
Report to CABINET
Approval to delegate authority to award contract
following an open tender process for Mental Health
Supported Living Services

Portfolio Holder: Cllr Barbara Brownridge, Lead Member for Health and Social Care

Officer Contact: Jayne Ratcliffe, Director of Adults Social Services

Report Author:
Clare Bamforth, Contracts and Quality Manager, Working Age Adults, ASC Commissioning and Market Management

Cabinet – 21st August 2023

Reason for Decision

This report requests approval to award the contract for delivery of Mental Health Supported Living Services to the successful provider following an open procurement exercise, from 1st December 2023 until 30th November 2026, with the option to extend for a further 24 months.

Executive Summary

The current contract for delivery of Mental health Supported Living services, ends on 30th November 2023. It is essential to continue delivery of these services for some of our most vulnerable adults in Oldham. This is a statutory support service, based on the assessed Care Act needs for the individuals residing in the supported living accommodation

Recommendations

That the decision to award the contract to deliver Mental Health Supported Living Services is delegated to the Director of Adult Social Services, following completion of the ongoing open procurement exercise from 1st December 2023 until 30th November 2026, with the option to extend for a further 24 months.

Approval to delegate authority to award contract following an open tender process for Mental Health Supported Living Services

1. Background

- 1.1 Oldham Council currently commissions an external provider, Turning Point, to deliver supported living services for people with complex mental health needs.
- 1.2 The contract for this service sits under Oldham Council's Supported Living framework approach which has expired. It is therefore timely and a contractual obligation to complete an open procurement process to seek a new provider to continue delivery of these services.
- 1.3 Known locally as Oldham Dispersed Accommodation (ODA), the service is commissioned to deliver care and support to people with complex needs who are living in their own tenancies, commonly known as 'Supported Living services'.
- 1.4 Oldham Council only commissions the care for these services and therefore does not have a relationship with the housing provider/landlord in place for this service.
- 1.5 Oldham Council operates a core and flex pricing model for delivery of Supported Living Services. This is based on a core number of hours delivered within each of the main properties linked to the services being commissioned.
- 1.6 The allocated annual budget for the service is £390,000. The 2023/24 annual contract value for this service is circa £320,000 based on the number of core hours currently being delivered by the incumbent provider.
- 1.7 The Core element of supported living is shared with the other individuals living in the supported living property and as such should be utilised by staff to meet basic needs of a service user
- 1.8 The flex support is the 1:1 support needed for an individual as per their Care Act 2014 eligibility and assessed needs. The Flex support is not to be used as shared support for the properties – it is specifically for the individual as per their assessed needs. Flex support provides individuals with any additional hours of support required in order to maintain their independence and increase their community skills
- 1.9 The funding for this service area is processed via a block contract arrangement and core hours are processed using a quarterly invoice system on Agresso.
- 1.10 In addition, any individually assessed needs are processed using the Flex model on Mosaic which does not feature financially within this tender.
- 1.11 The formula for the block contract is based on the Learning Disability Supported Living framework model and is calculated on a daily rate per calendar month.
- 1.12 Through the open tender process, the number of core and flex hours required will be confirmed, meaning there could be an increase in need for flex hours.
- 1.13 There are three properties within the service model, and the social landlord is Places for People.
- 1.14 ODA was developed in 2015 in partnership with the Turning Point following the decision to close Edward House, a residential service in Oldham for adults under the

age of 65 with mental health needs. Many of the residents of Edward House moved to the dispersed accommodation under the supported living model. The aim of the ODA services was to move away from residential “social” and “health” care and focus on prevention and integration and a more person centred model of holistic care, offering a supported living style service within the community to support service users to become more independent.

- 1.15 The overall aim of the service is to ensure as many people as possible are enabled to stay healthy and actively involved in their communities for longer and delay or avoid the need for targeted services, increasing the potential for them to move into their own tenancies.
- 1.16 Key aims of the service are to make a positive difference to the lives of service users by maintaining a clear focus on promoting people’s quality of life and enhancing their experience of care and support, and by providing care and support that is both personalised, preventative and reables skills and abilities
- 1.17 The current service is not a CQC registered provision and is there to provide support to people living independently. As such the current provider is not regulated to deliver any personal or clinical care or administer medication.

2. Current Position

- 2.1 In August 2022, a project group was established to oversee the procurement process to establish a new provider for delivery of these services.
- 2.2 The project group includes representation from the following internal teams:
- Procurement
 - Finance
 - Legal
 - Commissioning
 - MH Operational Colleagues
- 2.3 A project plan is in place to monitor progress against the agreed actions and is reviewed through the ongoing fortnightly project meetings.
- 2.4 As part of this work, the service specification has been reviewed and updated to reflect current needs and legislative requirements.
- 2.5 In May 2023, the Invitation to Tender documents (ITT) were published on The Chest, which is the North-West Procurement Portal.
- 2.6 The ITT details the intention to commission for an initial 3 years, with the option to extend for a further 24 months. The maximum total contract value for this tender is £1,950,000
- 2.7 The opportunity is due to close on 15th June 2023 following which a full evaluation and moderation process will commence.
- 2.8 It is the Council’s intention to complete the evaluation process by the end of July and to award the contract to the successful provider towards the end of September 2023.
- 2.9 This will then allow a period for the implementation of the new provider before the new contract commences on 1st December 2023.

3. Options/Alternatives

3.1 Option1

Details - To continue with the current provider, Turning Point, for delivery of supported living services for people with complex Mental Health needs

Risks - This option is not viable. The contract for this service has expired and it is recommended to 'test the market' ensuring that current terms and conditions are in place.

3.2 Option 2

Details - To de-commission the services with Turning Point and cease delivery of supported living services for people with complex Mental Health needs.

