

	<b>Decision of Cabinet Member for Community Health and Wellbeing</b>
	<b>Report from the Corporate Director, Community Health and Wellbeing.</b>

**Authority To Vary and Extend a Contract For The  
Provision Of Accommodation Based Mental Health  
Rehabilitation And Recovery Services At 7 – 9 Pound  
Lane Nw10 2hs With Metropolitan Housing Trust Limited**

<b>Wards Affected:</b>	All
<b>Key or Non-Key Decision:</b>	Non-key decision
<b>Open or Part/Fully Exempt:</b> <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small>	Open
<b>List of Appendices:</b>	N/A
<b>Background Papers:</b>	N/A
<b>Contact Officer(s):</b> <small>(Name, Title, Contact Details)</small>	Name: Andrew Davies Job Title: Head of Commissioning, Contracting and Market Management Email: <a href="mailto:Andrew.davies@brent.gov.uk">Andrew.davies@brent.gov.uk</a>

**1.0 Executive Summary**

1.1 This report requests individual Cabinet Member approval to vary and extend a contract for the provision of accommodation based mental health rehabilitation and recovery services at 7 – 9 Pound Lane, NW10 2HS with Metropolitan Housing Trust Limited as required by Contract Standing Order 112. The report summarises the reasons for the request to vary and extend and sets out the nature of the variation and the duration of the extension.

**2.0 Recommendation(s)**

That the Cabinet Member for Community Health and Wellbeing, having consulted with the Leader:

2.1 Approves the variation of the Contract for the Provision of Accommodation Based Mental Health Rehabilitation and Recovery Services at 7–9 Pound Lane, NW10 2HS with Metropolitan Housing Trust Limited to permit the extension of the Contract (“the Variation”) as set out in paragraphs 3.2.

2.2 Approves the extension of the contract detailed in 2.1 above for a period of 12 months from 1<sup>st</sup> November 2024 to 31<sup>st</sup> October 2025 in the sum of £182,898.78.

### **3.0 Detail**

#### **3.1 Contribution to Borough Plan Priorities & Strategic Context**

3.1.1 Strategic priority 5 of the Borough Plan, A Healthier Brent, says that the Council will make sure that health and social care services meet local needs.

3.1.2 In particular, the Council will ensure that adults with mental health needs are able to access support services that are responsive to their needs and the Council will work with residents as partners in their own care and support.

3.1.3 The Variation and extension will provide an inclusive and accessible environment, the services actively work towards reducing health inequalities and strengthening community ties through supporting people closer to home, engagement initiatives and robust partnerships with local organisations. Furthermore, the settings not only support employment in the local community through job creation and specialised training but also enhances the resilience of these communities by fostering supportive networks. This Variation and extension will ensure the continued alignment with and contribution to the Council's aspirations, promoting a healthier, more equitable, and unified community.

3.1.4 The proposed Variation and extension to this contract will enable the Council to review the contracts and work with the residents living at the relevant supported living site to shape the future of the services they receive by shaping the specification and through their participation in the procurement process.

#### **3.2 Background**

3.2.1 Officers in ASC Commissioning are working on a broad commissioning plan for supported living and extra care services. There has been a considerable expansion in the use of supported living provision in recent years. This is due to the overall increase in the number of people Brent is supporting, but also down to commissioning intentions – to use less residential (and nursing) care where at all possible and to promote independence.

3.2.2 There are a number of priorities for the service in 2024/25, many of which are linked to the expansion of the Brent Supported Living programme. As the programme matures, care services have to be tendered, and this is the case for seven learning disability schemes, seven mental health schemes, one physical disability service, one sensory needs service and six extra care schemes in the next two years. Reviews of these services have started with a focus on reviewing the service specifications, the outcomes they are achieving against the demand for schemes and the views of service users and social work practitioners to ensure that they are meeting peoples' needs and Brent is

making best use of these resources. Priority has been given to the LD and extra care schemes due to the contract expiry dates.

3.2.3 This report covers the contract for services for mental health provision at 7-9 Pound Lane. There are eight units of accommodation at the service. On 1<sup>st</sup> November 2019, the Council entered into a call-off contract for Accommodation Based Mental Health Rehabilitation and Recovery Services at 7–9 Pound Lane NW10 2HS with Metropolitan Housing Trust Limited T/a Metropolitan Thames Valley (the “Contract”). The Contract commenced for a period of two (2) years with the provision to extend by yearly periods up to a maximum of 2 years on a 2+1+1 basis.

