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| Title of Report | Wellbeing Network | | |
| Key Decision No | AHI S104 | | |
| For Consideration By | Cabinet Procurement and Insourcing Committee | | |
| Meeting Date | 18 July 2022 | | |
| Cabinet Member | Cllr Kennedy, Cabinet Member for Health, Adult Social Care, Voluntary Sector and Leisure | | |
| Classification | Open | | |
| Ward(s) Affected | All Wards | | |
| Key Decision & Reason | <table border="1"> <tr> <td>Yes</td> <td>Significant in terms of its effects on communities living or working in an area comprising two or more wards</td> </tr> </table> | Yes | Significant in terms of its effects on communities living or working in an area comprising two or more wards |
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| Group Director | Helen Woodland, Group Director for Adults, Health and Integration | | |

1. CABINET MEMBER'S INTRODUCTION

- 1.1 Mental Health problems are often not the result of any single issue but a range of factors that intersect and interplay with each other. By taking a person-centred, holistic approach, the Integrated Mental Health Network service will support service users to address all factors contributing to their mental health problems, giving them a much greater prospect of recovery. The service will offer a wide range of support interventions and collaborate with other relevant local support services to ensure the care that service users receive is coordinated and effective and that all relevant factors relating to the service users' needs are addressed. The service will reduce health inequalities by focusing on those that experience the greatest disadvantage.
- 1.2 Addressing poor mental mental health is a priority for both the City and Hackney, with Hackney's Health and Wellbeing Board's three key priorities being to improve mental health, increase social connection and support greater financial security. Our young people also told us through the work of the Young Futures' Commission about how important mental health is to them. The Commission explicitly asked for improved accessibility to confidential mental health services for young people and improved counselling services and referral pathways.

- 1.3 Building on the success of the existing service, the Integrated Mental Health Network will be delivered by a lead provider with elements of the service sub-contracted to a number of specialist providers. This will ensure a diverse service with multiple community providers that will reduce access barriers and ensure culturally relevant interventions. At the same time a lead provider responsible for the overall management of the service will ensure an efficient, well run service with equality of access based on need.

2. GROUP DIRECTOR'S INTRODUCTION

- 2.1 Mental health needs in the City and Hackney are high and increasing, not only overall but especially so in their complexity. As poor mental health and complex mental health needs disproportionately affect communities who are socially and economically deprived, a lack of action will inevitably lead to an increase in health inequalities locally. The gap in support services for people with complex mental health problems is recognised as a significant issue nationally, as well as locally. In providing this service, City and Hackney are leaders in addressing this very important issue.

- 2.2 Building on the successes of the existing service, the Integrated Mental Health Network will deliver:

- Holistic, person centred mental health support with a strong emphasis on service user choice and control.
- Recovery or improvement in service user mental health so that they are able to safely move on from the network, able to prosper and no longer require mental health support.
- Improvements in service users' physical health, social connectedness, employment prospects and financial security, all of which are closely interrelated to mental health.
- A reduction in health inequalities relating to mental health need and access to support services
- An integrated service, which is coordinated and joined up with relevant partner services to ensure the best possible experience and care for service users.

3. RECOMMENDATION(S)

- 3.1 **To agree the procurement of the Integrated Mental Health Network service commencing on 1st July 2023 for a period of up to four years , at a maximum value of £5,400,000 (£1,350,000 per year)**
- 3.2 **To agree a three month extension of the existing contract for the Integrated Mental Health Network service with Mind - City, Hackney and Waltham Forest until the end of June 2023 at a cost of £336,062.50 (£1,344,250 annual equivalent).**

4. RELATED DECISIONS

4.1 None

5. OPTIONS APPRAISAL AND BUSINESS CASE (REASONS FOR DECISION)

5.1 Building on the successes of the existing service, the redesigned Integrated Mental Health Network will further improve the coordination of services whilst also more effectively targeting those with the greatest need.

5.2 Service description

5.2.1 The proposed service will provide holistic, innovative and evidence based mental health support to people with complex mental health problems to improve their wellbeing. These interventions will include talking therapies, 1:1 coordination, support groups, education sessions, activities, digital interventions and practical support. The support offered will be holistic, person centred support, including a strong emphasis on service user choice and control and, where appropriate, will be delivered in partnership with other relevant support services. The ultimate goal is to enable the resident to successfully move on from needing mental health services to long-term wellbeing and independence.

5.2.2 The Integrated Mental Health Network will deliver improvements in mental health and wellbeing outcomes for City and Hackney residents. This should also lead to a reduction in secondary care admissions and risk of crisis. It should also lead to a reduction in dependence on other local support services. Mental health is closely linked to issues such as employment, substance use, poverty and experience of trauma. By providing holistic mental health support to residents, the service should have a positive impact on employment, payment of bills and dependence on local support services.