Risks - This option is not viable. This statutory service currently supports 13 of our most vulnerable adults and has potential to increase this service to support more individuals with the right model in place. Without this service, we would need to find alternative placements for each of the service users as they are not able to live independently without support.

3.3 Option 3

Details - To seek an alternative care provider via an open Procurement Process, and to delegate the contract award decision to the DASS

Risks - This is the preferred option as it allows the Council to complete the open procurement process to seek an alternative provider who is better able to meet the needs of our service users, and to develop supported living services for people with complex mental health needs, and to delegate the contract award decision to the Director of Adult Social Services.

3.4 The preferred option is Option 3 - To seek an alternative care provider via an open Procurement Process, and to delegate the contract award decision to the DASS

3.5 This option will ensure minimal disruption to the service users and would provide a level of continuity in that they can remain in their current homes.

3.6 It is intended that the new provider will be able to deliver a more flexible and dynamic service model following the revised and updated service specification, and that some people may be able to live independently in the future

3.7 The Council will be able to work with a new provider to develop the model for supported living services for people with complex mental health needs, locally.

3.8 As a result of a delay in receiving all relevant department comments relating to this contract, we have agreed a further 2 month extension with the current providers of the Advocacy services to ensure continued service delivery for Oldham residents.

3.9 The existing contracts will now end on 30th November 2023, and the new provider will commence delivery from 1st December 2023.

4.0 Consultation

- 4.1 As part of the procurement process, all 13 service users have been visited to have their assessed needs reviewed and their wishes and feelings gathered.
- 4.2 These will be fed into the development of the service going forward with the successful provider

5.0 Financial Implications

- 5.1 The commissioning team is requesting authorisation to procure a new care provider for the Mental Health Supported Living (MHSL) contract. The current provider's contract ends on 30 November 2023 and a new provider is required from 1 December 2023.
- 5.2 There is £372k in the commissioning budget for 2023/24 allocated for the MHSL contract. The total budget available for an initial 3-year contract period plus the 2 optional years is therefore £1,860k.
- 5.3 In the current financial year £206k has been allocated to the current provider; Turning Point, from 1 April 2023 up to the cessation of the contract on 30 November 2023. This value is based on the number of hours Turning Point has committed to deliver.
- 5.4 A budgeted contract sum of £166k will be available for the new provider for the period 1 December 2023 to 31 March 2024. This is based on the new provider being able to flexibly increase provision as required.
- 5.5 There is potential for the service to realise a financial saving should the providers not be able to fulfil the maximum number of contracted hours. An annual budget of £372k will be made available for the remaining term of the contract and will be closely monitored to ensure service provision aligns to available resources.

(Sophie Eade, Senior Accountant)

6 Legal Services Comments

- 6.1 Legal Services supports Option 3 and the recommendation to award a new contract to a new provider that better meets the needs of patients. A compliant procurement process is being followed in line with the Council's CPR's and Public Procurement Regulations. Sukie Kaur - Solicitor

7. Co-operative Agenda

- 7.1 Fairness – we will champion fairness and equality of opportunity and ensure working together brings mutual benefits and the greatest possible added value. We will enable everyone to be involved.
- 7.2 Openness – we will be open and honest in our actions and communications. We will take decisions in a transparent way and at the most local level possible.
- 7.3 Responsibility – we take responsibility for, and answer to our actions. We will encourage people to take responsibility for themselves and their actions. Mutual benefits go hand-in-hand with mutual obligations.
- 7.4 Working together – we will work together and support each other in achieving common goals, making sure the environment is in place for self-help.

-
- 7.5 Accountability – we recognise and act upon the impact of our actions on others and hold ourselves accountable to our stakeholders.
(J Downs 01.07.23)

8 **Human Resources Comments**

- 8.1 There are no Oldham Council Human Resources implications for this report as the services are all commissioned to an external provider, who will manage their own HR process.

9 **Risk Assessments**

- 9.1 Any risks identified within this project have been managed through the risk management plan as part of the project group and addressed accordingly.

10 **IT Implications**

- 10.1 There are no IT implications for this report.

11 **Property Implications**

- 11.1 There are no property implications for this report

12 **Procurement Implications**

- 12.1 A competitive tendering exercise currently underway to commission the service in compliance to the Council's CPRs and PCR2015.
Raj Ahuja 14.06.2023

13 **Environmental and Health & Safety Implications**

- 13.1 There are no environment and health and safety implications for this report. The commissioned provider will manage their own risks and this will be monitored by the Contracts and Quality manager going forward.

14 **Equality, community cohesion and crime implications**

- 14.1 The services included within this tender are inclusive of everyone within the Borough, as per the agreed criteria within the service specification.
- 14.2 There are no implications on any equality groups identified by the Government
- 14.3 There are no implications on race or community relations
- 14.4 Oldham's Supported Living Services are available to everyone who meet the relevant criteria, up to the age of 65
- 14.5 There are no implications on crime or fear of crime.

15 **Oldham Impact Assessment Completed?**

15.1 Yes

16 **Key Decision**

16.1 Yes

17 **Key Decision Reference**

17.1 HSC-10-23

18 **Background Papers**

19.1 The following is a list of background papers on which this report is based in accordance with the requirements of Section 100(1) of the Local Government Act 1972. It does not include documents which would disclose exempt or confidential information as defined by the Act :

Name of File : Briefing to DMT – termination of contract for delivery of Supported Living for people with complex Mental Health Needs – 13th February 2023
Records held in S: Drive, ASC Commissioning and Market Management
Officer Name : Clare Bamforth, Quality and Contracts Manager

19 **Appendices**

20.1 None