

Report of: Executive Member for Health and Social Care

Meeting of:	Date:	Ward(s):
Executive	21 January 2021	All
Delete as appropriate		Non-exempt


SUBJECT: Procurement Strategy for mental health accommodation pathway services**1. Synopsis**

- 1.1 This report seeks pre-tender approval for the procurement strategy in respect of mental health accommodation pathway services in Islington in accordance with Rule 2.7 of the Council's Procurement Rules.
- 1.2 The services are accommodation based specialist mental health supported living and residential care services for residents who experience a severe and enduring mental illness, such as psychosis and moderate/ severe depression. They enable people with eligible mental health needs to maximise their rehabilitation when moving along the pathway from hospital or other care setting to independent living in their own home. The redesign and procurement of the pathway proposed would enable people to be suitably accommodated closer to home within the least restrictive setting whilst preparing for independent living.

2. Recommendations

- 2.1 To approve the procurement strategy for mental health accommodation services as outlined in this report, specifically **Option 4**.

3. Background

3.1 Mental health accommodation services house and support adults with severe and enduring mental ill health who are unable to live in their own home due to lack of skills or inability to live independently. Those entering the services originate from inpatient mental health wards, mental health rehabilitation wards, community rehabilitation units or are in mental health placements outside of the borough.

The services offer residents a clear and consistent pathway to independent living, providing them with an opportunity to reach their potential and enjoy a good quality of life. The combination of temporary accommodation, care and support, delivered closer to home rather than in and around hospital settings, or outside of Islington, enable people to learn or regain the skills and abilities necessary to live independently. The services empower residents to look after themselves, better manage their health, and build resilience. They provide residents with proactive and personalised support in a community setting, equipping them with the skills to live healthier for longer.

Islington currently block purchases 198 units via 17 contracts from 7 suppliers:

- 20 residential care places at a cost of £0.875m per annum (in borough)
- 178 supported living places at a cost of £3.271m per annum (in borough)

An additional £3.189m* is spent on spot purchased care packages. Out of this, £1.100m* is spent supporting 21 people in expensive spot purchased placements who could be supported in block contracts if there was additional capacity. The majority of the spot purchased placements are located out of borough.

**based on September 2020 forecasts*

Mental health accommodation services are funded by the Council and NHS North Central London CCG (NCL CCG).

Mental health accommodation pathway - approach and ethos

The accommodation services are arranged as a pathway with three levels of support – residential care (24/7 staff and personal care), high support (24/7 support staff) and medium support (support staff onsite every week day). There is a strong focus on recovery. Residents move into the level of provision that best meets their needs and move through the pathway as they become more independent, before moving into their own home outside of the pathway. They need not access all levels before moving to an independent tenancy. Continuous resident move through and out of the pathway is required to create the ongoing capacity needed to accommodate new referrals from hospital, other settings, or out of borough. A pathway coordinator role sitting within the council provides a single common entry into supported living and a multidisciplinary panel acts as a common entry into residential care.

Those living in the pathway have complex needs and these cannot be addressed by accommodation services working in isolation. The success of the pathway is dependent on the accommodation services working together with a range of health, social care, housing and community services across Islington to support an individual's recovery. A strong mental health accommodation pathway works to shared goals, principles and ways of working, with residents central to developing and directing their own experience. This integration and partnership approach is a collective responsibility to be embraced by all

services. There are exciting examples of innovative integrated working across organisations in the pathway, and opportunities to build on this existing good practice.

Fundamental to the pathway is a focus on the whole person, underpinned by a strengths-based philosophy that uses the person's existing independent strengths and community networks in the provision of care and support. Services have made great progress in incorporating this approach into their operations and are working to fully embed strengths-based practice.

The pathway consists of two main accommodation types:

1. Specialist mental health residential care

Specialist mental health residential care offers personal care and support throughout the day and night for the small number of people with serious mental illness and physical health needs that require a residential care service. Staff with the skillset to work with people with a serious mental illness provide meals, help with washing, dressing and administer medication, where necessary. Although the residents have physical care needs, their primary need for care and support under the Care Act relates to mental health.

