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For General Release

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| REPORT TO: | Cabinet – 24 January 2022 |
| SUBJECT: | Supported Housing for People with a Mental Health Diagnosis – Strategy & Extension |
| LEAD OFFICER: | Bianca Byrne, Interim Director of Commissioning and Procurement |
| CABINET MEMBER: | Cllr Janet Campbell - Cabinet Member for Families, Health and Social Care Cllr Hay-Justice - Cabinet Member for Homes Councillor Callton Young - Cabinet Member for Resources & Financial Governance |
| WARDS: | ALL |
| COUNCIL PRIORITY/POLICY CONTEXT A change in the way we commission supported housing services for people with a mental health diagnosis supports the following Croydon Renewal Plan priorities: <ul style="list-style-type: none">• We will live within our means, balance the books and provide value for money for our residents.• We will focus on providing the best quality core service we can afford. First and foremost, providing social care services that keep our most vulnerable residents safe and healthy. The commissioning exercise and implementation of the proposed supported housing model and corresponding pathways will ensure that the services are provided in accordance with the: <ul style="list-style-type: none">• Care Act 2014• Homelessness Reduction Act 2017 | |
| FINANCIAL IMPACT We are exploring joint funding arrangements with South West London Health & Care Partnership colleagues in recognition of the system impact of these services on admissions avoidance, reducing lengths of stay and delayed discharges, and minimising use of emergency Bed & Breakfast for people in recovery. There is agreement in principle for health partners to support the future procurement strategy, and ongoing efforts are made to identify appropriate funding. An anticipated decision is expected in December 2021. With the additional funding made available from health partners the service would develop to deliver additional hours above the current contract. This would include the additional cost of delivering the service in line with an inflation increase on the current cost per hour. Current hourly cost is £15.36, expected hourly cost is £19.00 - £20.00 (in line with recent commissioning for similar services) | |

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An options appraisal was undertaken in accordance with the level of funding available, with additional health funding we will be able to increase provision to meet an increase in demand. If no additional funding is made available we will commission a reduced service on the basis of the local authority budget of £776,000.

The recommendation is to approve the strategy to commission a supported housing contract for people with a mental health condition for a period of up to 5 years. The anticipated local authority annual spend will be £776,000, with an aggregate spend of £3,888,000 over 5 years.

A £25,000 savings has been achieved in 2021/22 to contribute to the ASCH MTFs RES SAV 12 savings plan.

To allow for the conclusion of funding discussions with health colleagues, and in order to undertake the required engagement with people using services and market shaping activity, we are seeking an extension to the current contract providing supported housing services for people with a mental health diagnosis.

The previous intention was to recommission support from September 2021. The timeline was impacted by the need to develop the options appraisal regarding the housing provider, leasing arrangements, to ensure appropriate housing stock was available to meet current and future needs. Through engagement with the current housing provider and other potential providers to secure the best options for the future service.

With the ongoing impact of the COVID-19 pandemic and in light of the restructuring within the authority and significant staff vacancies within the Commissioning and Procurement Division this was delayed until appropriate staffing resources were in place.

The recommissioning process sought to ensure there was robust engagement with the active users of the services and relevant stakeholder engagement in the design of future services to best meet the needs of the service users in providing appropriate support for those with mental health needs and potential homelessness.

FORWARD PLAN KEY DECISION REFERENCE NO. 5221CAB

The notice of the decision will specify that the decision may not be implemented until after 13.00 hours on the 6th working day following the day on which the decision was taken unless referred to the Scrutiny and Overview Committee.

The Leader of the Council has delegated to the Cabinet the power to make the decisions set out in the recommendations below

1. RECOMMENDATIONS

The Cabinet is recommended to:

- 1.1 Approve the strategy detailed in this report for the procurement of a contract for the delivery of supported housing for people with a mental health diagnosis for a period of five years for the period 2 August 2022 to 31 July 2027. The total

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annual value is estimated to be £1,126,000 (subject to confirmation of health funding) which results in a total aggregated value of £5,630,000 (subject to health funding) for the maximum 5 years. The local authority contribution will be £776,000 per annum (£3,880,000 in aggregate).

