



Report of: Executive Member for Health and Wellbeing

| Meeting of: | Date | Ward(s) |
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| Executive | 21 April 2016 | All |

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SUBJECT: Contract Award for Mental Health Supported Accommodation Canonbury Lane

1. Synopsis

- 1.1 This report recommends the award of a contract to Family Mosaic for the provision of a supported accommodation service for clients with mental health needs.
- 1.2 The service to be provided is a 24-hour supported accommodation service for clients with mental health needs, commencing 1 April 2016. The annual value of the contract is £170,175.

2. Recommendation

- 2.1 To agree the award of a contract to Family Mosaic, on an on-going basis, to deliver the service at Canonbury Lane, commencing 1 April 2016.

3. Background

- 3.1 Canonbury Lane is a 24-hour supported housing project for people with mental health problems. The property is owned and managed by Family Mosaic, a registered social landlord with a contract with the Council to provide housing related support to tenants of the scheme. A Section 106 agreement exists between Islington Council and the owners of the property, stating that Family Mosaic shall be the provider of support at 2-4 Canonbury Lane N1 2AP. The Section 106 was drawn up in June 2003 without an end date.
- 3.2 Family Mosaic are subject to quarterly performance monitoring and no concerns have been raised with regards to the quality of service delivery. Tenants have a high level of need and require ongoing support. Performance data shows that in the last three years, one tenant has been effectively supported to move on to lower supported housing. The level of serious incidents reported by the service is low, with five recorded in the last three years.

In the future, there will be an expectation that the provider continues to offer improvement against delivery targets and works with commissioners and service users to shape the service to deliver high quality outcomes.

- 3.3 The annual value of the contract is £170,175. This represents good value for money to the Council, and costs are similar to other mental health supported accommodation services commissioned within the borough.
- 3.4 There will be no impact on Staff.
- 3.5 Islington Council's London Living Wage policy applies to this contract.

4. Implications

4.1 Financial implications

The Canonbury Lane contract with Family Mosaic is funded from Adult Social Services base budget and the new contract award will not result in a budget pressure for the department.

4.2 Legal Implications

The council has power to provide mental health supported accommodation services under the Mental Health Act 1983, section 117 and the National Assistance Act 1948, S21(1). The Council has power to enter into contracts with providers of mental health supported accommodation services under section 1 of the Local Government (Contracts) Act 1997.

The social services being procured are subject to the light regime set out in Regulations 74 to 77 of the Public Contracts Regulations 2015 (the Regulations). The threshold for application of this light regime is currently £589,148.00. The value of the proposed contract is above this threshold and therefore ought to be advertised in the Official Journal of the European Union (OJEU). The council's Procurement Rules require contracts over the value of £164,176.00 to be subject to competitive tender.

However, when the council entered into a section 106 agreement with New Islington & Hackney Housing Association in 2003, under the Town and Country Planning Act 1990 in relation to 2-4 Canonbury Lane, London N1 2AP (the Site) the landowner was obliged as follows: "Prior to the occupation of the Scheme the Landowner will enter into the Services Agreement with the Council" (Condition 4.1 and Schedule 2 paragraph 2, Section 106 agreement), where "Services Agreement" means the contract for the provision of the support services to be entered into by the landowner and the council at the Site. Since 10th August 2006 the registered proprietor of the Site is Family Mosaic Housing (Industrial and Provident Society No IP30093R). The Council currently has a Services Agreement with Family Mosaic Housing that comes to an end on 31st March 2016.

Since it is only the landowner who can provide the Services at this Site it is not possible to procure this service with competition. Therefore the contract may be awarded to Family Mosaic Housing as the landowner on an on-going basis as proposed in the report. In deciding whether to award the contract to Family Mosaic Housing the Executive should be satisfied as to the competence of the supplier to provide the services and that the contract price represents value for money for the Council.

4.3 Environmental Implications

There are several environmental implications of a supported accommodation service. These include energy use in the building for heating, cooking and appliances, water use in the bathroom and kitchen facilities and waste generation by residents.

These can be mitigated by ensuring the building is well-insulated and uses an efficient heating system, that appliances in the building have a good energy rating, that bathroom and kitchen fittings are water efficient, and that recyclable or compostable waste is separated and disposed of appropriately.

4.4 Resident Impact Assessment

The council must, in the exercise of its functions, have due regard to the need to eliminate discrimination, harassment and victimisation, and to advance equality of opportunity, and foster good relations, between those who share a relevant protected characteristic and those who do not share it (section 149 Equality Act 2010). The council has a duty to have due regard to the need to remove or minimise disadvantages, take steps to meet needs, in particular steps to take account of disabled persons' disabilities, and encourage people to participate in public life. The council must have due regard to the need to tackle prejudice and promote understanding.

A Resident Impact Assessment (RIA) was completed on 21 March 2016.

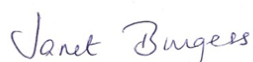
The Resident Impact Assessment identified that there would be no differential impacts. This decision was made because the service would have no disproportionate impact on any of the equality groups accessing the mental health supported accommodation service or working in the service.

5. Reasons for the recommendations / decision

- 5.1 It is recommended that Family Mosaic be awarded the contract to provide ongoing support to the clients at 2-4 Canonbury Lane N1 2AP
- 5.2 If this service was put out to tender then Family Mosaic may withdraw the building which would have a negative impact on the service users. Current contract monitoring shows that the service is performing well and as the value of the contract is relatively small any savings could be achieved by direct negotiations which have previously been collaborative and successful.

Final report clearance:

Signed by:



Executive Member for Health and Wellbeing

Date: 23 March 2016

Report Author: Natalie Arthur
Tel: 0207 527 8175
Email: Natalie.arthur@islington.gov.uk