

Report of: Public Mental Health Lead and Senior Commissioning Officer

Report to: Director of Public Health

Date: 2nd December 2020

Subject: Request to vary the contract awarded to Leeds Mind for the Mindful Employer Service for additional funding of £37,500 for 12 months under Contract Procedure Rule 21.7. To seek authority to procure a new 'Mindful Employer' service.

Are specific electoral wards affected? If yes, name(s) of ward(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Has consultation been carried out?	<input checked="" type="checkbox"/> Yes <input 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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

Summary

1. Main issues

1. Leeds City Council currently commissions the Mindful Employer service which supports both employers and employees to understand poor mental health in the workplace as well as tackling stigma and discrimination. Mindful Employer is currently delivered by the independent mental health charity Leeds Mind and supports local Leeds based employers and employees.
2. The current contract commenced on 1st April 2017 for 12 months with a 36 month extension period. The extension period has been utilised and the contract is due to expire on 31st March 2021.
3. This report is seeking authority to vary the existing contract with Leeds Mind for an additional £37,500 for 12 months under Contract Procedure Rule 21.7. There will be no material change to the service specification.

4. The report is also seeking approval to enter in to a competitive tender process to procure a new Mindful Employer Service from 1st April 2022 for a 3 year contract period (with an option to extend for a further period of up to 24 months in any combination) at a maximum budget of £37,500 pa (£187,500 for the overall contract period).
5. Due to COVID-19 it is anticipated that there will be an uptake in mental health services across the city and therefore the market will be stretched. The contract variation will ensure that Leeds Mind can continue to deliver the Mindful Employer service for an additional 12 months without disruption and continue to support businesses, organisations, employers and employees with their mental health as well as share key public health messages and contribute to supporting our local workforce to remain mentally well and supported by local employers This will ensure continuity of service whilst a competitive procurement exercise is undertaken and the impact and learning from COVID-19 can be captured and factored into a new contract.
6. Confirmation of the fixed price budget of £37,500 pa has been received from Public Health. In light of the Council's current financial situation it is understood that efficiencies may be required from this contract in the future and this would be the subject of a contract variation or reflected in the final contract documentation. This contract has been subject to budget cuts over its duration and due to these previous cuts the budget envelope is already at a minimum to enable the contract to be delivered in the specified way.

2. Best Council Plan Implications (click [here](#) for the latest version of the Best Council Plan)

This service will contribute to the following priorities:

- Health and Wellbeing - Supporting self-care, with more people managing their own health conditions in the community
- Health and Wellbeing - Working as a system to ensure people get the right care, from the right people in the right place

3. Resource Implications

- The total value of this decision is £225,000. This includes a 12 month variation of the current contract under Contract Procedure Rules 21.7 and a contractual arrangement of 3 years with the option to extend for a period of up to 24 months following the procurement exercise.
- Officer time will be necessary in order to undertake the procurement and future contract monitoring. This will be met through existing capacity from within the Public Health team and the Adults and Health Commissioning team.
- It is acknowledged that in light of the Council's current financial situation efficiencies may be required in the future on this contract and these would be the subject of a contract variation or reflected in the final contracting documentation.

Recommendations

The Director of Public Health is recommended to:

- (i) Approve the contract variation under Contracts Procedure Rules 21.7 to Leeds Mind for the Mindful Employer service. This will commence 1st April 2021 and end on 31st March 2022 at a cost of £37,500 for the period of 12 months.
- (ii) Grant the authority to enter into a competitive tender process to procure a new Mindful Employer service from 1st April 2022 for a period of 3 years (with an option to extend for a period of up to 24 months in any combination) with a maximum budget of £37,500 pa (£187,500 for the overall contract period).

1. Purpose of this report

- 1.1 The purpose of this report is to seek approval from the Director of Public Health to vary the existing contract with Leeds Mind for an additional £37,500 for 12 months under Contract Procedure Rules 21.7. The total value for this 12 month period would be £37,500 commencing on 1st April 2021. See table 1.