5.2.3 Another key aim of the service is to contribute to a reduction in health inequalities, which will be achieved by targeting residents with complex needs, as well as through the design and range of interventions provided, ensuring they are tailored towards the communities with the highest need and barriers to accessing mental health support.

5.2.4 The primary target population group for the service will be City and Hackney residents with high and complex mental health needs, who are ineligible or too complex for primary mental health services but do not meet the threshold for secondary care, something that has been identified as a gap both locally and nationally. The service will also use its infrastructure and expertise to facilitate the development of community based, lower level and preventative mental health interventions.

5.2.5 Excellent partnership working and coordination will be a priority for this service.

5.3 BENEFITS REALISATION / LESSONS LEARNED

5.3.1 Overall service user feedback for the current Wellbeing Network service is very positive, with over 90% of respondents to regular monitoring stating that they agree or strongly agree with all satisfaction measures. Rather than radically change this successful delivery model, the redesigned service will keep what has been shown to work and retain the basic service delivery model of a lead provider subcontracting to a range of specialist providers.

5.3.2 It is clear that the target population for this service needs to be more carefully defined. Initially the current service was set up to meet the mental health needs of residents across a wide range of severity and complexity. However, this led to the service being spread very thinly, unable to specialise or properly focus on any area of need and resulted in long waiting lists due to the number of eligible people far exceeding the resources available. It also meant that less complex service users could be eligible for multiple services, meaning that referrers were sometimes unclear when to refer to the network as opposed to elsewhere.

5.3.3 Support will be targeted at residents with high and complex mental health needs, as this is the biggest gap in other local service provision. There is high and increasing need in this area locally and this approach is likely to have the most notable impact in terms of preventing even more serious outcomes related to poor mental health, including admission to secondary care and suicide, as well as for reducing health inequalities. The scope of the service complements but does not duplicate other services. Referring processes will be simple and transparent for referring agencies.

5.3.4 The biggest challenge for the existing service is waiting times, a reflection of the popularity and high need for the service. The new service will have a more targeted offer and clearly defined eligibility criteria. The lead provider will be responsible for managing this aspect of the service with robust performance targets and reporting.

5.3.5 Service users appreciate the flexibility of the service to meet their needs, including tailored interventions (e.g. LGBTQI+ specific support), as well as staff who adapt sessions to their individual mental health needs. Service users report really valuing the variety of groups and activities and some of the activity-based offers were especially beneficial to those who do not find more traditional therapy suitable for their needs. Comments also included that the service was well suited to people who have experienced discrimination and feel marginalised. Service users valued having more

informal means of support that complement their core treatment, such as virtual social groups. These elements of the service will be retained.

- 5.3.6 A central point of access, joint training and information sharing have been successes of the existing service delivery model. Integration will be further strengthened in the new contract through a single coordination and management function.
- 5.3.7 The new service design will be more flexible, making it easier to bring in a new subcontractor provider if a significant gap or need is identified. The new service will also be strongly encouraged to work with and use its infrastructure to support other VCS providers outside of the network

5.4 Strategic Context:

5.4.1 This service strongly supports the key priorities identified by the City and Hackney Integrated Care Partnership.

- Deliver a shift in resource and focus on prevention to improve the long-term health and wellbeing of local people and address health inequalities. This service aims to equip service users with the knowledge and tools they need to look after their own long term mental health. It is also strongly focused on preventing resident's mental health problems from deteriorating so that they need crisis or secondary care support. Furthermore, by targeting the service at population groups with the highest levels of need and with greater barriers to access, it is also contributing to reducing health inequalities across the City and Hackney.
- Deliver proactive community-based care closer to home and outside of institutional settings where appropriate. The service will be based in community settings across the City and Hackney to help facilitate access and improve care.
- Ensure we maintain financial balance as a system and achieve our financial plans. Through this contract providers will be required to consider sustainability and value for money. For example, programmes that facilitate volunteering and peer support will be an essential part of this service
- Deliver integrated care which meets the physical, mental health and social needs of our diverse communities. The service will work in partnership with other local mental health services, as well as relevant physical health and wider support services to ensure that the support provided is holistic and tailored to the individual and their specific needs. The range of local subcontractor organisations will be key to helping the service better support our diverse communities.

- Empower patients and residents. All service user recovery plans will be designed and agreed in partnership with service users and their views and needs will be used to shape the service as it progresses.

5.4.2 This service also supports the Mayor's priorities in a number of ways.

Mayor's Priorities:

1. Fairer: Making Hackney a place that works for everyone, with affordable homes, job opportunities, and excellent services and schools; where everyone can play a part.
2. Safer: Making Hackney a place where everyone can feel healthy and safe, at home, at work, and on streets, parks, and estates, and where the air is cleaner.
3. More sustainable: Making Hackney a socially, economically, and environmentally sustainable place, with strong, cohesive, and diverse communities.