- 1.2 Approve the extension and variation of the contract for the provision of supported housing services for people with a mental health diagnosis with Look Ahead in accordance with Regulation 30 of the Tenders and Contracts Regulations until 2 August 2022 resulting in an aggregate value of £5,670,827. This will ensure there is no gap in provision whilst the recommissioning takes place and discussions with health colleagues regarding future funding conclude.

2. EXECUTIVE SUMMARY

- 2.1 The purpose of this report is to seek approval to tender for supported housing services for people with a mental health diagnosis to enable the council to meet its statutory requirements, and to seek permission to extend the current contract for such services whilst the recommissioning work takes place.
- 2.2 Discussions with health partners are underway to explore joint funding arrangements in light of the system impact that this type of provision supports in respect of admissions avoidance, facilitating hospital discharge, step down from high cost residential, and avoiding placing people experiencing mental health issues in emergency B&B. In addition, and in line with national and local evidence, demand for such services has increased following the COVID-19 pandemic.
- 2.3 Discussions are underway with the main landlord providing accommodation to people receiving the service due to the restructuring of leasing arrangements that is underway. A decision from the housing provider is expected in December 2021 with regard to the housing arrangements. Discussion is also underway with other housing providers to explore alternate accommodation within the borough for the service.
- 2.4 Whilst the performance of the existing service is good, there are a number of issues across the pathway meaning the opportunities for people stepping down from high cost and high support services are limited and a review of the pathway is required to deliver the best outcomes for people using the service and for the public pound.
- 2.5 Transformation funding was agreed by Cabinet to provide additional experienced commissioning capacity to support the review. This capacity is now in place and the review has commenced.
- 2.6 As a result, Cabinet is asked to approve the recommissioning of the service and the corresponding extension to the existing contract to ensure there is no gap in provision.

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- 2.7 The content of this report has been recommended by the Contracts and Commissioning Board.

| CCB ref. number | CCB Approval Date |
|-----------------|-------------------|
| CCB1718/21-22 | 06.01.2022 |

3. DETAIL

Background and context

- 3.1 Supported housing is any housing scheme where housing, support and sometimes care services are provided as an integrated package. Some schemes are long-term, designed for people who need ongoing support to live independently, others are short-term, designed to help people develop the emotional and practical skills needed to move into more mainstream housing. This can include support with health needs, including mental health, drug and alcohol use, managing benefits and debt, developing daily living skills and accessing education, training and employment. At any one time, over 600,000 people in England¹ rely on supported housing to provide a secure place to live and to offer appropriate care and support.
- 3.2 In Croydon, there are currently 184 people receiving supported housing services commissioned by the local authority to support people with a mental health diagnosis. Across all health and care services we are seeing an increase in the numbers of people experiencing mental health issues and receiving a mental health diagnosis.
- 3.3 Centre for Mental Health² modelling (2020) suggests that up to ten million people will require new or additional mental health support as a result of the pandemic – a third of them with new conditions. The majority are expected to have moderate to severe anxiety or depression, with many also experiencing trauma-related symptoms, all of which are prominent risk factors for suicide.
- 3.4 There is similar evidence at the regional level. Thrive London's³ review of the impact of COVID-19 on the mental health and wellbeing of Londoner's (updated Feb 2021) reports that Londoners with lived experiences of marginalisation and social disadvantage who were already experiencing poorer social, economic and health outcomes have been disproportionately affected by the pandemic. People with the poorest mental health prior to the pandemic experienced the largest deterioration in mental health during the initial lockdown and are likely to be isolated and lacking support as restrictions continue to be put in place and the full effects of the pandemic are felt.