Islington has two specialist mental health residential care home services delivering a total of 20 places. The contracts for these two services expire soon and are in scope for this procurement.

2. Supported living

Mental health supported living provides housing and support services to enable people to live as independently as possible in the community. Residents live in accommodation blocks with staff onsite who proactively support them to develop skills (such as managing their health and wellbeing, managing medication, managing finances, nutrition, staying safe and building social networks) to enable them to live independently. These services do not deliver personal care.

Islington has 15 mental health supported living contracts delivering 129 high support places and 49 medium support places. All of these contracts expire soon and are in scope for this procurement.

What problems does this procurement try to solve?

A considerable amount of work has taken place in recent years to integrate the mental health pathway, embed a person centred recovery ethos, and improve efficiency. Despite this, a recent review of the pathway has shown that the current provision is not always proactively maximising people's readiness for independent living and has not evolved in recent years to adapt and keep pace with changing demand, best practice and changes elsewhere in the system. In addition to this, some of the buildings within the pathway are below the standard expected of a modern mental health accommodation service.

In summary, the existing model and infrastructure includes inefficiencies and inconsistencies. These are outlined below.

a) Out of area placements

The pathway services should enable people to be suitably accommodated within the borough with minimal need to use out of borough placements. Evidence shows that being close to family, friends, a familiar health team and local community have a positive impact

on recovery. Local placements also provide better value for money, enable closer monitoring of providers and provide more positive clinical outcomes. Currently there are 21 residents living out of borough who could return to Islington if the provision was available. In particular, a lack of local specialist mental health residential care placements is preventing people from returning to borough.

b) Waiting list

The pathway should enable quick access to accommodation, care and support to ensure that people do not spend time in unstable accommodation with inadequate support, or do not spend longer than necessary in NHS care settings. The pathway is currently operating with a waiting list.

c) Move through the pathway

Despite much progress, the pathway is not always working as an integrated service system that meets the needs of people in a holistic way. The mental health accommodation pathway could better support recovery opportunities and enable people to achieve independent living sooner by ensuring each component of the pathway interlinks as a whole pathway.

d) Varying levels of investment

The amount the council and CCG pay mental health accommodation service providers varies, leading to variations in value for money across services. There is inconsistency in price and quality.

e) Personalisation, choice and control

There is good evidence to suggest a strong focus on personalisation and asset based support planning which supports people's recovery. The current mental health accommodation pathway service contracts do not maximise choice and flexibility in care and support. Services are always working to a strengths-based approach.

f) Buildings

Services currently operate from multiple locations in a mixture of purposely designed buildings and designated buildings, offering self-contained flats or rooms with shared facilities. The current mix of layout and design in some buildings is dated. There is a shortage of buildings that can accommodate residents with accessibility needs.

Our Goals and Objectives

The overarching aim of the mental health accommodation procurement is to ensure that the provision of mental health accommodation services proactively work to ensure residents are equipped with the skills and capacity to live happier, healthier and more independent lives.

System goals and objectives

- People live healthy, independent lives, with access to good quality care and support when they need it
- People have the skills they need to access and sustain decent housing closer to home
- People feel connected and have as much social contact as they want and opportunities to progress in employment
- People not able to live independently are supported to live well

Resident goals and objectives

- Residents experience the pathway's shared vision and way of doing things, and it meets their individual needs
- Residents' autonomy is maximised, they are able to thrive and contribute
- Residents are proactively supported to gain the skills necessary to move to an independent tenancy quickly, thereby minimising the time spent living in a mental health accommodation service setting
- People are supported to lead the life they want to live whilst accessing support from the wider network of community offers, friends and family.

Recommendations

An in depth review of the mental health accommodation pathway was completed in 2019. The following recommendations incorporate the findings from that review, as well as the outcome of ninety-nine individual strengths-based reviews completed with residents out of borough or living in services affected by the proposal. They reflect current and emerging need. The recommendations are being tested and further developed with our providers, residents and other stakeholders, and will be made explicit through this procurement and associated partnership working.

We intend to redesign the pathway, embed new ways of working - such as a strength based approach and partnership working - and procure new specialist mental health accommodation services to meet current and future needs. Residents will not be required to live out of borough when they could be accommodated in the local pathway.