5.5 Preferred Option: an Integrated Mental Health Network service delivered by a lead provider with a number of specialist subcontractors

5.5.1 Building on the successes of the existing service, the recommended option is that the recommissioned City and Hackney Integrated Mental Health Network should be delivered by a number of specialist providers coordinated and managed by a lead provider.

5.5.2 One organisation will take overall responsibility for the running and performance of the service. The other organisations in the network will all be subcontracted providers and will directly deliver mental health interventions for service users, including 1:1 support, groups and activities. This model means that the service can benefit both from the experience, infrastructure and security of a larger provider but also have the benefits of local knowledge, adaptability and specialisms of smaller providers.

5.5.3 One of the key aims of the service is to reduce inequalities and to increase access for communities who have high levels of mental health need but are currently underrepresented in local mental health services. This will be facilitated through a range of specialist subcontractors. These providers will be able to offer tailored interventions that are appropriate and appealing to the population groups they represent and use their knowledge and understanding to ensure that the care provided considers an individual's needs and circumstances. Furthermore, by offering alternative entry points within communities via organisations that residents may already know and trust, this decreases barriers to access for some residents, especially those who are more marginalised and do not trust more mainstream services.

- 5.5.4 Having a number of different providers also means that the service is able to offer a much wider range of specialist interventions than a single provider would be able to. This is important in order for the service to be able to provide a holistic, person-centred support offer that addresses the complexity of the service user's needs and properly supports their recovery.
- 5.5.5 A multi-provider model will also be much more beneficial to Hackney's local voluntary and community sector. Hackney has a wide range of high quality small, local organisations who would likely be candidates for subcontractor providers in this service. The contract would provide a level and security of funding that they otherwise would be unlikely to obtain, therefore supporting the stability and growth of this valuable sector.
- 5.5.6 By commissioning a model that maximises the benefits and recovery prospects for service users, this also ensures that this service will provide the best value for money. Supporting somebody to overcome their mental health difficulties using a holistic approach will not only improve their mental wellbeing but is also likely to have a positive impact on their physical health, employment prospects, relationships, financial management and many other factors that will help them to contribute to the local community and economy. Furthermore, the new service will be required to develop a comprehensive peer support programme to support service delivery, which will be more effective under a multi-provider model, providing further value for money, in addition to benefits for service users and the local community.

5.6 ALTERNATIVE OPTIONS (CONSIDERED AND REJECTED)

Do nothing:

- 5.6.1 This would have a huge negative impact on the local population's health and wellbeing and would further increase health inequalities.
- 5.6.2 Prior to the coronavirus pandemic, concerns around mental health, as well as suicide and self-harm rates were increasing. Since the start of the pandemic local and national services have noted increases in the number and complexity of people requiring support services.
- 5.6.3 With the service currently supporting over 1,500 City and Hackney residents, not recommissioning the service would cause a huge reduction in the mental health support available at a time when, if anything, more is needed. It would also specifically create a gap in provision for service users with complex mental health needs, as the service focuses on supporting this group. These service users will often not be eligible or suitable for other alternative local mental health services, such as IAPT, due the complexity of their needs, or secondary care due to not meeting the threshold for this. Therefore, without the service, they would have nowhere to access mental health support. This would likely lead to a further deterioration of their health

and wellbeing, damage their personal future prospects, impact their families/relationships and employment, as well as leading to an increase in crisis/secondary care admissions and suicide attempts.

- 5.6.4 The service will also provide reach into a number of communities, where access to mental health services would otherwise be low, despite often high rates of mental ill health and risk factors such as low income and unemployment. The importance of having this service as an alternative to NHS services, for residents who may be reluctant to approach the latter, was also noted as being hugely valuable by a wide range of stakeholders.

Single provider (no subcontracting):

- 5.6.5 Whilst this option could provide some economies of scale, the provider would not be able to offer the same reach into many of the target population groups within the City and Hackney. It would not have the advantage of having a number of specialist providers that deeply understand the communities they serve and how to best support them, nor would it be able to leverage existing connections with these communities to improve access to support in the way that a number of smaller providers would.

- 5.6.6 One single large provider would not be able to offer the same range in specialist provision/interventions that a number of smaller providers could. Therefore, they would be unable to offer such a holistic, tailored service to meet the specific needs and maximise service user recovery in the same way that a network of smaller providers could.

- 5.6.7 A single large provider would not share the same benefits, compared to a network of providers, of sharing of learning, experience and best practice.