¹ www.homeless.org.uk

² Mental Health & COVID-19: Evidence Summary, February 2021, Public Health Croydon

³ *ibid*

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- 3.5 Supported housing services deliver a vital component within the overall pathway for people living with a mental health diagnosis and recovery from mental health episodes. The spectrum of support delivered ranges from 24 hour high intensity support, to enable an individual to be discharged from hospital or step down from intensive and high cost residential placements, to floating support in someone's own tenancy to avoid a hospital admission or a breakdown in tenancy arrangements.
- 3.6 Croydon Council currently commissions two supported housing services for people with a mental diagnosis (and one for people with a learning disability). These supported housing services:
- Support people to continue to live independently in their own tenancies
 - Ensure that people engage with specialist services where required
 - Ensure that people take responsibility for their health needs, and avoid subsequent A&E presentations and admissions to hospital
 - Where admissions to hospital do occur, work in partnership with statutory and non-statutory organisations, families and key persons in reducing the length of stay
 - Prevent or delay admission to long term residential care.
- 3.7 There is a need to review the entire pathway for people with a mental health diagnosis to ensure that it is delivering the best possible outcomes for people, increasing independence and supporting recovery, and enabling people to step-down from higher levels of support to maintain their own wellbeing and tenancy with little or no ongoing intervention.
- 3.8 Feedback from professionals, providers and people using services indicates there are issues across the pathway, resulting in a lack of step down and move on opportunities from accommodation based services and meaning that people are staying in more expensive or inappropriate settings for longer. This is by no means a local phenomenon - according to Homeless Link's 2016 Annual Review⁴, 30% of clients were ready to move on from supported housing services but were not able to do so. There are a number of external factors creating pressure – high rental costs, low LHA rates and lack of resettlement support can all present barriers.
- 3.9 In light of the system impact of such services, and the close working relationship with South London and Maudsley (SLaM) to support people to step down from hospital and health funded high cost residential provision, discussions have started with health colleagues regarding additional funding to increase capacity in our commissioned supported housing services and provide additional system flow. A decision is anticipated in December which will materially inform the design of the future service and subsequent commissioning and procurement strategy. Demand modelling and an options appraisal was undertaken based on the possible scenarios. If no additional funding is agreed, in order to meet the inflationary pressure of an increase in hourly rate since the award of the existing contract in 2015 we will need to

⁴ www.homeless.org.uk

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commission a reduction in the current commissioned capacity. This would maintain the higher level, twenty four hour support and reduce the floating and outreach support hours available in the transition to independent living.

- 3.10 Landlord arrangements for the accommodation currently being utilised for supported housing services are complex, and one of the largest landlords currently providing accommodation for supported housing services in Croydon is seeking to restructure their existing leasing arrangement for their buildings. In order to preserve the council's current nomination rights to this property supply and crucial housing stock for the residents of Croydon, an options appraisal is currently underway to ascertain the most viable option to maintain provision within the financial envelope.
- 3.11 In light of the above, the timeline for discussions to conclude with health partners and the remodelling required regarding the pathway, referral routes and the leasing arrangements, an extension is also requested to the existing contract for the provision of supported housing service for people with a mental health diagnosis whilst the commissioning team concludes the work required.
- 3.12 Through social value the Council will utilise the procurement exercise to achieve better outcomes for service users considering their long term wellbeing and in supporting their transition in to the community. Potential providers will outline how they will best support individuals in accessing community resources in working with voluntary organisations and other agencies in enabling service users to access opportunities to support the recovery of local communities and economy through re-training, volunteering and employment by developing new ways of working and supporting those most impacted by the COVID-19 pandemic.
- 3.13 Potential providers will be required to outline how they will support the redevelopment, recovery and growth in the community through social value following the pandemic. With a focus on supporting access to employment for local residents through training to support the recovery of the economy and providing opportunities for previous users of services to retrain and access employment. Services will be focussed on being sustainable with forward planning to manage potential legislative challenges including air pollution management and, linking in to Croydon's green agenda should The Ultra-Low Emission Zone (ULEZ) expand further to include Croydon, impacting on how people travel around the borough and access employment and their community.

