



Cabinet
7 September 2020

**Report from the Strategic Director
of Community and Wellbeing**

Approval to seek authority to invite tenders for the provision of six supported living services for the following client groups: Mental Health, Learning Disabilities, Dual Diagnosis and Profound and Multiple Learning Disabilities (PMLD)

Wards Affected:	All
Key or Non-Key Decision:	Key
Open or Part/Fully Exempt:	Open
No. of Appendices:	None
Background Papers:	None
Contact Officer(s):	Lorraine Regan, Interim Commissioning Lead for Supported Living. Lorraine.regan@brent.gov.uk Tel: 07776664452

1. Purpose of the Report

- 1.1 This report is about procurement of care and support for six Supported Living schemes, which form a part of the New Accommodation for Independent Living (NAIL) programme, which is a core part of the Adult Social Care strategy to support people to live independently. In particular it seeks approval to invite tenders, in accordance with Contract Standing Orders 88 & 89, for the Supported Living services listed below:
- 6 bedded mental health Dual Diagnosis Supported Living service at 155 Walm Lane, Willesden, Brent
 - 8 bedded CQC registered Mental Health Supported Living service at 12 St Gabriel's Road, Willesden, Brent
 - 5 bedded supported living service for people with Profound Multiple Learning Disabilities services (PMLD) at John Wilson House, 167, Willesden Road, Brent
 - 5 bedded supported living service for people with PMLD at 124 Harrowdene Road,
 - 7-5 bedded Learning Disability Supported Living service at 2-4 Cranhurst Road, Brent.
 - 6 bedded, Learning Disability supported living service at 3 Salmon Street, Brent
- 1.2 The total contract value for all services for the initial contract term of three years and two 1-year options to extend (5 years) is estimated to be £10,059,605.

Individual contract values are listed under section 3 and under Financial Implications, section 5.

- 1.3 Due to the total value of the contracts exceeding £500,000. The request for approval to invite tenders has been placed on to the Forward Plan. Officers anticipate that contract and service commencement for all these services will be 1st April 2021.

2.0 Recommendation(s)

That Cabinet:

- 2.1 Approves inviting tenders for six Supported Living services detailed below by way of open competition within the following lot structure based on specialist needs:
- Lot 1 PMLD services John Wilson House, 167 Willesden Road and 124 Harrowdene Road
 - Lot 2 Mental Health service, 12 St Gabriel's Road
 - Lot 3 Dual Diagnosis service, 155 Walm Lane
 - Lot 4 LD services 2-4 Cranhurst Road and 3 Salmon Street
- 2.2 Approves inviting tenders referred to in 2.1 above on the basis of the pre-tender considerations set out in paragraph 6.2 of the report.
- 2.3 Approves Officers evaluating the tenders referred to in 2.1 above based on the evaluation criteria set out in paragraph 6.2(vi) of the report.
- 2.4 Delegates award to the Strategic Director in consultation with the Cabinet Member for Adult Social Care

3. Background

- 3.1 Supported Living is an alternative to residential services, and a key part of the New Accommodation for Independent Living (NAIL) programme. The NAIL programme is itself central to the long-term vision of Adult Social Care (ASC). By ensuring the delivery of a wide range of different Supported Living services to our most complex and vulnerable people, we ensure that people are given every opportunity to maximise their independence, live within the community and have greater choice and control over their lives. NAIL Supported Living services are individually tailored services, which require providers who are specialists in delivering support to people who present with vulnerable, complex and often challenging behaviours.
- 3.2 There are six supported living services, which ASC are seeking approval to be tendered in accordance with Contract Standing Orders 88 & 89. The six are a combination of 4 existing services and 2 new NAIL services: Harrowdene Road (PMLD) and Cranhurst Rd (Learning Disabilities). Once approval has been given to commission these new services, the NAIL Move-On Team will identify the people who will benefit most from these services, and then start to work with them and their families to organise their move from their current accommodation into these new NAIL services.