The proposed future configuration is as follows:

Specialist mental health residential care	24-30 places (increase of 4-10)
Mental health supported living	Minimum 174 places (maximum decrease of 4)

It is not possible to finalise the number of residential care beds to be purchased at this time. Accessibility issues within an identified building's layout and design have been uncovered that cannot be overcome. Further needs analysis work is taking place and this will determine the actual number of places procured.

The pathway redesign and new mental health residential care and supported living service contracts will incorporate the recommendations from the 2019 review and resident strength based reviews in the following interlinked ways:

a) Improving efficiency of supported living

We will create additional capacity in supported living through improving efficiency. We will achieve this by creating a fundamental shift in approach in the pathway, encouraging partnership working so services are working to shared goals and principles, as well as making use of Islington's collective resources to ensure residents are proactively enabled to live independently. The coordinated and whole system approach to recovery and rehabilitation will reduce ongoing demand.

b) Reducing the need for out of borough placements

We will commission additional local mental health residential care places and ensure residents are proactively supported to move to independent living sooner by further

embedding new ways of working, such as a strengths-based approach. These changes will ensure people are better supported closer to home.

c) Evidence based practice and values

We will embed into pathway services a more personalised approach that draws on the skills, experiences, strengths and resources of residents to help them find new and creative ways to manage their recovery. Central to this is the introduction of Individual Service Funds (ISFs) to the supported living contracts. An ISF is a sum of money managed by the support provider on behalf of the resident. The money is used to help the person achieve the outcomes set out in their support plan. It enables the providers to flexibly support each resident.

d) Buildings

We will source improved building stock from which services can operate, thereby providing residents with a higher quality and homely environment. A new 17 unit accommodation block consisting of self-contained flats within the Islington Council New Homes Initiative will be available for use by the mental health pathway in August next year. Early market engagement has identified other opportunities.

e) Efficient and effective use of resources

The tender will ensure consistency in price and quality across pathway services.

3.2 Estimated Value

The current services in the scope of this procurement are jointly funded by the council and NHS North Central London CCG (NCL CCG).

Table 1: Islington’s investment in mental health accommodation block contracts

	CCG	Council	Places	Total
Residential care block contracts	£ 428,920	£ 446,427	20	£ 875,347
Supported living block contracts	£ 1,473,856	£ 1,797,381	178	£ 3,271,237
Total	£ 1,902,776	£ 2,243,808	198	£ 4,146,584

In addition Islington Council spends £3,189,790 on spot purchased placements, bringing the Council’s total investment in accommodation services (block and spot) to £5,433,598. Therefore the total amount spent on accommodation services across Health and Social Care amounts to £7,336,374.

The current contracts have been compared, based on quality and price, to similar contracts and contract awards to comparative London boroughs. New contracts will target fair market prices for good quality services.

The initial duration of the contracts new will be for a period of five years from 1 August 2021. There will be an option to extend the contracts for a further two years (5+2).

Benchmarking from comparator boroughs suggest that the total value of the new investment for mental health accommodation block contracts will be £4,695,500. Of this, £1,634,652 would be spent on residential care and £3,060,848 would fund supported living. The total value of the contracts over 7 years will be £32,868,787.

Additional spend will be offset by reduced spend from the spot purchase budget. Section 4 of this report provides more information.

Table 2 Islington Council’s agreed contribution from this Mental Health Accommodation Review as part of the Medium Term Financial Plan.

	2021-22 £000	2022-23 £000	Total £000
Mental Health (ASC03)	200	350	550
Total Saving	200	350	550

3.3 Timetable

Key Milestone	Indicative date/ range
Tender advert	January 2021
Deadline for submission of tenders	March 2021
Tender evaluation period	March 2021
Council governance & contract award	March –June 2021
Implementation	June 2021 – September 2021
Mobilisation	September 2021

3.4 Options appraisal

Four procurement options have been explored. These are set out below.

Option 4 is the recommended option.

