have direct links to the Best Council Plan's outcomes and are reflected in the service delivery.

4.4 Resources and value for money

- 4.4.1 The annual funding of £201,473 for the service comes from the existing budget.
- 4.4.2 Undertaking the procurement exercise will help achieve value for money through the receipt of competitive tenders which meet all the requirements set out in the tender documentation.
- 4.4.3 The inclusion of key performance indicators in the service specification should also improve performance and provides a mechanism by which the council, if necessary, can withhold payment where the service may not be being delivered in accordance with the service specification requirements, thereby further ensuring value for money.

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

- 4.5.1 This is a Significant Operational Decision which is not subject to call-in as the maximum combined cost of services within this decision is less than £250k.
- 4.5.2 This report does not contain any exempt or confidential information under the Access to Information Rules.
- 4.5.3 Awarding the new contract direct to Touchstone in this way could leave the Council open to a potential claim from other providers, to whom this contract could be of interest, that it has not been wholly transparent. In terms of transparency it should be noted that case law suggests that the Council should always consider whether contracts of this value could be of interest to contractors in other EU member states, and if it could, the opportunity should be subject to a degree of European wide advertising. It is up to the Council to decide what degree of advertising would be appropriate. In particular, consideration should be given to the subject-matter of the contract, its estimated value, the specifics of the sector concerned (size and structure of the market, commercial practices, etc.) and the geographical location of the place of performance.
- 4.5.4 The Director of Adults and Health has considered this and, due to the nature of the services being delivered and the requirement to be physically located in Leeds, is of the view that the scope and nature of the services is such that it would not be of interest to providers in other EU member states.
- 4.5.5 There is a risk of an ombudsman investigation arising from a complaint that the Council has not followed reasonable procedures, resulting in a loss of opportunity. Obviously, the complainant would have to establish maladministration. It is not considered that such an investigation would necessarily result in a finding of maladministration however such investigations are by their nature more subjective than legal proceedings.

4.6.1 Risk management

- 4.6.1 The issuing a new contract will allow for service continuity during the two period of the service being reviewed and procured.
- 4.6.2 The procurement exercise will be undertaken in a fair, open and transparent way and in adherence with the Public Contracts Regulations 2015 and the council's own Contracts Procedure Rules.
- 4.6.3 Project risks will be reviewed on a regular basis and the project team responsible for undertaking the review and subsequent procurement exercise will continue to do this during the procurement process.

5. Conclusions

- 5.1 The new 14 month contract commencing 1 April 2019 will allow for Adults and Health and the Leeds CCG to work collaboratively to agree the terms of the review and the subsequent procurement.

6.0 Recommendations

- 6.1 For the Director of Adults and Health to approve the waiver of Contract Procedure Rules (CPRs) CPRs 9.1 and 9.2 to enter into a new contract with Touchstone for the provision of the Community Support Team (CST) from 1 April 2019 for fourteen months. The annual value for this contract is £201,473 and the total for fourteen months is £235,051.
- 6.2 That the Director of Adults and Health notes;
The Council's Procurement and Commercial Services Unit will be requested to issue the new contract.

The Adult Commissioning Manager is the officer responsible for the implementation and mobilisation of this contract.

7.0 Background documents¹

None

Appendix one
Equality Impact Assessment

¹ 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.