3.2.4 A request to exercise the first extension of 12 months was approved October 2021 in accordance with the extension provisions in the Contract. A request to exercise the second extension of 12 months was approved in October 2022 in accordance with the extension provisions in the Contract. The Contract was then varied and extended for a further 12 months in October 2023 through Chief Officer delegated powers. Following this variation and extension the Contract is due to expire on 31<sup>st</sup> October 2024. Officers consider varying and extending the Contract by a further 12 months from 1<sup>st</sup> November 2024 will achieve best value for the Council and is reasonable in all the circumstances. Officers seek authority to vary the Contract to allow for it to be further extended for a period of 12 months from 1<sup>st</sup> November 2024.

3.2.5 The Contract will end on the 31<sup>st</sup> of October 2024 after which there will be no contractual arrangements for the for the provision of Accommodation Based Mental Health Rehabilitation and Recovery Services at 7–9 Pound Lane NW10 2HS. Officers intend to include 7-9 Pound Lane in a review of supported living services for adults requiring supported living services for mental health difficulties along with two other sites. The intention is to align the contract end dates for the above services with three other mental health contracts in order to carry out a review of mental health service provision and re-tender contracts at the same time. The review will look at the overall strategy for these mental health contracts, how services are delivered, how to achieve better outcomes for service users, how the Council can better manage its financial exposure to voids and the potential for achieving savings through economies of scale on these contracts. The services will be recommissioned in the next 12 months. The other services are –

- 69 Craven Park Road, NW10 8SR
- 33 Essex Road and 144 The Mall

3.2.6 Aligning the contracts will also allow the procurement for all sites to take place at the same time resulting in a more efficient use of both commissioning and procurement resources. This approach will enable officers to examine the potential to bring two or more of the services together into lots under one contract, where there is benefit in doing this. Grouping the sites together will help make the services more attractive to potential bidders than tendering for each service separately.

- 3.2.7 Commissioning each service individually would be a missed opportunity to carry out this review. The outcome of this engagement and review will be set out in a report that will be presented to DMT later in the year.
- 3.2.8 In view of the above, Officers consider that the Contract should be varied and extended and have entered into discussions with Metropolitan Housing Trust Limited (the “Contractor”) to explore the possibility of varying and extending the Contract from 1 November 2024 to 31 October 2025.
- 3.2.9 In accordance with clause B2.6, the Contract allows for a variation that shall be effective if mutually agreed by the Parties and made by written agreement executed by duly authorised representatives of both Parties and annexed to the Contract. The Contractor has been consulted and is in agreement with the proposals set out in this report. This will result in a more efficient use of both commissioning and procurement resources.
- 3.2.10 In addition to the proposed variation, Officers also recommend an extension to the term of the Contract. The Contract contains provisions permitting extensions to the Contract under Clause B1.1. The extension provision in the Contract that was let has already been utilised, however. Also, the Contract has been varied and extended by the Director of Adult Social Care by 12 months using delegated powers under paragraph 9.5 & 9.7 of Part 3 of the Constitution and the Corporate Director or Director is therefore unable to extend the Contract any further as their delegated powers have been exceeded. For the reasons detailed in paragraphs 3.2.1 to 3.2.9, Officers seek authority to further extend the Contract.
- 3.2.11 Pursuant to paragraph 13 of Part 3 of the Constitution and subject to consultation with the Leader, the Cabinet Member for Community Health and Wellbeing, has delegated powers to agree the proposed variation and extension of the Contract.

#### **4.0 Stakeholder and ward member consultation and engagement**

- 4.1 The Contractor has been consulted and is in agreement with the proposed extension of the service pending a full procurement process.
- 4.2 The residents at 7-9 Pound Lane and their families have been consulted in relation to the proposed procurement and shaping the future of the service. This consultation was done in December 2023 and January 2024.

#### **5.0 Financial Considerations**

- 5.1 The value of the proposed variation and extension of the Contract is £182,898.78. The value of the proposed variation and extension will include the London Living Wage uplift and a discretionary uplift awarded by the Council. The current terms and conditions of the contract will remain the same.
- 5.2 The cost of this variation and extension of the Contract will be funded from Adult Social Care budgets.

5.3 The Service Specification and associated Schedules include:

- A Quality Assurance Framework
- An Outcomes Framework and
- A Performance Management Framework.