Procurement Option 1: Re-procure services in their current form

Benchmarking All current contracts in scope will have ended within 15 months with no provision to extend. Existing services could be re-procured without any significant change in model. Benchmarking suggests the new contracts would cost more than the cost of the current contracts. Islington’s current contracts cost less than similar contracts in other boroughs.

Pros

- Deliverable by August 2021 with no disruption for residents.

Cons

- Full transformation to a strengths-based approach deferred to the next round of procurement, delaying improved outcomes for residents.
- Missed opportunity to incorporate new high quality buildings into the pathway.
- Missed opportunity to deliver financial savings by reducing high cost out of area spot placements.
- Continued shortage of in-borough mental health residential care.

Financial assessment This option does not represent value for money as it would not deliver the changes in practice or service provision needed to increase efficiency and enable residents to return from out of borough placements.

Outcome

Not recommended

Procurement Option 2: In-house service delivery

Benchmarking Nationally, the vast majority of supported living is externally commissioned. From the Local Authorities consulted for this project, no example was identified of in-house provision. The impact of this option on quality and resident outcomes, therefore, is unknown.

Pros

- Ensures services share Islington's vision and take a strengths-based approach to transform outcomes.
- Enables full utilisation of the council's local knowledge and relationships to improve community participation.
- Council controls service strategy and retains flexibility to change it.
- Ability to have greater control of social value.
- Council retains full control to drive efficiencies/economies of scale.

Cons

- Management capacity, expertise and specialisms could not be established quickly enough to maintain service quality and prevent disruption for residents.
- The Council would have to source appropriate properties for all places.
- Cannot benefit from the innovation offered by the specialist providers in this area.
- Set-up costs and staff costs are much higher than current costs, negatively impacting on value for money.

Financial assessment This option does not represent value for money due to high set-up and staff costs. It would not provide the expertise quickly enough to deliver the pathway improvements needed to enable residents to return from out of borough.

Outcome

Not recommended

Procurement Option 3: Re-procure with another borough

Benchmarking Benchmarking did not identify an instance of two boroughs re-procuring their accommodation pathways together

Pros

- Opportunity to share best practice and learning.
- Opportunity to commission more specialist services and agree reciprocal arrangements for referral into these services.
- Potential for increased value for money, achieved via economies of scale.

Cons

- Timescales for procurement do not match up with those of other boroughs.
- Less direct influence on service design and configuration.
- Not guaranteed to meaningfully change the marketplace of providers and landlords available in the borough.
- Reciprocal arrangements onerous to set up and maintain due to complexity.

Financial assessment This option may deliver additional savings, the impact is not known. The council would relinquish some influence over the service design and configuration

Outcome

Not recommended

Procurement Option 4: Re-procure via competitive procedure with negotiation

Benchmarking This approach has been successfully adopted in Islington previously and by other boroughs

Pros	Cons
<ul style="list-style-type: none"> • Full transformation to a strengths-based approach leading to improved outcomes for residents. • Advertised procurement likely to deliver competitive prices. • Opportunity to invigorate this service area with new providers. • Recognises the strategic value of the buildings. • Presents an opportunity to bundle contracts to achieve greater efficiencies 	<ul style="list-style-type: none"> • Shared values/priorities reliant on developing strong relationships with providers. • Providers will price market risk into their bids; however, this will not likely outweigh financial benefits.
<p>Financial assessment Modelling, based on rates identified in benchmarking, suggests that this option will achieve the most savings and deliver required outcomes</p>	
Outcome	Recommended

3.5 Key Considerations

Social value

In addition to the local economic benefits of the service being provided in Islington, social benefits clauses will be in place with an emphasis on the following:

- the service being part of the fabric of the local community, supporting and encouraging residents to make use of local universal health and social support services;
- engage with relevant third sector services;
- sustain local links with family and friends and;
- make better use of community resources to support good mental health, coping strategies, and living skills.

The following additional opportunities for social value have been identified and will be undertaken as part of the new contract:

- Support and promote purchasing from the local supply chain where possible.
- Support and encourage the adoption of specific workplace health initiatives.
- The service will provide voluntary and employment opportunities within the service for people with a lived-experience of mental health problems.
- Providers delivering sound employment practice and employment rights through: evidencing progression and training opportunities for staff; implementation of equality and diversity policies; enabling security of employment for the workforce; local recruitment, including working with iWork.