- 3.3 Combining some of these services, and procuring them under the same 'Lot' offers the Council economies of scale, while at the same time, hopefully attracting a good mix of providers, both large and small, to bid for either one or all of the Lots.
- 3.4 The procurement of these services will relate to the core support hours only. The majority of clients who will live in these Supported Living schemes (except for Walm Lane - dual diagnosis service) are likely to have additional assessed needs, which will be provided through 1:1 support and will not form part of the procurement exercise. The additional support will be provided via a Direct Payment, which means the person will have choice and control over who delivers the additional support. They may choose the provider of the core hours, or someone completely different. ASC will ensure that the distinction between core and assessed hours is made explicitly clear in the specification.
- 3.5 The duration of the contracts will be for a period of three years with the option to extend for a further two years on a one plus one basis. All services will provide 24-hour care and support, including waking night cover. ASC are confident that there will be provider interest for bidding for these services. A market engagement day will be held to encourage and alert the market to the proposed tender.
- 3.6 If consent is given to proceed to tender, commissioners will intensively manage the contract award and mobilisation process in partnership with council stakeholders and the identified providers for each of the four Lots.
- 3.7 The budgets for each of the services are highlighted below. Finance are in agreement with the proposed financial envelope, which takes account of London Living Wage of £10.75 per hour. Further detailed financial information is provided at Section 5.

4. The individual procurement 'lots'

Lot 1 Profound and Multiple Learning Disabilities (PMLD) service

- 4.1 124 Harrowdene and John Wilson House will be tendered as one contract as through market engagement it has become clear that there are service benefits and economies of scale to be achieved if they are delivered together.

124 Harrowdene Road, Brent (5 units)

- 4.2 This is a new NAIL service. Brent Council recently purchased the property directly in response to this need for a PMLD service. The authority currently only has one PMLD service in the Borough (John Wilson House) and evidence suggests that there is demand for another PMLD service within the borough.
- 4.3 Although the building has yet to be renovated, it is anticipated that work will commence in early autumn, this provides sufficient time for the property to be fully renovated and ready for service delivery by 1st April 2021.

John Wilson House, 167 Willesden Road, Brent (5 units)

- 4.4 John Wilson House (JWH) comes under the Council's PFI partnership with Hyde Housing. The accommodation already provides a 24/7 PMLD Supporting Living service for five people all of whom have very high and complex needs. The service has been in operation since 2010. Due to the complex needs of the clients at JWH, Brent Clinical Commissioning Group (CCG) fund either all or a percentage of each client through the Continuing Health Care budget.
- 4.5 Hyde Housing own the building and Brent Council have a 999-year lease. Adult Social Care have responsibility for replacing equipment such as washing machines and wheel chair weighing scales. Building repairs and housing management responsibility lies with the contractor Ian Williams, (who is part of Brent Co-Efficient group formed as part of the PFI agreement).
- 4.6 Achieve Together (previously known as CMG) is the current service provider and have delivered the care and support service since 2010. The service was originally a care home but de-registered to a Supported Living service a number of years ago. CQC inspected the service in 2019 and rated the service as Good, and Brent commissioning staff have recently visited the service and agreed that the quality of the service being delivered was good. However, it is important that the Council retenders to ensure that it complies with EU and national procurement legislation and ensures the best quality service is delivered to service users.

Lot 2 - Mental Health Service

18 St Gabriel's Road, Willesden Green, Brent. Mental Health Supported Living service (8 units)

- 4.7 St Gabriel's was previously a Housing Related Support service for people with a Mental Health diagnosis. However, it became clear that this service was not meeting the needs of the people living there. They needed more support and so it was re-designed as an 8 bedded Supported Living service. The service was tendered in December 2019 as a Mental Health CQC registered Supported Living service, which became operational on 31st March 2020. The current contract was for 12 months and Equinox currently deliver the care and support service.

Lot 3 Dual Diagnosis Mental Health Service.

155 Walm Lane, Brent - Dual Diagnosis Mental Health Service (6 units)

- 4.8 155 Walm Lane is Brent Council's only Mental Health dual diagnosis service. The service currently comes under Housing Related Support and is delivered by Brent, Wandsworth and Westminster Mind. However, like St Gabriel's the clients within Walm Lane are referred via the Community Mental Health Team only, so all clients are in receipt of secondary Mental Health services and have high support needs.
- 4.9 The current service is not working as effectively as we would like. This is because the service does not provide as much support and because the current provider is not a specialist dual diagnosis provider. Therefore, as with St Gabriel's this service has been re-designed as a Supported Living service, which will increase the support provided (particularly in the evening) and we are

seeking to bring in a specialist dual diagnosis provider. In order to attract a specialist provider, the hourly rate is slightly higher to the other Supported Living services included within this tender opportunity. This reflects the higher cost of staff due to specialist training in respect of dual diagnosis.