Contract details (Table 1)

Provider	Contract name	Existing Contract Ref	Variation to Contract Value
Leeds Mind	Mindful Employer	DN200942	£37,500

- 1.2 The report also seeks the authority to procure the Mindful Employer service to support businesses and organisations with their employee's mental health. This contract would be in place at the end of the contract variation and commence on 1st April 2022, for a 3 year contract period (with an option to extend for a period of up to 24 months in any combination) at a maximum budget of £37,500 pa. See table 2.

Contract details (Table 2)

Provider	Contract name	Existing Contract Ref	Contract value – per annum	Total contract value
Leeds Mind	Mindful Employer	DN200942	£37,500	£187,500

2. Background information

- 2.1 The current contract arrangements with Leeds Mind to deliver Mindful Employer were put in place on 1st April 2017 for 12 months (with an option to extend for a further 36 months) following a successful procurement exercise.
- 2.2 Since 1st April 2017, Public Health Specialists working with Commissioning and Contract Managers have worked closely with the provider to ensure the service covers all aspects of the Mindful Employer initiative and reflect the latest evidence base. Contract monitoring is showing successes including increased businesses signing up to be Mindful Employer Charter Signatories and effectively rolling out the 10 steps tool kit.

- 2.3 This provider demonstrates wider benefits such as promoting positive mental health messages and exploring the impact stigma and discrimination have on the lives of people with mental health problems.
- 2.4 The organisation is embedded within local businesses, are trusted and recognised, and engage extremely well with employers as well as usually exceeding the key performance indicators.
- 2.5 Established in 2013, the Leeds Mindful Employer Network brings local employers together to champion positive mental health at work. It is a unique offer to Leeds, putting the city at the forefront of initiatives to promote workplace mental health and wellbeing. The Network is commissioned by Leeds City Council (Public Health) and led by Leeds Mind in partnership with local employers. Current Network membership currently includes over 400 local employers.
- 2.6 The Leeds Mindful Employer Network works alongside the National Mindful Employer service delivered by Devon NHS Partnership Trust. The National Mindful Employer service manages the Mindful Employer Charter, of which over 140 Leeds and West Yorkshire employers are now signatories
- 2.7 Leeds Mindful Employer Network is made up of over 700 individuals from over 400 local businesses and organisations. This year saw 120 new individuals sign up to the Network. The diversity of the Network is one of its main assets, bringing together a wide range of industries, sectors and sizes of business. As a fully funded service, it is free for all local employers to join Leeds Mindful Employer Network and benefit from the opportunities and support provided.
- 2.8 Leeds Mindful Employer work is embedded in the new Mental Health Strategy for the city as a key driver in delivering two priorities addressing mental health inequalities (priority 1- Target mental health promotion and prevention within communities most at risk of poor mental health, suicide and self-harm and priority 3 - Ensure education, training and employment is more accessible to people with mental health problems.
- 2.9 This commissioned service is highly valued in the city as a unique and effective vehicle for delivering public mental health activity and has produced the brilliant 10 steps toolkit resource for local employers <http://mindfulemployertensteps.co.uk/>

3 Main issues

- 3.1 Leeds City Council currently has a 12 month contract (with the option to extend for 36 months) with Leeds Mind for the provision of Mindful Employer and this expires on 31st March 2021.
- 3.2 Due to the global pandemic it is anticipated that there will be an uptake in mental health services across the city and therefore resources and capacity will be stretched. The request for an additional 12 months is to enable officers to undertake a procurement exercise once the Leeds market has returned to some normality and providers are able to respond. This will also mean there is more time for the impact of COVID-19 to be evaluated and the city-wide requirements factored into the new contract.
- 3.3 The procurement process could not be put in place now due to the current market and uncertainty regarding COVID-19 when many of the organisations in this sector have temporarily closed or are operating limited services and provisions because of lack of business or furloughed staff. The option available now is to vary the existing contract under Contract Procedure Rule 21.7 for a set period of 12 months. Hopefully

this period will see a return to normality for businesses and this will ensure the procurement exercise is fair and competitive.