London Living Wage

LLW will be a condition of this contract where permitted by law.

Best value

The service will implement a robust performance-monitoring framework so that value for money, quality, outcomes and cost effectiveness can be assessed. The monitoring framework will include activity levels, evidence of outcomes achieved, as measured against the desired service KPIs outcomes in the service specification and individual

support plans. Expenditure against the service budget will also be required. Regular contract monitoring reviews will take place and the provider will submit information on the service on a quarterly basis. This process allows for continuous improvement and service development. The service specification will include provisions to ensure the provider offers continuous improvement against delivery targets, and works with commissioners and service users to co-produce a service where innovations can be quickly implemented.

Economic, social and environmental sustainability

The service will help people lead healthier, fulfilling lives in the community, reducing social isolation and maximising life opportunities and independence. An environmental impact assessment will be completed during the preparation stage.

Staffing implications

TUPE may apply. If TUPE applies, this may have financial implications for successful providers. This is being further explored with the current providers.

3.6 Evaluation

This procurement will be conducted in accordance with the Public Contracts Regulations 2015, under Chapter 3 Section 7 Social and Other Specific Services (known as the light-touch regime). Under Regulation 76 the council is free to establish a procedure, provided that the procedure is sufficient to ensure compliance with the principles of transparency and equal treatment of economic operators (service providers). The procedure will be based on a one stage tender, allowing for negotiation if deemed appropriate. As per the open procedure, any interested economic operator (service provider) may submit a tender in response to the advertisement.

The council will reserve the right to award the contract on the basis of initial tenders without negotiation where this offers value for money. The council reserves the right to not award the contract if the received tenders do not offer value for money.

Tenders will be evaluated on the basis of the price and ability to deliver the contract as set out in the evaluation criteria below. The evaluation panel will include service user/family carer representatives.

	Weighting %
Quality	80%
Proposed approach to service model and delivery	30%
Proposed approach to workforce management and contract implementation	10%
Proposed approach to safeguarding and risk management	10%
Proposed approach to service user engagement and involvement	10%
Social Value	20%
Cost	20%
Total	100%

3.7 Business Risks

Risks in transition to the new service delivery model

The transition to the new service will need to be carefully managed to ensure continuity of support and to manage any resident anxieties arising from the change in support provider and service location. Consequently, the transition to the new service will be carried out in conjunction with residents, care coordinators, and carers and family (where appropriate). Commissioners will also undertake robust engagement activity with residents and their families around the changes pre-tender and in the development of the new service specification.

Prospective providers precluded as they do not have access to properties

We are working to ensure that all providers have the best opportunity possible to source landlords for this procurement.

TUPE implications

If TUPE applies, this may impact on our ability to identify a potential provider at the indicative costs identified due to TUPE liability. The project has a risk register in place, reviewed on a regular basis and governance of this is managed by the mental health commissioning team.

- 3.8 The Employment Relations Act 1999 (Blacklist) Regulations 2010 explicitly prohibit the compilation, use, sale or supply of blacklists containing details of trade union members and their activities. Following a motion to full Council on 26 March 2013, all tenderers will be required to complete an anti-blacklisting declaration. Where an organisation is unable to declare that they have never blacklisted, they will be required to evidence that they have 'self-cleansed'. The Council will not award a contract to organisations found guilty of blacklisting unless they have demonstrated 'self-cleansing' and taken adequate measures to remedy past actions and prevent re-occurrences.
- 3.9 The following relevant information is required to be specifically approved by the Executive in accordance with rule 2.8 of the Procurement Rules:

Relevant information	Information/section in report
1 Nature of the service	Please see paragraphs 1.2 and 3.1
2 Estimated value	The estimated value per year is £4.696m. The agreement is proposed to run for a period of 5 years with an optional extension of 2 years. Please see paragraph 3.2
3 Timetable	Tender advert January 2021 Deadline for submission of tenders March 2021 Tender evaluation period March 2021 Council governance & contract award March – June 2021 Implementation June 2021 – September 2021

	Mobilisation September 2021 Please see paragraph 3.3
4 Options appraisal for tender procedure including consideration of collaboration opportunities	Details as described within the report. Please see paragraph 3.4
5 Consideration of: Social benefit clauses; London Living Wage; Best value; TUPE, pensions and other staffing implications	Please see paragraph 3.5
6 Award criteria	The award criteria 20% price/ / 80% quality breakdown is more particularly described within the report. See paragraph 3.6
7 Any business risks associated with entering the contract	Please see paragraph 3.7
8 Any other relevant financial, legal or other considerations.	