Insourcing:

- 5.6.8 Insourcing this service was considered in detail but it was ultimately decided that it would not be appropriate to take this forward at this time for the following reasons:

Reducing barriers to access

- 5.6.9 One of the key successes of the current service highlighted by a wide range of stakeholders during the consultation is the way it improves accessibility for mental health support by offering a community based alternative to NHS provision. By offering an alternative front door through voluntary and community service, the Integrated Mental Health Network will appeal to residents that otherwise would not access local mental health services.

Recruitment of specialist staff

- 5.6.10 In order to provide this integrated mental health service a high number of specialist staff will be required, including mental health professionals and

experienced practitioners. The Council does not currently have the existing expertise that would be necessary to deliver this and would need to build its capacity over a number of years.

Cost

5.6.11 There is not currently the capacity to deliver this service in-house. Any potential savings to management costs would be offset by the need to increase internal management capacity. In addition, the Council would have to recruit the specialist mental health expertise available to expected bidders at the organisational level.

Impact on the local community and voluntary sector

5.6.12 Insourcing the service would take a large amount of secure funding away from the community and voluntary sector, which is already under significant financial pressure locally.

5.6.13 An added benefit of the Integrated Mental Health Network model is that it brings together a range of voluntary and community sector organisations and reduces silo working. A benefit that would be lost if it was to be insourced to the Council.

5.7 Success Criteria/Key Drivers/Indicators:

5.7.1 While this is not a statutory service, nor is it driven by any specific government targets, both local and national policies are clear that mental health is a priority that has become even more so since the coronavirus crisis.

5.7.2 Provision of this service should delay or prevent residents' mental ill health escalating to higher levels of need. This enables the Local Authority to discharge its duty under the Care Act 2014 to provide preventative services and increase the wellbeing of residents.

5.8 Whole Life Costing/Budgets:

5.8.1 The annual budget for the service to be recommissioned will be a maximum of £1,350,000 per year for up to four years (2+1+1) funded via the ring-fenced Public Health Grant.

5.8.2 The City of London will contribute 3% towards the total cost of the service to reflect the anticipated level of activity delivered in the City.

5.8.3 To ensure continuity of service and a smooth transition, the existing contract with Mind in the City and Hackney for the Integrated Mental Health Network service will be extended by three months until the end of July 2023 at a total cost of £336,063. A five year contract with a total value of £10.2M was

originally issued to Mind following a competitive procurement process in 2015. This was subsequently extended by a total of three years to the end of March 2023 at a cost of £4.1M.

5.9 Policy Context:

5.9.1 Good mental health and wellbeing are relevant to some degree in most local and national policies and strategies. However, some of the most relevant ones are listed below.

Hackney Health and Wellbeing Strategy 2022-2026

5.9.2 The Hackney Health and Wellbeing Board has drafted a Health and Wellbeing Strategy for 2022-2026. It has agreed three key priorities to improve health and reduce inequalities. These are:

- improving mental health
- increasing social connection
- supporting greater financial security

5.9.3 The proposed service clearly targets the first priority around mental health. Issues such as financial difficulties and social isolation are often closely interconnected with mental health problems and clients in the service will be supported holistically, whether through direct interventions or by supporting them to access other services they would benefit from.

Hackney Council Corporate plan refresh:

5.9.4 Improving mental health and wellbeing is relevant to all aspects of the Corporate Plan but especially to Priority 5: Community Wellbeing and Tackling Health Inequalities. This service aims to improve the wellbeing of residents overall but it is also designed to do so in a way that specifically addresses health inequalities.

5.9.5 The crosscutting priority 'Keep in focus the most vulnerable and tackling key inequalities, and specifically racial inequality' is well supported by this service. Residents with the highest levels of need and vulnerabilities due to mental health and related complexities will be prioritised. Furthermore, one of the key aims of the service is to improve access to population groups currently underrepresented in mental health services and this will partly be achieved by having services embedded in certain communities.

5.9.6 Given the holistic nature of the service and the close link between debt and mental health, Priority 1: Poverty Reduction is also relevant to this service. Priority 4: Supporting children and young people to thrive will be supported through work with young adults with mental health needs but also through the support provided to parents and carers.

The Hackney Community Strategy 2018–2028

5.9.7 The proposed service will also strongly support the Hackney Community Strategy 2018–2028. The most relevant aspects from the priorities listed in this strategy are: that Hackney is a borough with healthy, active and independent residents and a supportive community, somewhere everyone can enjoy a good quality of life, where residents fulfil their potential and everyone contributes to community life. These values also will underpin the new integrated mental health service.