- 3.4 The variation will allow the service to continue to be delivered and provide support to employers and employees who will be under further stress due to the pandemic. The variation will also enable a competitive procurement exercise to be undertaken during the extended contract period and facilitate an appropriate mobilisation period. It will also mean that the impact of COVID-19 can be evaluated and the city-wide requirements factored into the new contract to ensure it is fit for purpose and that learning leading out of COVID-19 is properly captured.
- 3.5 In accordance with CPR 15.2 tenders will be evaluated on the basis of 100% quality to ensure high quality support is developed and offered by the service, whilst also making full use of the available Public Health budget. The quality of the programme and support will impact on the provision available for both employers and employees. This will help to ensure that the most appropriate tender is awarded the contract.
- 3.6 It would not be realistic for an organisation to suggest they could provide the service at a lesser cost. In 2017, there were 197 Leeds employers from a small range of sectors who were members of the Leeds Mindful Employer Network and there are now over 400 from a very wide range of businesses. There has therefore been over a 100% increase in new members and demand for this services peer to peer network has grown. Since COVID-19 it is seen as a crucial and effective service to deliver support / messages that reach individuals within businesses maintaining the high quality work and the outcomes it delivers. This budget does not pay for a full time worker despite the increase of the network and increased demand in strategic work and 1:1 support with larger businesses. Work is still to be done with target employers such as the construction industry and BAME led businesses. This supports action from the strategic suicide prevention citywide action plan. Work in online platforms has also not previously been budgeted for which includes communication skills and platform design which is needed. Since 2017 the 10 steps toolkit has been signed off, evaluated and improved every year and the coordinator now uses this to engage on a 1:1 level with individual organisations. This model for Mindful Employer has constantly evolved and will continue to do so. The provider would need to be able to work within a variety of business settings, particularly around challenging stigma and prejudice and help with internal culture change which takes time, knowledge and building of trust.
- 3.7 The current provider Leeds Mind continues to perform well and are meeting their key performance indicators.
- 3.8 It is intended that the competitive tender process will begin in September 2021 and a new contract for the Mindful Employer service will commence on the 1st April 2022.

Consequences if the proposed action is not approved

- 3.9 Should the approvals not be granted, this would mean that the current contract would cease on 31st March 2021. This would result in a loss of the Mindful Employer service and the support it provides businesses and organisation with their employees mental health. It will have a negative impact on the workforce and those businesses already being supported at a time of particular upheaval and uncertainty. The challenges faced by employers have become very specific to the COVID-19 crisis – firstly adapting to lockdown; secondly supporting staff throughout lockdown; and thirdly

planning a return to 'normality' as lockdown is eased. If this service did not exist, we would not be able to work with key industries whose workforce support the local economy. Sickness rates will increase, recovery from mental health problems would be reduced negatively impacting on economy and health services.

4 Corporate considerations

4.1 Consultation and engagement

- 4.1.1 The request to enter into a contract variation means that there has been no change to current service provision and therefore no specific consultation has been required to take place.
- 4.1.2 Councillor Charwood (Executive Member for Health, Wellbeing and Adults) has been briefed on 6th October 2020.

4.2 Equality and diversity / cohesion and integration

- 4.2.1 An Equality, Diversity, Cohesion and Integration Screening Tool has been completed (see Appendix A). The screening showed that a full Equality and Diversity Impact Assessment was not required as equality and diversity issues have already been considered as part of the re-commissioning process. The outcome of the screening will be taken into account when updating the specification for the new service.

4.3 Council policies and best council plan

- 4.3.1 Continuity of the identified services will support the delivery of key public health priorities, which will help to deliver:
 - Vision for Leeds 2011 to 2030
 - Leeds Health and Wellbeing Strategy 2016 – 21
 - Best Council Plan 2020 – 25
 - The NHS Five Year Forward View and NHS Planning Guidance
 - Leeds Inclusive Growth Strategy 2018-2023
 - Leeds Mental Health Strategy

4.4 Climate Emergency

- 4.4.1 The service specification requires the service to meet all legislation, guidance and good industry practice in environmental management and the objectives of the Council's sustainability policies. Officers from Adults and Health and Public Health will work with the service through the established contract management process to ensure the service is proactively seeking to minimise its carbon footprint and thereby support the Council in achieving its ambition to be carbon neutral by 2030.

