

CABINET

20 June 2017

MENTAL HEALTH RECOVERY AND RESILIENCE LOCAL SERVICE PROCUREMENT

Report of the Director for People

Strategic Aim:	Meeting the health and wellbeing needs of the community	
Key Decision: Yes	Forward Plan Reference: FP/030317/06	
Exempt Information	<p>Appendix A of this report contains exempt information and is not for publication in accordance with Paragraph 3, Part 1 of Schedule 12A of the Local Government Act 1972.</p> <p>Paragraph 3: Information relating to the financial or business affairs of any particular person (including the authority holding that information).</p>	
Cabinet Member(s) Responsible:	Mr R Clifton, Portfolio Holder for Health and Adult Social Care	
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DECISION RECOMMENDATIONS

That Cabinet:

1. Approves the contract award to the provider as set out in Appendix A.
2. Approves the Section 256 Agreement for Rutland County Council to receive funding from East Leicestershire & Rutland Clinical Commissioning Group for the service set out in Appendix B.

1 PURPOSE OF THE REPORT

- 1.1 This report sets out the procurement and related funding requirements for the remodelled Mental Health Recovery and Resilience Local Service for Rutland, and requests approval for Rutland County Council to receive funding from East Leicestershire & Rutland Clinical Commissioning Group (ELRCCG) via a Section 256 Agreement, and to make the contract award.

2 BACKGROUND AND MAIN CONSIDERATIONS

- 2.1 The diagnosis of common mental health problems is increasing and there are higher levels of people needing crisis support services. It is recognised nationally that through working together, health and social care can achieve better outcomes for individuals and make the most effective use of available resources. The shift towards preventative services as set out in the Sustainability and Transformation Plan, Better Care Fund Programme and Adult Social Care Strategy applies equally to mental health service provision as it does to physical health.

3 MODEL OF PROVISION

- 3.1 Non-clinical mental health services across Leicester, Leicestershire and Rutland (LLR) are currently funded by the Local Authorities and Clinical Commissioning Groups (CCGs) and provided by a range of different organisations. This has led to a fragmented range of services, which service users find difficult to navigate and access.
- 3.2 In addition, the existing provision is largely Leicestershire-based with limited interventions provided within Rutland. Rutland County Council does not directly fund any provision currently; therefore the above arrangements leave a number of service users without easily accessible support, other than that provided via clinical services.
- 3.3 Following consultation with commissioners, providers and service users in late 2016, an alternative model of provision was developed for LLR jointly. This model recognises the need to deliver services on a locality basis: there will therefore be 7 local services covering the whole of LLR, with a specific local service for, and in, Rutland.
- 3.4 Each local service will be responsible for providing three service elements to their local community:
- a) Information: information about mental health and related issues for everyone, which could be provided via drop-ins, or a website, or the telephone;
 - b) Advice and navigation for individuals with mental health needs: help to navigate other systems and identify the right places to seek support, and link people to them (e.g. the right health service or housing service, social groups or leisure activities);
 - c) Community recovery support: support for small groups or individuals to regain and sustain confidence to engage in everyday activities during or post- mental health treatment.
- 3.5 For Rutland, the first element has already been commissioned as part of the Community Wellness Service and consequently the requirement of the Rutland Local Service will be focused on the second and third element – specific support for service users with identified mental health needs.
- 3.6 East Leicestershire and Rutland Clinical Commissioning Group (ELRCCG)

previously commissioned mental health support services independently of Rutland County Council. As a result, as noted in 3.2 above, this has led to Leicestershire-centric provision with low access by Rutland residents.

- 3.7 Under this new model ELRCCG will allocate funding directly for Rutland, £24,692 per annum, calculated on a per capita basis to ensure a fair division of funding between Rutland and East Leicestershire. In addition, Rutland County Council has recognised the gap in current provision and is contributing £10,000 per year to ensure that there is sufficient to commission a sustainable service for Rutland and one which is large enough to meet needs.