Implications

4. Financial implications:

4.1 The Mental Health Accommodation Review project brings together contracts from across various budgets.

Area Block Contracts	Total Budget	LBI	CCG
Hanley Gardens & Caledonian Road	£1.109m	-	£1.109m
Mental Health Housing Related Support	£1.515m	£1.467m	£0.047m
Mental Health Commissioning Pool – Residential & Supported Accom	£1.522m	£0.776m	£0.746m

Islington Council also spends £3.189m on Residential and Supported Accommodation spot purchased care packages.

It was anticipated that the Mental Health Accommodation Review would contribute £0.550m efficiency and commissioning saving to the Medium Term Financial Plan.

The current expenditure budgets for all of the contracts within the Accommodation Pathway Review amount to £4.147m. The proposed new annual contract values amount to £4.696m. This is an additional cost of £0.549m which will be offset by the savings below.

As part of this review process, individuals have been identified as being ready to move on from the pathway in this financial year, and others in spot purchased out of borough care packages have been identified as suitable for these places. The total saving of these placements moving into block provision amounts to £0.169m which will be made ready for the start of 2021-22.

The new model increases the number of block purchased beds by nine places in which spot purchased out of borough placements could be transferred into. An average annual cost of a Mental Health residential/ supported accommodation spot placement is £50,000. Therefore, the total saving that can be made from these individuals moving into block provision is £0.450m. The plan is for the new contracts to start in August 2021 which would allow half of this saving to be made in 2021-22 and the other half in 2022-23.

Savings will also be made through the improved flow in the Mental Health Accommodation Pathway which will enable residents to be discharged quicker than they currently are. If nine individuals leave the pathway, this would create spaces for nine spot purchased out of borough packages to take their place creating a further £0.450m saving. It is thought that this can be achieved by April 2022.

This is a breakdown of when the savings are expected to be made:

	In place by...	(Saving)/Cost	2021-22	2022-23
Saving from spot purchased placements moving into current block provision	April 2021	(£0.169m)	(0.169m)	-
Cost of the new model	August 2021	£0.549m	0.275m	£0.274m
Saving from first phase spot purchased placements moving into the new block provision	September 2021	(£0.450m)	(£0.225m)	(£0.225m)
Saving from second phase spot purchased placements moving into the new block provision when current residents have left	December 2021	(£0.450m)	(£0.087m)	(£0.363m)
Total Saving		(£0.520m)	(£0.206m)	(£0.314m)
Savings Gap		£0.030m	(£0.006m)	£0.036m

This proposed savings model leaves a small savings gap of £0.030m in 2022-23. This can be managed within the Adult Social Care base budget.

The costs above are based on a cost model which uses a number of assumptions and estimates of unit costs. These are highly likely to vary and prudence has been used when calculating estimates. Some of these assumptions include:

- 21 spot purchased care packages at an average cost of £50,000 per package will move into the Mental Health Accommodation contracts by the timescales stated above.
- Unit costs for the new provision are based on averages across Islington Council, other Local Authorities and have been through a soft market testing for scrutiny.

Finance are involved in various boards with the project and will continue to monitor and report progress on any costs and savings involved.

Payment of London Living Wage is a requirement of the contract and should not result in any additional costs.

Any TUPE cost implications that may arise from this tender will have to be met by existing resources outlined above.

Legal Implications:

4.2

4.2.1 The Council has a duty to meet an adult's need for specialist mental health residential care or mental health supported living where s/he has been assessed as satisfying the eligibility criteria (sections 8, 13 and 18 of the Care Act 2014). Accordingly the council may enter into contracts with providers to secure the supply of mental health accommodation services (section 1 of the Local Government (Contracts) Act 1997).