4.5 Resources, procurement and value for money

- 4.5.1 The costs for the Mindful Employer contract will be met by Public Health revenue funding. The service has been academically evaluated with evidence that it is very good value for money. This service is very well respected within the city.
- 4.5.2 The current contract and service offers value for money as it often exceeds its targets of the number of employers supported in one year within the available budget as well as a range of additional services which employers can benefit from such as

seminars, training and newsletters. 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 delivered in accordance with the service specification requirements, thereby further ensuring value for money.

4.5.3 The contract will continue to be closely contract managed to ensure robust performance monitoring takes place and value for money is being achieved for the Council.

4.5.4 The total cost for the 12 month variation equates to £37,500. The current total contract value is £150,000 and the value of the variation is no greater than 50% of the total current contract. The variation is deemed to represent value for money as the provider is working with around 3000 working adults who are receiving skilled support with their mental health to stay in work and support the Leeds economy. The Service will be subject to a competitive procurement exercise in 2021 and it is envisaged that through the consultation process the procurement will aim to achieve best value and efficiencies, subject to the outcome of the consultation.

4.5.5 It is acknowledged that in light of the Council's current financial situation efficiencies may be required in the future on this contract and these would be the subject of a contract variation or reflected in the final contracting documentation and future procurement.

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

4.6.1 This is a Significant Operational Decision as the total value is less than £500k and therefore the decision is not subject to call-in. There are no grounds for keeping the contents of this report confidential under the Access to Information Rules.

4.6.2 The decision to award the new contract will be a direct consequence of this decision and will be a Significant Operational Decision.

4.6.3 The total contract value over the six years including the possible extensions will not exceed the EU procurement threshold for Health and Social Care which stands at £663,540. The opportunity will be advertised on the council's electronic tendering system, Yortender, together with any other required channels.

4.6.4 Advice has been sought from Procurement and Commercial Services throughout the duration of the review and procurement process and will continue to be sought through to contract award.

4.6.5 Subsequent decisions arising from this report, for example the decision to award the contract, will therefore be significant operational decisions which will not be subject to call in.

4.7 Risk management

4.7.1 The variation to the contract to continue for a further 12 months will allow for service continuity during the period of the service being procured and allowing the impact of COVID-19 to be captured.

4.7.2 The subsequent 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.

- 4.7.3 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.
- 4.7.4 The risk of challenge to vary the existing contract by 12 months is deemed low due to the tendering opportunity for a Mindful Employer service being advertised during the course of 2021.

5 Conclusions

- 5.1 The service provision offers a vital service supporting both employers and employees to understand poor mental health in the workplace as well as tackling stigma and discrimination.
- 5.2 The service offers value for money as its unit cost compares very favourably with other similar support provision, and targets are consistently exceeded. Stakeholder and service user feedback is very positive.
- 5.3 The additional 12 month period commencing 1st April 2021, will allow Adults and Health to undertake the consultation process and undertake the procurement process.

6 Recommendations

The Director of Public Health is recommended to

- (i) Approve the contract variation under Contracts Procedure Rule 21.7 to Leeds Mind for the Mindful Employer service. This will commence 1st April 2021 and end on 31st March 2022 at a cost of £37,500 for the period of 12 months.
- (ii) Grant the authority to enter into a competitive tender process to procure a new Mindful Employer service from 1st April 2022 for a period of 3 years (with an option to extend for a period of up to 24 months in any combination) with a maximum budget of £37,500 pa (£187,500 for the overall contract period).

7 Background documents¹

- 7.1 None.

8 Appendices

- 8.1 Equality 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.