Providers will be innovative in how services are delivered to make best use of resources and deliver better outcomes for the users of their services. The COVID-19 pandemic has provided opportunity for learning and what good social value looks like in practice with communities working together to support individuals and this procurement project would seek to expand further on that as we come out of the pandemic to a new normal.

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Aims and objectives of the new service, and recommissioning timeline

- 3.14 The purpose of the proposed new supported housing service for people with a mental health diagnosis will be to deliver the best outcomes for people as they are supported in their recovery and to maximise their independence. The specification for the new supported living service will be outcomes-based and holistic, working with people using the service to address the wider causes of homelessness and support them in their mental health recovery in partnership with statutory services. We will engage with people using the services, the voluntary sector and with the market to co-design the new service.
- 3.15 Subject to agreement from health regarding additional funding, the specification for the new service will balance both admissions avoidance and hospital discharge and provide additional capacity to meet increased demand.
- 3.16 The new service will support the Adults Mental Health Outcomes Framework, specifically:
- Improvement in people's rating of their own mental health
 - Increase in the number of people able to live independently
 - Reduction in the number of people reaching crisis point and people who are in a crisis receive prompt and appropriate support
 - Improvement in the physical health of people with mental health issues
 - Increase in awareness of available support
 - Service users, families and carers feel important and able to contribute and influence decisions around their care and support
 - Increase in the number of people living in stable and appropriate accommodation
 - Increase in the number of people in education, training, volunteering or employment
 - Increase in the number of people with strong, supportive social networks
- 3.17 The new service will deliver a spectrum of support from high-intensity accommodation based provision to floating support for people to support them to live independently in their own accommodation. Subject to agreement from health regarding additional funding, it will also provide crisis intervention to avoid a breakdown in tenancy arrangements and hospital admission.
- 3.18 The eventual implementation (as a result of the recommissioning and procurement outlined within this strategy) will enable the local authority to fulfil its statutory duties as per the legislation identified within this report.
- 3.19 An indicative timeline for delivering the new service is as follows:
- Co-design of service specification – November 2021 to January 2022
 - Confirmation of budget subject to health agreement – January 2022
 - Tender period – February to April 2022
 - Award of contract – May 2022

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- Mobilisation of new service – May to July 2022
- Start date of new contract – 02 August 2022

- 3.20 The recommissioning will be a call off from the Dynamic Purchasing System (DPS) for Health and Social Care LOT 2 – Housing Related Support. The award of DPS 3 was approved via Cabinet on 12 December 2019. For the proposed call off a mini competition will be undertaken. This process is used when the Council needs to commission and procure a service that involves inviting all admitted providers on DPS 3 Lot 2 to tender. All providers will be invited via the Councils eTendering portal to complete a detailed method statement and pricing schedule against a detailed specification for the services required. In line with the Councils DPS governance having already been evaluated on the Councils standard 60% quality 40% price therefore the Council can award based on this ration according to price.
- 3.21 Providers who were admitted to the DPS were subject to completing a full SQ and some additional method statement questions which are listed in the table below which includes compliance with London Living Wage, Social Value, data protection and equality analysis, providers had to receive a minimum pass score of 36% out of the full 60% weighting for quality.

| | Weighting of |
|--|--------------|
| Contract Examples – two relevant examples | Pass/Fail |
| Sub-contracting arrangements | Pass/Fail |
| Safeguarding | Pass/Fail |
| Equalities and Diversity | Pass/Fail |
| Business Continuity Plan and Disaster Recovery | Pass/Fail |
| GDPR | Pass/Fail |
| CQC Registration | Pass/Fail |
| Organisational Structure and Resource Levels | FIO |
| Registered Locations | FIO |
| Training Matrix | FIO |
| Contract Management | 4% |
| Continuous Improvement and Innovation | 4% |
| Customer Satisfaction | 2% |
| Environmental, Economic and Social Value | 6% |
| Training | 2% |
| Premier Supply Programme | 2% |
| Service Delivery Model | 10% |
| Delivering Services in Croydon | 10% |
| Service Categories | 15% |
| Day Opportunities | 5% |
| Total | 60% |

- 3.22 The evaluation process will be undertaken online by a panel of at least 3 evaluators, consisting of various stakeholders including commissioners, people accessing services, and service experts. The evaluation panel will score the received tenders individually using the councils standard 0-5 scoring, the evaluators will then come together and moderate resulting in a consensus score.
- 3.23 A minimum quality score of at least '2' fair for each method statement will be required, a score of 1 or less will result in a tenderer failing the process. This

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will be detailed in the instructions to tender document and is in line with the process that was undertaken to admit providers to the DPS.