City of London Corporate Plan

5.9.8 The service will also support many of the aims and priorities set out in the City of London's Corporate Plan, most notably that "People enjoy good health and wellbeing". which is one of the main aims of the service. However, it will support other priorities, such as contributing to a flourishing society, people having equal opportunities to enrich their lives and reach their full potential and communities being cohesive with the facilities they need

No health without mental health

5.9.9 Although this report was published in 2010, the objectives in it are still very relevant and are well supported by the proposed service.

- *More people will have good mental health:* this is a fundamental aim of the proposed service
- *More people with mental health problems will recover:* recovery from mental health problems is one of the main objectives of this service
- *More people with mental health problems will have good physical health:* as the service will address clients' wellbeing in a holistic way, physical health will be a key part of this, especially given it is often closely related to mental health
- *More people will have a positive experience of care and support:* One of the objectives of the service will be to provide a service that is tailored to the needs of the population, especially those who are underserved by existing services, partly due to previous negative experiences.
- *Fewer people will suffer avoidable harm:* by supporting people with complex mental health problems the service aims to avoid more serious illness for clients that would require, for example, secondary care.
- *Fewer people will experience stigma and discrimination:* One of the objectives of the service is to target improvements in mental health knowledge and accessibility of support to communities experiencing higher levels of discrimination and support.

NHS Long Term Plan

5.9.10 Although this will not be an NHS service, the NHS Long Term Plan is an important document for health and wellbeing and this service is closely aligned to many of the ambitions in the Long Term Plan relating to mental health and wellbeing, including targeting people identified as having the greatest risks and needs and providing targeted support.

Public Health Outcomes Framework

5.9.11 This contract will also support a range of mental health related measures from the Public Health Outcomes Framework, including reducing the prevalence of common mental health disorders, reducing long term mental illness, helping people with poor mental health to access employment, supporting residents to access IAPT services, preventing suicide and emergency mental health admissions and reducing premature mortality for people with severe mental illness. In doing so this will also contribute towards the overall aim of the Public Health Outcomes Framework to increase healthy life expectancy. Furthermore, the focus of this service on decreasing health inequalities also contributes towards the overall outcomes to reduce the differences in life expectancy and healthy life expectancy between communities.

5.10 Consultation/Stakeholders:

5.10.1 Extensive stakeholder consultation has been undertaken. This began in 2020 before the COVID-19 pandemic and included delivery of the following:

- Two stakeholder workshops
- Presentations and ongoing consultation with a range of partnership forums:
 - the City and Hackney Mental Health Coordinating Committee
 - City and Hackney Psychological Therapies and Wellbeing Alliance Meeting
 - City and Hackney Joint Mental Health Meeting
 - Hackney VCS Mental Health SIG meeting
 - City of London Directorate Leadership Team
- Ongoing coordination with partners such as the East London NHS Foundation Trust (ELFT), the City and Hackney Area Committee of the North East London CCG and local voluntary sector organisations
- Service users focus groups (including LGBT and Young Black Men specific), surveys and analysis of routine feedback

5.10.2 It is anticipated that a small number of staff from the existing service will be eligible for TUPE transfer to the new service. The existing provider has been included in the stakeholder consultation completed as part of the service design process.

5.11 Risk Assessment/Management

5.11.1 a Comprehensive risk assessment has been completed. Identified risks with appropriate mitigation are detailed in the table below.

| Risk | Likelihood | Impact | Overall | Action to avoid or mitigate risk |
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| | L – Low; M – Medium; H - High | | | |
| There may be some challenges with recruitment and retention to specialist and/or management posts due to general shortages within the industry. | Medium | Low | Medium | The funding available supports competitive remuneration for staff at the London Living Wage or higher. An appropriate mobilisation period has been built into the timetable and providers' approach to staff management and recruitment will be tested as part of the procurement process. |
| Negative impact on relationships with local organisations who are not selected to be part of the new service. | Medium | Low | Low | Extensive engagement with local groups has been completed to inform the design of the service. Running a fair and transparent commissioning process, including objective and constructive feedback, will also minimise the damage to the relationship. The slightly more flexible funding allocation process for this contract will also mean there may be future opportunities for new organisations to become involved in the network. |
| The new provider may not be able to secure suitable premises at a reasonable cost due to high prices locally. | Low | Medium | Low | The provider will be asked to provide details of their proposed physical premises as part of the tender application and will have been required to consider this in some detail. The commissioner may also be able to utilise Hackney council's connections with partners and through planning to identify an alternative location in the circumstances that the planned one falls through. |
| One or more of the specialist subcontractor providers may come into financial or reputational difficulties that put the service delivery at risk. | Low | Low | Low | This risk is likely to mainly only affect a specific aspect of the service (e.g. provision for a specific group). The affected clients would need to be moved to other providers and/or a replacement specialist provider brought in. The provider will be required to have a plan in place for such an event and should begin to action this as soon as an issue is identified. The new more integrated structure should also allow the service to better mitigate the impact if this were to occur. |
| Key partners do not fulfil their commitments in relation to partnership working. | Low | Low | Low | These key partners are well engaged and have already committed support to work with the new service and have a good history of working collaboratively in the City and Hackney. The commissioner and the lead provider will endeavour to work with partners to overcome any issues that arise. However, |