4.2.2 The services being procured are subject to the light touch regime set out in Regulations 74 to 77 of the Public Contracts Regulations 2015 (the Regulations). The threshold for application of this light touch regime is currently £663,540. The aggregate value of the proposed contracts is above this threshold. They will therefore need to be advertised in the Official Journal of the European Union (OJEU). There are no prescribed procurement processes under the light touch regime. Therefore the council may use its discretion as to how it conducts the procurement process provided that it: discharges its duty to comply with the European Treaty principles of equal treatment, non-discrimination and fair competition; conducts the procurement in conformance with the information that it provides in the OJEU advert; and ensures that the time limits that it imposes on suppliers, such as for responding to adverts is reasonable and proportionate. Following the procurement a contract award notice is required to be published in OJEU. The council's Procurement Rules require contracts over the value of £100,000 to be subject to competitive tender.

4.2.3 The proposed procurement strategy, to advertise a call for competition and procure the service using a one stage tender process with negotiation, is in compliance with the principles underpinning the Regulations and the council's Procurement Rules.

4.2.4 On completion of the procurement process the contracts may be awarded to the highest scoring tenderers subject to the tenders providing value for money for the council/

4.2.5 The Executive may delegate the award of the contract to the Corporate Director of People (Paragraph 8.1, Part 3 Constitution).

4.3 Environmental Implications and contribution to achieving a net zero carbon Islington by 2030:

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, ensuring 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.

The provider will be asked to demonstrate in the tender how they intend to minimise the environmental impact of the service.

4.4 Resident Impact Assessment:

A Resident Impact Assessment was completed on 19th October 2020 and the summary is included below. The complete Resident Impact Assessment is appended.

Potential impact on equality of opportunity for people with protected characteristics

People with a disability - mental health

The transition to new accommodation may impact on some residents' health and wellbeing.

Mitigation: We will work with current service providers and community mental health teams to ensure service users are supported throughout the procurement process and particularly leading up to and immediately following the transition to new service. A robust process and methodology will be in place for evaluating and assessing tender submissions, to ensure the new provider/s meets quality requirements, including involving service users and/or family carers on the evaluation panel. Where there is a change in provider some staff may transfer to the new service and this would bring continuity of care and support.

Opportunities for advancing equality of opportunity

People with a disability - mental health

We need to redesign and modernise our mental health supported living and residential care services so they are more flexible, scalable, and efficient. We want to develop services that are designed to support people in a strengths-based way, focussing on individuals' strengths and aspirations, and improving outcomes for people who use services, effectively supporting recovery and move on.

The new services will improve the standard of accommodation for vulnerable residents with long-term mental health conditions that:

- Offers high quality environments, are not institutionalised and that meet needs with a strength-based approach
- Meets different levels of need, including physical health needs

- Provides buildings that are more accessible with some ground floor accessible units and accessible en-suite bathroom facilities, which current services cannot offer.
- Provides more modern home environments, driving up the standard of people's homes and improving dignity and privacy.

The new services will support people with severe and enduring mental illness to improve social inclusion and ensure that they make meaningful use of their time in order to achieve more independence and feel part of a community. This may include support to: access education, training or employment; identifying and accessing leisure, cultural, faith, and informal learning activities; and contacting external services, groups, friends and family.

Overall the proposed tender will have a positive impact on vulnerable adults in Islington.

5. Reason for recommendations

- 5.1 This report recommends redesigning the pathway, embed new ways of working - such as a strength based approach and partnership working - and procuring new specialist mental health accommodation services to meet current and future needs. The redesign and procurement will include additional investment in local mental health residential care. It will enable people currently placed in expensive out of area residential care placements to return to borough.

The changes to supported living services will also ensure people are better supported closer to home. The holistic, coordinated and whole system approach to recovery and rehabilitation will reduce ongoing demand and crisis access to health, housing and social care services. It will also increase efficiency within the pathway.

Appendices

- Resident Impact Assessment

Background papers: None.

Final report clearance:

Signed by:



Executive Member of Health and Social Care

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