- 3.24 A price cap will also be applied to the pricing element of evaluation to ensure that the contract achieves savings in line with Croydon Renewal Plan.
- 3.25 In line with the DPS governance as signed off within the Leaders Delegated Authority reference number 3220LR this contract will be awarded via the financial scheme of delegation.
- 3.26 In order to ensure that this service is re-procured in time for the end of the extension there is a very tight procurement timeline. The proposed timeline is as follows:

| Activity | Proposed Date |
|--------------------------------|---|
| Issue of Tender | 7 th February 2022 |
| Tender Response Deadline | 9 th March 2022 |
| Evaluation & Moderation Period | 11 th March 2022 – 24 th March 2022 |
| Delegated Decision | By 1 st April 2022 |
| Notify Tenderers of Outcome | 26 th April 2022 |
| Standstill Period | 26 th April – 6 th May 2022 |
| Service Implementation Period | 9 th May – 29 th July 2022 |
| Service Start Date | 2nd August 2022 |

3.27 TUPE

The incumbent provider will be contacted to provide information on whether they deem TUPE to apply and to provide details.

3.28 Risks

| Risk | Mitigation |
|---|--|
| Re-commissioning and procurement timetable is delayed meaning a service is not ready for the service start date of 1 st August 2022 which would require another extension of the current contract. | The Call off process from the DPS is quicker than a full open procedure and is with a set number of providers ensuring there will be a maximum number of bids to evaluate. A detailed procurement plan has been drawn up to ensure delivery of the procurement. |
| Poor performance from incumbent supplier once awareness that this service will be open to competition. | Engagement with incumbent provider has taken place and they are fully informed of the need to recommission the contract. The provider are an admitted provider on the DPS and therefore will be able to tender for the new contract if they so wish. |
| Look Ahead (incumbent provider) agreed to continue delivering the service until July 2022, subject to agreement by Cabinet. | Reprocurement of services awaiting approval from Cabinet to commence February 2022. Contract extension was required due to the COVID-19 pandemic and the recommissioning plan for services was delayed on that basis. |

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| The extension may be the subject of a procurement challenge | The extension falls outside of the 'safe harbours' provided by the Public Procurement Regulations, however the risk of procurement challenge is considered to be relatively low in light of the short term of the extension being sought pending re-procurement of the services. |
| The current housing provider withdraws from the market | Option to work with other housing providers within the borough. Scoping work is underway to discuss with alternate providers about housing stock. Potential bidders hold existing housing stock within the borough to deliver provision from. |
| Potential providers on the DPS decline to submit bids or exceed the expected annual value of the contract. | In the case of only one response, proceed to re-tender through the DPS, award the contract to the single bidder or proceed to open tender. |
| A change to the care and support offer to residents and tenants in the service for the duration of a future contract. | Appropriate needs analysis undertaken prior to tender stage to ensure best understanding of needs within the contract. |
| TUPE staff decline to transfer to new employer putting provision at risk of continuing in the short and medium term while recruitment is undertaken. | Potential providers to include as part of risk management in their submission to provide appropriate staffing for the contract on the basis TUPE staff may not transfer. Costs for agency staffing to be managed within the contract price not impacting on the Council. |
| The care market does not return to pre-COVID-19 levels by the end of 2023 as predicted while demand continues at current levels as 96%. | The service continues at existing levels based on provision during the pandemic and would not increase capacity. |
| If additional health funding were not made available the Council would not seek to meet an increase in demand. | Commission a reduced service on the basis of the available Council budget. |

3.29 Current contractual position, service performance and requested extension

In 2015 Look Ahead was awarded a contract for 3+1+1 years to provide a supported housing service for adults with a mental health diagnosis. The contract was awarded following a call off from the Integrated Framework Agreement and commenced on 01 April 2015. The original award amount was for a block contract of 800 hours per week for £640,731 per annum (£3,203,655 over five years). The contract was subsequently increased to 1000 hrs p/w at a value of £800,732 per annum (£4,003,660) in response to the level of demand.

