

	Decision of Cabinet Member for Adult Social Care, Public Health and Leisure
	Report from the Corporate Director, Service Reform and Strategy
Authority to vary and extend a contract for the provision of Accommodation Based Mental Health Rehabilitation & Recovery Services for Adults at 33 Essex Road & 144 The Mall with Equinox Care	
Wards Affected:	All
Key or Non-Key Decision:	Non-key decision
Open or Part/Fully Exempt: (If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)	Open
List of Appendices:	N/A
Background Papers:	N/A
Contact Officer(s): (Name, Title, Contact Details)	Name: Edwin Mensah Job Title: Head of Commissioning, Contracting and Market Management. Email: Edwin.Mensah@brent.gov.uk

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 for Adults At 33 Essex Road and 144 The Mall with Equinox Care in accordance with paragraph 13 of Part 3 of the Constitution. The report summarises the reasons for the request to vary and extend.

2.0 Recommendation(s)

That the Cabinet Member for Adult Social Care, Public Health and Leisure, 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 for Adults At 33 Essex Road and 144 The Mall with Equinox Care as set out in section 3.2.

- 2.2 Approves the extension of the contract detailed in 2.1 above for a period of 10 months from 1 November 2025 at the estimated sum of £215,824.

3.0 Detail

3.1 Contribution to Borough Plan Priorities & Strategic Context

- 3.1.1 Moving Brent Forward Together sets out Brent's Borough plan, developed in partnership with the residents. Strategic priority 5, A Healthier Brent, outlines a commitment to improve health outcomes for those who need it most. The plan is committed to ensuring that all adults with care and support needs can access support and services and they are integrated with health, culturally competent and responsive to individual need.
- 3.1.2 The variation and extension will align with the Council in its commitment to work in partnership with health providers, to support people to look after their mental health and wellbeing and ensure our support for people with mental illness is holistic and responds to their physical health needs as well as their wider aspirations, for example employment and housing. Additionally, it will align with the Council's aspirations to improved physical health, housing and employment outcomes for people accessing mental health services.
- 3.1.3 Theme 3 of the Brent Joint Health and Wellbeing Strategy Refresh-Tackling Health Inequalities, Staying Healthy, is committed to working towards improving mental health awareness in Brent through co-production of community engagement sessions.
- 3.1.4 Residents will be consulted and involved in deciding local solutions during the variation and extension period, which will provide the Council with an opportunity and time to strengthen our commissioning approach to prevention and wellbeing.

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 drive and increase in the use of supported living provision in recent years. This is result of the growth in the population in Brent, specifically during the 2013-23 period, where the number of residents aged 65 and over rose by 22% (Population change in Brent Key facts about population trends in Brent); three times faster than the overall pace of population growth. Commissioning intentions – to use less residential (and nursing) care where at all possible and to promote independence, aligns with this and empowers adults with learning disabilities mental illness & autism to lead the lives they choose, whilst receiving appropriate support.
- 3.2.2 Supported living can have a positive impact on residents' quality of life by improving their physical and mental health through the provision of housing,

employment and engagement with the community. Mental health supported living services provide accommodation-based support for people to:

- Manage their mental health recovery in a safe environment;
- Move from or prevent homelessness and hospital admissions as they develop independently;
- Live fulfilling healthy lives as part of their community.

3.2.3 There are a number of commissioning priorities for the service in 2025/26, with many being linked to the expansion of the Brent Supported Living development strategy. As the plan progresses care services are being tendered, services mobilised and contracts managed including seven mental health schemes seven learning disability schemes, six extra care schemes and one physical disability service, within the next two years.

3.2.4 Engagement with residents of supported living services and other key stakeholders has already commenced and these services are willing to facilitate further engagement. Reviews of the current mental health schemes have started with a focus on appraising the service specifications, the outcomes they are achieving against the demand for schemes.

3.2.5 This report covers the contract for services for mental health provision at Essex Road and The Mall. There are six units of accommodation at Essex Road, and five units at The Mall. On 1st November 2019 the Council entered into an Accommodation Plus DPS agreement to Contract with Equinox Care for the provision of rehabilitation and recovery services at Supported Living schemes at 33 Essex Road and 144 The Mall. The Contract was awarded on the 1st November 2019 for a period of two (2) years with the option to extend for a further two (2) years on a 2+1+1 basis. The total Contract value for 4 years was £859,241.00.