Lot 4 Learning Disability Service

3 Salmon Street, Brent. Learning Disability Service (6 units)

- 4.10 Cranhurst and Salmon Street will be tendered as one contract with one provider delivering both services as through market engagement it has become clear that there are service benefits and economies of scale to be achieved if they are delivered together.
- 4.11 Salmon Street LD service has been operational since 2017 and forms part of the NAIL portfolio. The current support provider is Voyage Care. The service has six units all of which are occupied. The service is deemed to be of good quality. However, the hourly rate for Salmon Street is particularly high and is not in line with other supported living services, even taking into account the new increase in London Living Wage the hourly remains higher now than what it will be in the future. Therefore retendering this service has allowed Officers to make some efficiencies within this provision.

2-4 Cranhurst Road, Brent. Learning Disability Service (7 units)

- 4.12 2-4 Cranhurst Rd, is a new NAIL Learning Disability service. The property is able to provide up to seven units of accommodation. However, the configuration of the property has not yet been agreed.

5.0 Financial Implications

- 5.1 The NAIL project is central to the long-term vision of ASC and is a key strategic driver in realising savings of over £9.5m by 2021, with an estimated 648 new units to have been commissioned by 2023. The 12 units at Cranhurst Road and Harrowdene Road will be integral in contributing to delivering these efficiencies by offering people alternative accommodation to that of institutional care homes.
- 5.2 Both Harrowdene and Cranhurst will be Supported Living services that support people with particularly challenging and complex needs, we are therefore confident that we will achieve the full £331 per week per person for all 12 units across both these services. The current annual figures for both Harrowdene and Cranhurst combine the future annual cost of the service together with the estimated NAIL efficiencies of £331 per person per week. This method helps to clearly demonstrate what the overall net savings are for both services when the current annual budget is then deducted from the future annual budget.
- 5.3 All of the new services will be funded as London Living Wage Services, which costs £176k.
- 5.4 There is one other additional cost (£77k) as a result of the increase in core hours at 162 St Gabriel's and 155 Walm Lane.

- 5.5 It should also be noted that the CCG fund 55% of the costs at John Wilson House. This is due to all 5 clients either having all of or part of their care and support costs paid via the Continuing Health Care budget.
- 5.6 The table overleaf shows the current and future revenue costs for the Supported Living services, which gives an overall saving of £58k per annum even after delivering London Living Wage.

Scheme	Current Annual Cost	Future Annual cost	Differential costs
John Wilson House	£376,461.	£462,221	-£85,760
124 Harrowdene Road	£548,513.	£462,221	£86,292
2-4 Cranhurst Road	£463,879.	£343,071	£120,808
155 Walm Lane	£138,286.	£249,318	-£111,032
3 Salmon Street	£398,444.	£293,767	£104,677
18 St Gabriel's Road	£144,636.	£201,323	-£56,687
TOTAL	£2,070,219.	£2,011,921	£58,298

6.0 Legal Implications

- 6.1 The proposed estimate for the procurement for six Contracts will be above the threshold for services as detailed in the Public Contracts Regulations 2015 ("PCR 2015"). The estimated value for services will be £10,059,605 for the term of the Contracts.
- 6.2 The total estimated value of the six Contracts is such that they are classified as High Value Contracts under the Council's Contract Standing Orders. For High Value Contracts, the Cabinet must approve the pre-tender considerations set out in paragraph 6.2 below (Standing Order 89) and the inviting of tenders for the framework (Standing Order 88). Delegated authority to the Strategic Director for Community Wellbeing, in consultation with the Lead Member for Adult Social Care is sought to appoint Service Providers for the Contracts and therefore, once the tendering process is undertaken, Officers will report back to the Strategic Director for Community Wellbeing, explaining the process undertaken in tendering the contract and recommending appointments to the Contracts.
- 6.3 As this procurement is subject to the full application of the PCR 2015, the Council must observe the requirements of the mandatory minimum 10-calendar standstill period imposed by the PCR 2015 before the Contracts can be awarded. The requirements include notifying all tenderers in writing of the Council's decision to award and providing additional debrief information to

unsuccessful tenderers on receipt of a written request. The standstill period provides unsuccessful tenderers with an opportunity to challenge the Council's award decision if such challenge is justifiable. However if no challenge or successful challenge is brought during the period, at the end of the standstill period the Council can issue a letter of acceptance to the successful tenderers and the Contracts may commence.