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- 3.30 The services have continued to be provided since March 2020 without formal governance approval. The ongoing delay in recommissioning was a result of the COVID-19 pandemic, the work required to review the current pathway for people with a mental health diagnosis, in order to develop the options appraisal regarding leasing arrangements in light of the restructuring being undertaken by the existing landlord. The restructuring being undertaken and significant staff vacancies in the Commissioning & Procurement Division. To enable robust engagement with the active users of the services and in the design of future services to best meet the needs of the service users in providing appropriate support for those with mental health needs and potential homelessness.

To support this work an accommodation and pathway commissioner to carry out a full review and develop a pathway for people with a mental health diagnosis to ensure the best outcomes are delivered for people and for the public purse. This appointment was made in September 2021 and the post holder is in place to provide the necessary capacity for this review.

- 3.31 The current service delivers units of 24 hour wrap around support with accommodation alongside a floating support service. There is a consistent and increasing referral rate into the service with a waiting list in operation.
- 3.32 The service has typically operated at around 96% of its contracted capacity which is considered to be good for this type of service. The service is able to flex to respond to the needs of the clients with most of the service focussed on the 33% of people with high and/or complex needs.
- 3.33 To support the 2021/22 MTFS savings targets, a reduction in contract value of £25,000 was agreed with the current provider resulting in a decrease in outreach provision. Work continues to deliver mitigations to support the client cohort that would have received this support.

4. CONSULTATION

- 4.1 Engagement with people using these services, professionals, voluntary sector partners, and the market will be undertaken to support the development and co-design of the new service. As set out in points 9.4, 9.5 and 9.6.
- 4.2 The extension of the service is being recommended on the basis of there being no change to the care and support offer to residents and tenants in the service for the duration of the contract and therefore no consultation is required.

5. PRE-DECISION SCRUTINY

- 5.1 This report was not presented to the Council's Scrutiny and Overview Committee prior to being brought to Cabinet but is subject to referral by the requisite number of Councillors.

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6. FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

- 6.1 The anticipated local authority spend for the new service is £776,000 per annum. Should additional health funding be agreed to support the increase in demand, then the overall anticipated contract value will be £1,126,000 per annum for a period of 5 years.
- 6.2 The contract extension value for the period from September 2021 to August 2022 is £711,333. This factors in the budget saving to support MTFs savings requirements of £25,000. The total annual budget for this contract for 21/22 is £775,732. Should the extension be agreed, the total value of the contract over the period will be £5,670,827. The proposal is to extend the existing service contract to 2 August 2022 at a cost of £452,667 in 2021/2022 (01/10/21-31/03/22) and £258,666 in 2022/23 (01/04/22 – 02/08/22). There is sufficient Adult Social Care budget to meet this expenditure with the budget held across two years.

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|---------------------------------|---|----------------------|---------------------|
| | Extension to contract to avoid gap from September 2021 to July 2022 (11 months) | | |
| | Sep 2021 - Mar 2022 | Apr 2022 - July 2022 | Total for 11 months |
| Revenue Budget available | £452,667 | £258,666 | £711,333 |

Revenue and Capital consequences of report recommendations

| | | | | | | | |
|---------------------------------|--|---------|---------|---------|---------|--------------|--|
| | Medium Term Financial Strategy – 5 year forecast (August 2022 - July 2027) | | | | | | |
| | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 5 Year Total | |
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | |
| Revenue Budget available | £776 | £776 | £776 | £776 | £776 | £3,880 | |

The effect of the decision

- 6.3 The recommissioning of this service and requested extension to the existing contract enables the council to deliver its statutory duty under the Homelessness Reduction Act 2017, and meet Care Act duties, to provide advice and support to vulnerable adults who are ordinary residents of the Borough and who are at risk of being made homeless due to a mental health condition. This service provides a large element of support provision for Croydon's mental health cohort.