3.2.6 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. Through Chief Officer delegated powers, the Contract was then varied and extended for a further 12 months in October 2023. Following this, the Contract was varied and extended for a further 12 months from 31st October 2024 by the relevant Cabinet Member.

3.2.7 The Contract is due to expire on 31st October 2025 after which there will be no contractual arrangements for the provision of Accommodation Based Mental Health Rehabilitation and Recovery Services at 33 Essex Road and 144 The Mall. Officers considered having a full competitive tender, however the time scale will not allow for a comprehensive review of supported living services to be completed. Officers intend to include at 33 Essex Road and 144 The Mall in a review of supported living services for adults with mental health difficulties along with another site. The intention is to align the contract end dates with mental health contract for Craven Park Road in order to carry out a review of mental health service provision and re-tender contracts at the same time.

- 3.2.8 The review will focus on the overall strategy for these mental health contracts, current service delivery, achieving improved 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 10 months, as Officers seek to commence a new procurement procedure. Commissioning each service individually would be a missed opportunity to carry out this review. The other service included in this review is 69 Craven Park Road, NW10 8SR.
- 3.2.9 Aligning the contracts will also allow the procurement for the 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.
- 3.2.10 Officers consider that the Contract should be varied and have entered into discussions with Equinox Care to vary and extend the Contract from 1 November 2025 to 31st August 2026. Officers consider varying and extending the Contract by a further 10 months from 1st November 2025 will achieve best value for the Council and is reasonable in all the circumstances.
- 3.2.11 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.
- 3.2.12 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 However, the extension provision in the Contract have already been utilised. 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 - 3.2.11, Officers seek authority to further extend the Contract.
- 3.2.13 Pursuant to paragraph 13 of Part 3 of the Constitution and subject to consultation with the Leader, the Cabinet Member for Adult Social Care, Public Health and Leisure, 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 proposed variation and extension to this Contract will enable the Council to review the mental health contracts and work with the residents living at the relevant supported living sites, to co-produce services. 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 33 Essex Road and 144 The Mall, and their families have been consulted in relation to the proposed procurement and shaping the future of the service. This consultation was undertaken during December 2023 and January 2024.
- 4.3 Further engagement with key stakeholders will take place to enable their participation in the new procurement process prior to its commencement and development of the specification. This will enable the Council to design services that are responsive to the current needs of our residents.

5.0 Financial Considerations

- 5.1 Based on current rates, the value of the proposed variation and extension is £0.216m for 11 units over the 10-month period. This cost is still payable if there are voids. Voids are managed and tracked to ensure that the best value for money is obtained from this contract.
- 5.2 This extension spans across two financial years. Uplifts that may occur in the new financial year are taken into account as part of the Medium-Term Financial Planning process. Any increases in excess of what has been factored into the budget will cause a financial pressure.
- 5.3 The cost of this variation and extension of the Contract will be funded from Adult Social Care budgets.

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 Contract was procured prior to 24 February 2025 in accordance with the Public Contracts Regulations 2015 (PCR 2015) and is governed under the PCR 2015. The value of the original contract is such that it is subject to full application of the 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 Given the limited duration and value of the extension and in light of the pending procurement process for a new long-term contract, it is considered that the Council are able to rely on Regulation 72(1)(b) of the PCR 2015 in varying and extending the Contract as recommended.

6.6 As set out in paragraph 3.2.13, pursuant to paragraph 13 of Part 3 of the Constitution, the Cabinet Member for Adult Social Care, Public Health and Leisure, subject to consultation with the Leader, 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 are no property / accommodation implications.

10.0 Communication Considerations

- 10.1 The residents at 33 Essex Road and 144 The Mall and their families have been consulted in relation to the proposed procurement and shaping the future service. Face to-face consultations took place in December 2023 and January 2024. The focus of the consultation was to establish the effectiveness of the service provision and changes they would like to see incorporated in a revised specification. Consultation with colleagues in Adult Social Care and the ICB took place during December 2023 and July 2025. This identified the need for a wider piece of work to look at Mental Health pathways linked to referrals into supported living provision and more recently the type and level of support that would meet the needs of most of our customers. 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, Service Reform and Strategy