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| | | | | in case an issue should arise the service should be designed in such a way that it can run independently if required, though enhanced by partnership working. |
| This is a specialist market and there are a limited number of suitably qualified providers | Low | Low | Low | A comprehensive programme of pre-market engagement has been completed which has included benchmarking with other local authority areas to identify potential providers, consultation events and the issuing of a Prior Information Notice (PIN). |

5.12 Insurance: Advice from Insurance Services has been sought and appropriate insurance will be included in the tender documentation.

5.13 Market Testing (Lessons Learnt/Benchmarking): This is a specialist area of service delivery with a limited number of organisations capable of delivering the lead provider function. Comprehensive Benchmarking was completed with other London boroughs and a Prior Information Notice (PIN) was published to raise awareness of the procurement opportunity. This was followed up with further consultation with potential providers on the proposed design of the service.

5.14 Savings: No savings are required from this procurement. Improvements to the design of the service will deliver internal efficiencies and the outcomes delivered by the service reduce the need for other public services e.g. hospital admissions.

6. SUSTAINABILITY ISSUES

6.1 Procuring Green

Overall this service will have a limited environmental impact, Nevertheless, as part of the procurement process, providers will be required to demonstrate how they have limited the negative environmental impact of the service through actions such as active travel plans and the use of public transport, environmentally sustainable communication methods and the energy efficiency of their premises.

6.2 Procuring for a Better Society

This service directly aims to address health inequalities and improve the health, social and economic opportunities of the residents who use it. Eligibility of residents will be assessed based on their level of need and those with the highest risk, as well as greater barriers to access, will be prioritised for the service. It is anticipated that the service will include local providers who are embedded in local communities so this will not only support these local organisations but also increase access for the underserved communities they represent.

6.3 Procuring Fair Delivery

the service should have a positive impact on residents' health, social and economic opportunities and this should benefit the wider community. Furthermore, one of the requirements will be to support service users to go on to become peer supporters and volunteers themselves. All providers of the new service will be required to pay staff the London Living Wage as a minimum.

6.4 Equality Impact Assessment and Equality Issues

- 6.4.1 An equality impact assessment has been undertaken for this recommissioning. Overall the service has a very positive impact on promoting equality and reducing inequalities.
- 6.4.2 Recommissioning the service will mean that many residents with high and complex mental health needs, will be able to receive holistic support for their mental health needs, many of whom otherwise would not be able to. As poor mental health and complex mental health needs disproportionately affect communities who are socially and economically deprived, this recommissioning will have a very positive impact on reducing health inequalities.
- 6.4.3 Furthermore, through the inclusion of providers who are from and represent some of Hackney's diverse communities, where mental health needs are addressed the service is designed specifically to target communities who are underrepresented in mental health services, have the greatest barriers to access and who have disproportionately high mental health related needs. Furthermore, the design of the interventions provided support a reduction in inequalities and actively support inclusivity, including tailoring its support offer to people with a disability, non binary gender, different ethnic and cultural backgrounds and to the LGBTQI+ community.
- 6.4.4 The holistic approach to care, including support around issues such as employment, debt and isolation mean that the service is not only addressing health inequalities but also closely related social and economic factors too.
- 6.4.5 The service will be required to continually monitor and improve its offer across a range of performance measures, including its success at supporting equality of access and provision and reducing inequalities.

7. PROPOSED PROCUREMENT ARRANGEMENTS

7.1 Procurement Route and EU Implications:

- 7.1.1 The service will be required to continually monitor and improve its offer across a range of performance measures, including its success at supporting equality of access and provision and reducing inequalities.
- 7.1.2 The service falls under the 'light touch' regime for services of the 2015 Public Contract Regulations (PCR).
- 7.1.3 A one stage procurement is planned. The number of organisations invited to tender will not be restricted, and the tender opportunity will be promoted as

widely as possible. This will include all organisations that responded to the PIN.

7.1.4 The total contract value is above the threshold (currently £663,540 including VAT) so a Find a Tender Service (FTS) notice will be published.

7.2 Resources, Project Management and Key Milestones:

7.2.1 The project will be led by the Senior Public Health Specialist lead for Mental health under the direction of the Public Health Consultant Mental Health lead and with support from the Public Health Commissioning Team. Internal and external partners from a range of organisations have been involved in the design and development of this service and a representative from North East London CCG will also be part of the evaluation panel.