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Risks

6.4 Risks are outlined in the table above at point 3.26

Options

6.5 Several options have been considered for the extension to this service as detailed below:-

| Option Summary | Pros | Cons |
|---|---|---|
| <p>Extend the contract for a short period – until end of July 2022</p> <p>Preferred option</p> | <p>Service already in place and no need to change current contractual arrangements</p> <p>Allows for the pathway review and recommissioning to be carried out.</p> <p>Ensures no gap in service provision.</p> <p>Low risk of challenge over a greater risk of extending for a longer period as set out in 3.28</p> | <p>Staff potentially subject to TUPE will effectively be in “limbo” until a new service can be commissioned.</p> |
| <p>Extend the contract for a longer period of time- 12/18 months</p> | <p>Would allow for longer transition period</p> <p>Would allow for a more detailed review of the current pathway to be carried out</p> | <p>The current provider and staff are subject to ongoing uncertainty.</p> <p>The longer the extension the higher the risk of challenge.</p> <p>The provider reported they are unable to continue past July 2022 as the funding rate is no longer financially viable.</p> |
| <p>Do nothing (i.e. – Decommission the service)</p> | <p>Short term financial gain</p> | <p>The service helps the Council to meet its statutory responsibilities and there is significant need for this in Croydon.</p> <p>It would put significant pressure on other, more expensive, services (i.e. residential and clinical services).</p> <p>Any short term financial benefit would quickly see increased costs in other areas of the Council.</p> |

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6.6 Several options have been considered for the reprocurement of this service as detailed below:-

| Option Summary | Pros | Cons |
|---|--|---|
| Insourcing of services (in house provision) | Retain control over service provision. | Administration costs, lack of expertise, there is no capacity with staffing. Potential loss of innovation in service delivery lack of co-production. Loss of potential partner working, with voluntary organisations, external agencies and partners. |
| Open market tender over DPS (DPS is preferred option) | Wider reaching access to providers on the open market. | <p>The DPS option is quicker as providers are pre-approved for quality and cost.</p> <p>The tender open on the DPS will be allocated by LOT with pre-approved providers able to support the MH/accommodation services. An open tender would lead to potential bids from providers without experience in similar service provision</p> |
| Do nothing (i.e. – Decommission the service) | Short term financial gain. | <p>The service helps the Council to meet its statutory responsibilities and there is significant need for this in Croydon.</p> <p>It would put significant pressure on other, more expensive, services (i.e. residential and clinical services).</p> <p>Any short term financial benefit would quickly see increased costs in other areas of the Council.</p> |

6.7 Future savings/efficiencies

The proposal delivered £25,000 to support MTFS savings requirements for 21/22. The current service is experiencing an increase in demand in line with the increase in people requiring mental health support following the pandemic. Discussions are underway with health colleagues to explore joint funding in light of the system efficiencies this service delivers.

Approved by: Paul Clistlands, Finance – Adult Social Care & Health

7 LEGAL IMPLICATIONS

7.1 The Council is under a general Duty of Best Value to make arrangements to

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secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness (Section 3 of the Local Government Act 1999 (as amended by s137 of the Local Government & Public Involvement in Health Act 2007)

- 7.2 The Cabinet is empowered to make the decision in accordance with the recommendations pursuant to the Tenders and Contracts Regulations, which form part of the Council's Constitution

Approved by Kiri Bailey, Interim Head of Commercial and Property Law on behalf of the Director of Legal Services.