7.0 Procurement

7.1 In accordance with Contract Standing Orders 88 and 89, pre-tender considerations have been set out below for the approval of the Cabinet Member for ASC.

Ref.	Requirement	Response	
(i)	The nature of the service	6 supported living services supporting individuals with Mental Health, Dual Diagnosis and PMLD support needs	
(ii)	The estimated value.	£10,059,605 over the possible 5 year contract term	
(iii)	The contract term.	Initial contract term three years with the option to extend for a further two years on a one plus one basis	
(iv)	The tender procedure to be adopted.	Open tender process	
v)	The procurement timetable.	Indicative dates are:	
		Market engagement	26th August 2020
		Adverts placed	11 th September
		Invite to tender	16 th September
		Deadline for tender submissions	21 st October
		Panel evaluation	November/December 2020
		Contract decision	December 2020
		Report recommending Contract award circulated internally for comment	w/c 4 th January 2020
		Strategic Director approval	w/c 18 th January 2021

Ref.	Requirement	Response	
		Minimum 10 calendar day standstill period – notification issued to all tenderers and additional debriefing of unsuccessful tenderers (22 nd January 2 nd February
		Contract award date	3 rd February 2021
		Contract Mobilisation	February /March 2021
		Contract start date	1 st April 2021
(vi)	The evaluation criteria and process.	<ol style="list-style-type: none"> 1. At initial stage based on evaluation criteria published and the use of a supplier questionnaire the panel will identify organisations meeting the Council's financial standing requirements, technical capacity and technical expertise. The questionnaire and criteria are to be drawn up in accordance with the Council's Contract Procurement and Management Guidelines. 2. At tender evaluation stage, the panel will evaluate the tenders against the following criteria: 50% quality, 10% Social Value and 40% price. The panel will evaluate the tenders against the following criteria : 3. Safeguarding 4. Support and Care planning including risk management 5. Working effectively with service users to achieve outcomes 6. Workforce including, staffing developments, satisfaction of workforce, staffing retentions 7. 	
(vii)	Any business risks associated with entering the contract.	<p>The following business risks are considered associated with entering into the proposed contract. Financial Services and Legal Services have been consulted concerning this contract and have identified the risks associated with entering into this contract set out Section 8.0</p> <p>Human Resources implications: TUPE, The transfer of support provision from old providers to new if different from incumbent provider after tender</p>	

Ref.	Requirement	Response
(viii)	The Council's Best Value duties.	The adoption of an open tendering process will enable the council to achieve best value for money
(ix)	Consideration of Public Services (Social Value) Act 2012	see Section 9 below
(x)	Any staffing implications, including TUPE and pensions.	As 4 of the services have been in operation between 1 and 10 years, there will be TUPE implications which have been taken into consideration with the time scales
(xi)	The relevant financial, legal and other considerations.	See sections 4 and 5 above.

8.0 Equality Implications

8.1 The proposals in this report have been subject to screening and officers believe that there are no equality implications.

9.0 Consultation with Ward Members and Stakeholders

9.1 The Lead Member for Adult Social Care has been consulted.

10.0 Human Resources/Property Implications (if appropriate)

10.1 The services are currently provided by external providers and there are no direct staffing implications for the Council arising from the tender process. However, as part of the procurement process, employee liability information will be sought from current contractors and provided to the tenderers. The TUPE process and any issues that may arise from it will be managed during the mobilisation phase, which will be at least two months between contract award and commencement.

11.0 Public Services (Social Value) Act 2012

11.1 The Council is under duty pursuant to the Public Services (Social Value) Act 2012 ("the Social Value Act") to consider how services being procured might improve the economic, social and environmental well-being of its area; how, in conducting the procurement process, the Council might act with a view to securing that improvement; and whether the Council should undertake consultation. Officers have had regard to considerations contained in the Social Value Act in relation to the procurement

11.2 It is the intention within this tender that 10% of the total evaluation criteria will be reserved for social value considerations.

Report sign off:

PHIL PORTER

Strategic Director of Community and
Wellbeing