7.2.2 A five month mobilisation period has been incorporated into the timetable to allow sufficient time for the large number of sub-contracting organisations to fully mobilise in time for the 1st July 2023 contract start date.

| Key Milestones | |
|------------------------------------------|-------------------------------------|
| Business Case Report to CPIC | 18th July 2022 |
| Find a Tender Service Advert placed | 19th July 2022 |
| Issue Tender | 19th July 2022 |
| Tender returns | 13th September 2022 |
| Tender Evaluation | 14th September - 15th November 2022 |
| Contract Award Report considered at CPIC | 16th January 2023 |
| Standstill Period | 17th - 27th January 2023 |
| Mobilisation period | 28th January 2023 - 30th June 2023 |
| Start on site / Contract start | 1st July 2023 |

7.3 Contract Documents: Anticipated contract type

7.3.1 A detailed specification is being finalised which includes areas that are set by national standards and evidence base. Other parts of the service specification have been influenced by consultation, completion of a joint strategic needs assessment and involvement of the design steering group. The involvement of stakeholders in the consultation on the specification gives us full confidence that they have bought into the process.

7.3.2 The tender pack will include the terms and conditions that are currently used by Public Health and method statement questions to evaluate the quality of the service to be delivered by the providers.

7.3.3 The contract will be awarded to a single organisation with a requirement for a number of elements of the service to be delivered by specialist subcontractors.

7.4 Sub-division of contracts into Lots: Lots would not be appropriate for this service because of the need for a single organisation to be responsible for the management and coordination of the service. The requirement for the lead provider to subcontract to a range of specialist providers provides an opportunity for smaller, local providers.

7.5 Contract Management:

7.5.1 The contract will be managed by Hackney's Public Health team. This will include a minimum of quarterly review meetings and contract monitoring forms which will be used to review service delivery and performance against required service levels and key performance indicators. In addition to this, the current provider will also be contract managed to ensure that if a new Provider is selected, there is a smooth transition process.

7.5.2 Data collected will include performance against key performance indicators, as well as a range of other agreed metrics, set out in the specification, The provider will be expected to adopt an approach of continuous learning and development to improve the service delivery throughout the contract. The structure of the budget will support this, allowing a portion of funds to be moved to the best performing and most in demand aspects of the service.

7.6 Key Performance Indicators:

7.6.1 The proposed KPIs for year one of this service are as follows. In line with the approach of continuous learning and improvement, these will be regularly reviewed with the commissioner and provider.

| KPI No | Objective | Reason for Status / Rationale | KPI | Target | Reporting Frequency |
|---------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|----------------------------|
| 1 | A good number of residents supported through the service | To ensure support is available to residents who need it. | A. New core service user per year B. Total core service users per year | 1,150 1,800 | Quarterly |
| 2 | Service users experience a clinically relevant improvement in wellbeing | This is the purpose of the service | Percentage of service users demonstrating clinically relevant improvement using validated measurement tools over the course of their time in the service | 60% | Quarterly |
| 3 | Access to the service represents the local population, weighted towards groups identified as having the highest levels of need and/or who are underrepresented in mental health services locally | To support a reduction in health inequalities and ensure the service targets populations identified as having higher risk | Service users accepted into the service are representative of the percentage listed in the key service population groups targets table below | 90% of population group target met | Quarterly |
| 4 | Achievement of partnership working and integration, demonstrated through service users' care being coordinated with additional external partner services | It is vital that the service is very well integrated and working in partnership with other relevant local services that contribute towards service user recovery | A. At least one external partner is involved in service users' support/care plan B. The number of different partner services that the service works with that are involved in the shared support/care plans | 25% of service users 6 | Quarterly |

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|---|---------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------|-----------|
| 5 | Service users supported to access employment and development opportunities | Employment, learning and development are very important components of mental health that the service can directly influence | <p>A. Reduction in the percentage of service users who are unemployed</p> <p>B. Percentage of service users in training or volunteering roles while accessing or after leaving the service for at least 6 months or for the duration of the course</p> | <p>50%</p> <p>12%</p> | Quarterly |
| 6 | Service users experience an improvement in physical health | Physical health is a very important component of mental health that the service can directly influence | <p>A. Percentage of service users who report being smokers who are offered a referral to stop smoking services</p> <p>B. Percentage of service users who demonstrate alcohol dependence or who report using illegal drugs that are offered support coordinated with Hackney Recovery Service as part of their care plan</p> <p>C. Percentage of clients self-reporting an improvement in physical health between entry to the service and exit</p> | <p>90%</p> <p>90%</p> <p>90%</p> | Quarterly |
| 7 | Service users experience a reduction in social isolation / increased social inclusion | social connectedness is a very important component of mental health that the service can directly influence | <p>A. Improvement in self-reported social connectedness for service users</p> <p>B. For service users for whom social isolation was identified as a concern at entry, engagement in community or regular social activities/classes</p> | <p>80%</p> <p>75%</p> | Quarterly |