8 HUMAN RESOURCES IMPACT

- 8.1 The staffing for the current service are employed directly by Look Ahead. As this report recommends an extension to the current contract of to 1 August 2022 there are no staffing or human resources impact from the proposed extension.
- 8.2 In respect of the proposed future service, as a London Living Wage borough, the future service will include the requirement to pay the London Living Wage.
- 8.3 There may be TUPE implications if the incumbent provider is not successful in tendering for the new service.

Approved by: Debbie Calliste, Head of HR for Adult Social Care & Health on behalf of the Director of Human Resources

9 EQUALITIES IMPACT

- 9.1 A full Equalities Impact Assessment was carried out as part of the original award. An additional Equality Analysis will not be required for the proposed extension to the contract for the existing service – no change is being made to the current service and as such there will be no impact on groups that share protected characteristics.
- 9.2 The Council will take steps to ensure equality clauses/requirements are monitored as part of the contract monitoring process and the provide supports the Council to meet its Public Sector Equality Duty via its Equality policy, collecting equality information and providing appropriate training.
- 9.3 An Equalities Impact Assessment will be undertaken as part of the recommissioning process to ascertain the potential impact on groups that share a protected characteristic.
- 9.4 The current provider was asked to support achieving significant engagement from current service users, utilising various methods of communication to best support feedback. It was reported service users declined to engage in face to

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face meetings (COVID-19 restrictions aside) and also with online meetings due to limited access to Wi-Fi and not wishing to use data through their mobile phone contract. There was no response to the anonymised questions about their experience and the provider was asked to support service users through key work sessions to increase their confidence in sharing their experience. This was offered for service users to respond to LBC by email with their responses if they preferred not to discuss their responses with provider staff. The questions related to their experience of the step down programme, challenges and potential hurdles in reaching their best level of independence and if they wished to provide any ideas in how future services may best support them going forward. There were no questions relating to the monitoring of current services and they were reminded it was about future service design and not contract monitoring of existing services.

- 9.5 Service users and lived by experience users were invited to join the tender evaluation panel for the proposed tender from 7 February 2022 for the recommissioning of services from 2 August 2022. The team will continue to support the process ahead of the evaluation process during March 2022. Service users will be offered relevant training in supporting their engagement in the evaluation and contract award process.
- 9.6 To support engagement from service users, health partners are supporting attending community based and ward meetings with the discharge team and service users as well as engaging with other providers offering floating support within the MH supported living provision as well as lived by experience from those living independently in the community following their move on from the step down provision.

Approved by: Denise McCausland - Equalities Manager

10 ENVIRONMENTAL IMPACT

- 10.1 An environmental and design impact assessment is not required for this report.

11 CRIME AND DISORDER REDUCTION IMPACT

- 11.1 There are no crime and disorder considerations arising from this report.

12 REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

- 12.1 It is recommended to extend the current contract in accordance with the recommendations.

- 12.2 The reasons for this recommendation are:-

- To allow the council to undertake a full review of the current pathway to

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inform the specification of the new service.

- The current quality of care and contract performance is at good levels.
- To allow the council to undertake an options appraisal regarding the future leasing arrangements.

12.3 It is also recommended to undertake the recommissioning of supported housing services to enable the council to meet its statutory requirements and provide support to people with a mental health diagnosis.

13 OPTIONS CONSIDERED AND REJECTED

13. See 6.4 above

14 DATA PROTECTION IMPLICATIONS

14.1 WILL THE SUBJECT OF THE REPORT INVOLVE THE PROCESSING OF 'PERSONAL DATA'?

YES

14.2 HAS A DATA PROTECTION IMPACT ASSESSMENT (DPIA) BEEN COMPLETED?

Not at this time

The existing contract already contains safeguards around the management of personal data and as there is no change being requested to the way personal data is to be used or the service is delivered.

A new DPIA will be undertaken in respect of the proposed new service.

Approved by: Stephen Hopkins, Head of Children's & Adults Placement & Brokerage on behalf of the Director of Operations, Adult Social Care

CONTACT OFFICER: Karen Wren, Strategic Commissioning Manager,
Accommodation & Pathway Management

BACKGROUND PAPERS: None