4 SECTION 256 AGREEMENT

- 4.1 ELRCCG wish to provide the funding to RCC for this new service, and enable RCC to have contractual control over the service and its delivery locally within Rutland. To accept this arrangement a Section 256 Agreement will need to be signed to formalise the arrangement (appendix B).
- 4.2 Section 256 of the National Health Service Act 2006 empowers Clinical Commissioning Groups to make payments to local authorities towards expenditure incurred or to be incurred by local authorities.

5 PROCUREMENT

- 5.1 As the service has been developed to cover LLR, the procurement itself has been led by Leicester City Clinical Commissioning Group and Leicester City Council on behalf of LLR at nil cost to Rutland County Council. Rutland officers have been involved in the consultation, development of the specification, procurement, and evaluation of bids to ensure that the service will meet Rutland's needs.
- 5.2 The contracts will be awarded for a period of 3 years with the option to extend for a further two 1 year periods. The value of the Rutland element is £34,692 per annum. The procurement itself was undertaken as an open tender exercise, fully compliant with procurement regulations.
- 5.3 The results of the procurement are included in Exempt Appendix A. They are currently exempt as the bidders have yet to be notified, and regulations require a standstill period before formal contract award.
- 5.4 Once the contract has been formally awarded, the information will be available in the public domain.

6 CONSULTATION

- 6.1 Consultation on the model was undertaken across LLR with stakeholders, including current providers, and service users during Autumn 2016.
- 6.2 The implications of a Rutland specific service have been discussed with relevant Council officers and with the Portfolio Holder.

7 ALTERNATIVE OPTIONS

- 7.1 A possible alternative would be to not award. This would leave Rutland residents with no access to any such provision and may negatively impact on their recovery

from mental health treatment.

- 7.2 Not to enter into the Section 256 Agreement. This was discounted as the CCG provide the bulk of the funding for the service and it is beneficial for Rutland County Council to have a greater level of contractual control over the providers work.

8 FINANCIAL IMPLICATIONS

- 8.1 The annual value of the service is £34,692 of which £10,000 will be funded by the Council from existing social care budgets with the remainder £24,692 funded by the CCG. The potential lifetime contract value is £173,730 (should the initial three year contract period be extended by two years).
- 8.2 The initial contract runs from 1st October 2017 through to the 4th October 2020 at a total cost of £104,346 (£30,000 of which is Council funded). The CCG transfer is £74,346 over this period.
- 8.3 As the majority of the funding is from the CCG, the contract will be made on the basis that the full value of funding continues to be received by RCC and any reduction to the level of that funding shall consequently result in a reduction to the contract.

9 LEGAL AND GOVERNANCE CONSIDERATIONS

- 9.1 The procurement was undertaken by Leicester City Council and Leicester City Clinical Commissioning Group, and followed their legal and procurement advice. Rutland officers are satisfied that the procurement meets RCC's Contract Procedure Rules requirements.
- 9.2 The Section 256 Agreement has been agreed by Legal and is included in Appendix B.

10 EQUALITY IMPACT ASSESSMENT

- 10.1 An Equality Impact Assessment Screening has been undertaken. The Service will have a positive impact on those service users in Rutland requiring support for their mental health.

11 COMMUNITY SAFETY IMPLICATIONS

- 11.1 There are no Community Safety implications.

12 HEALTH AND WELLBEING IMPLICATIONS

- 12.1 The Service will enable those who need support with their mental health to receive that support locally, and to receive support post-treatment. This will improve the quality of life for them and their families.

13 CONCLUSION AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS

- 13.1 The recommended provider outscored the other shortlisted providers and more importantly had the highest score from the Service User and Carer panel.

13.2 This model will ensure that the mental health needs of Rutland residents are better met by ELR CCG commissioned services. Rutland County Council's receipt of the funding from the ELR CCG, under the section 256, will ensure better contractual control over the providers work.

14 BACKGROUND PAPERS

14.1 There are no additional background papers to the report.

15 APPENDICES

15.1 Exempt Appendix A – Results of the tender and preferred provider

15.2 Appendix B - Section 256 Agreement

A Large Print or Braille Version of this Report is available upon request – Contact 01572 722577.