| Key service population groups targets: | |
|--------------------------------------------------------------------------------------------------------------------------------------------|----------|
| A. LGBTQI+ | 9% |
| B. Refugees | 0.5% |
| C. People born outside of the UK | 35% |
| D. English is not the first language | 25% |
| E. Residents who are living in the 10% most deprived neighbourhoods nationally | 15% |
| F. People providing at least one hour's unpaid care and support each week to a friend, neighbour or relative because of illness or old age | 7% |
| G. Number of young Black men entering services per year: a. 18-24: 10 b. 25-30: 15 | 10 15 |
| H. People with learning disabilities | 2.4% |
| I. Autistic people | 1% |
| J. Physically disabled people or those with a long-term limiting illness: | 30% |
| K. Black African: 10% | 10% |
| L. Black Caribbean: 6% | 6% |
| M. Other Middle Eastern | 2% |
| N. Eastern European | 2% |
| O. South Asian | 8% |
| P. Turkish or Kurdish | 7% |
| Q. Orthodox Jewish | 8% |

8. COMMENTS OF THE GROUP DIRECTOR FINANCE AND CORPORATE RESOURCES

- 8.1 The recommendation of the report seeks to approve the procurement of the Integrated Mental Health Network service. In addition this report seeks to approve a three month extension of the existing contract with Mind - City, Hackney and Waltham Forest.
- 8.2 The three month contract extension is until the end of June 2023 at a total cost of £336k. The initial period of the new contract will be up to four years (2+1+1) commencing in July 2023. The contract value over the maximum life of the contract will be £5.4M. The total annual value is £1.35M which will be funded from the ring-fenced Public Health grant. In addition the City of London will contribute funding of 3% of the total cost of the service to reflect the anticipated level of activity delivered in the City under a separate service level agreement between LB Hackney and the City of London Corporation.

9. VAT Implications on Land & Property Transactions

- 9.1 None

10. COMMENTS OF THE DIRECTOR, LEGAL, DEMOCRATIC & ELECTORAL SERVICES

- 10.1 Paragraph 2.7.6 of Contract Standing Orders states that all procurements with a risk assessment of “High Risk” will be overseen by Cabinet Procurement Committee (now Cabinet Procurement and Insourcing Committee) and therefore this Business Case Report is being presented to Cabinet Procurement and Insourcing Committee for approval
- 10.2 The services to be procured in this Report are classified as Social and other Specific Services under Schedule 3 of the Public Contracts Regulations 2015 and are of an estimated value above the threshold of £663,540 (including VAT) for such services. Therefore it will be necessary to publish a Find a Tender notice in respect of the procurement of the services. However as these are Schedule 3 (light touch) services the Council will then be subject to a smaller number of procedural rules in regard to how it procures such services. It will, however, be important to ensure that it complies with the obligations to treat economic operators equally and without discrimination and act in a transparent and proportionate manner in accordance with Regulation 18 of the Public Contracts Regulations 2015.
- 10.3 It is also proposed to extend the agreement for the Integrated Mental Health Network service with the current provider. Regulation 72(5) of the Public

Contracts Regulations 2015 allows for a modification of a contract without a new procurement procedure where the value of the modification is both (i) below the relevant threshold under the regulations, and (ii) below 10% of the initial contract value for services provided that the modification does not alter the overall nature of the contract or framework agreement. The provisions of Regulation 72(5) would apply in respect to the proposed extension of contract and therefore the variation is allowed under such Regulation.

11. COMMENTS OF THE PROCUREMENT CATEGORY LEAD

- 11.1 The proposed framework is valued up to £5.4M which is above the relevant UK public procurement threshold (Social and Other Specific Services “light touch” regime) and must be awarded in accordance with the relevant procedures set out in the Public Contracts Regulations 2015. The Council’s Contract Standing Order 2.5.2 requires that the Business Case and Contract Award for a High risk procurement be approved by Cabinet Procurement and Insourcing Committee.
- 11.2 Procurement of a single contract via an Open competitive tender process is supported as an appropriate and compliant route as set out in the report.
- 11.3 The lead provider model will offer opportunities for participation by local SMEs and the Voluntary and Community Sector in support of the Council’s Sustainable Procurement Strategy and ensure that the service is highly inclusive.
- 11.4 The timeline for the procurement process is reasonable to ensure contract commencement on 1st July 2023, and the reasons for the additional 3 month extension to support mobilisation are supported as set out in the report.

APPENDICES

None

BACKGROUND PAPERS

None

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