5.4 In addition, a team of Placement Relationship Officers (PRO) will monitor the contract and the quality-of-service provision. They will undertake regular provider audits, which will include face to face discussions with service users, deal with complaints with the aim of preventing escalation and participate in safeguarding investigations. PRO's will develop an ongoing relationship with the provider making recommendations for improvement and monitoring the implementation of those recommendations.

5.5 In addition to contract monitoring visits outlined, there is also quarterly contract management meeting of individual providers. Should an issue arise outside of these meeting the relevant PRO will be in contact with the provider. The Provider Forum, which meets regularly encourage the sharing of good practice and develop an agenda that will focus on quality and improvement. This includes speakers and workshops that focus on current issues, common challenges and emerging issues including those relating to equalities.

## **6.0 Legal Considerations**

6.1 Officers recommend the variation and extension of the Contract as set out in paragraphs 2.1 and 2.2.

6.2 The value of the original contract is such that it is subject to application of the Public Contract Regulation 2015 (PCR 2015).

6.3 A contract may only be modified (to include an extension) without a new procurement procedure where this is done in accordance with Regulation 72 of the PCR 2015. Regulation 72 sets out various circumstances in which it is possible to vary and extend a contract. Regulation 72 (1)(b) of the PCR 2015 states that contract and framework agreements may be modified without a new procurement procedure for additional works, services or supplies by the original contractor that have become necessary and were not included in the initial procurement, where a change of contractor:

- (i) cannot be made for economic or technical reasons such as requirements of interchangeability or interoperability with existing equipment, services or installations procured under the initial procurement, and
- (ii) would cause significant inconvenience or substantial duplication of costs for the contracting authority;

provided that any increase in price does not exceed 50% of the value of the original contract;

- 6.4 Regulation 72 (2) sets out (2) Where several successive modifications are made: —
- (a) the limitations imposed by the provision at the end of paragraph 72 (1)(b) shall apply to the value of each modification; and
  - (b) such successive modifications shall not be aimed at circumventing this part.
- 6.5 As set out in paragraph 3.2.11, pursuant to paragraph 13 of Part 3 of the Constitution, the Cabinet Member for Community Health and Wellbeing has delegated powers to agree the proposed extension and Variation.

## **7.0 Equity, Diversity & Inclusion (EDI) Considerations**

- 7.1 Pursuant to s149 Equality Act 2010 (the “Public Sector Equality Duty”), the Council must, in the exercise of its functions, have due regard to the need to:
- (a) eliminate discrimination, harassment and victimisation and other conduct prohibited under the Act
  - (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and
  - (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it,
- 7.2 The Public Sector Equality Duty covers the following nine protected characteristics: age, disability, marriage and civil partnership, gender reassignment, pregnancy and maternity, race, religion or belief, sex, and sexual orientation.
- 7.3 Having due regard involves the need to enquire into whether and how a proposed decision disproportionately affects people with a protected characteristic and the need to consider taking steps to meet the needs of persons who share a protected characteristic that are different from the needs of persons who do not share it. This includes removing or minimising disadvantages suffered by persons who share a protected characteristic that are connected to that characteristic.
- 7.4 There is no prescribed manner in which the Council must exercise its public sector equality duty but having an adequate evidence base for its decision is necessary.
- 7.5 The proposals in this report have been subject to screening and Officers believe that there are no adverse equality implications.
- 7.6 Officers do not consider that there are any adverse health equalities implications arising from the recommendations in the report.

## **8.0 Climate Change and Environmental Considerations**

8.1 There are no specific climate change and environmental considerations regarding the extension of this Contract.

## **9.0 Human Resources/Property Considerations (if appropriate)**

9.1 This service is currently provided by an external contractor and there are no implications for Council staff arising from varying and extending the Contract.

9.2 There is no property / accommodation implication/s.

## **10.0 Communication Considerations**

10.1 The residents at 7-9 Pound Lane and their families have been consulted in relation to the proposed procurement and shaping the future service. The face-to-face consultation took place in December 2023 and January 2024. The focus of the consultation was changes they would like to see in terms of developing a new specification for when the Council tenders this contract. Consultation with colleagues in Adult Social Care and the ICB took place on December 2023. This identified the need for a wider piece of work to look at MH pathways linked to supported living provision not just the provision itself. Should the recommendations be agreed, the resident's and their families will be advised of the extension to the Contract.

### **Report sign off:**

Rachel Crossley  
Corporate Director, Community Health, and  
Wellbeing.