

MUNICIPAL YEAR 2019/2020 REPORT NO.

MEETING TITLE AND DATE:

Portfolio Decision by:
Councillor Cazimoglu
Cabinet Member Health and Adult
Social Care

REPORT OF: **Bindi Nagra**
Director of Health and Adult
Social Care

Key Decision: KD 5096

Contact officer and telephone
number: Iain Hart, 020 83794270
lain.hart@enfield.gov.uk

Agenda – Part: 1

Item:

**Subject: Mental Health into employment
service**

Wards: All

Cabinet Member consulted:
Councillor Cazimoglu

1. EXECUTIVE SUMMARY

- 1.1 This report provides background information to the tender of the Mental Health into employment service. This is also known as the Individual Placement and Support (IPS) service.
- 1.2 This is a joint contract with Barnet, Enfield and Haringey Mental Health Trust and social finance partners Mental Health and Employment (MHEP).
- 1.3 The new contract to be awarded is for four years and aims to commence on the 1st April 2020.
- 1.4 The Procurement and Commissioning Review Board agreed the business case on the 11th June 2019.
- 1.5 This Key Decision report seeks approval to award a contract to the successful bidder following an open competitive procurement process as detailed in Part 2 of this report.

2. RECOMMENDATIONS

- 2.1 That approval is granted to award the contracts to the bidders specified in Part 2 of this report for a period of 48 months (2020 to 2024).
- 2.2 Further information, the quality scores and financial information can be found in part 2 of this report.

3. BACKGROUND

- 3.1 96% of adults with mental health problems in contact with secondary care services in Enfield are not in employment¹. As a result, supporting people with mental health conditions to achieve employment is part of the national and local public service performance indicators. Local Authority and MH Trust's outcomes are nationally monitored in this area.
- 3.2 The IPS delivery approach has been applied by other local authorities in London. Enfield's current contract for IPS ends on the 31st March 2020.
- 3.3 The current incumbent provider Remploy has staff seated alongside and working closely with Enfield Mental Health locality teams.
- 3.4 Feedback of the current service from the Mental Health teams and the Trust has been positive; along with feedback from the partner Mental Health and Employment Partnership Ltd (MHEP).
- 3.5 MHEP is a social purpose company that is owned by Big Issue Invest, a socially motivated investor, and Health and Employment Partnerships Limited, a subsidiary of Social Finance Limited.
- 3.6 A Key Decision Delegated Authority Report to permit the tender was signed and published on the 30th August 2019.

4. ALTERNATIVE OPTIONS CONSIDERED

- 4.1 The service is required to meet national indicator NI150 the number of Adults receiving secondary mental health service in employment.

¹ Enfield Joint Adult Mental Health Strategy 2014-2019
http://www.enfield.gov.uk/download/downloads/id/8494/enfield_joint_adult_mental_health_strategy_2014

4.2 Previous models of service delivery have been tried but have been unsuccessful in finding meaningful employment and maintaining service users within employment. This model has been successful due to closer working relationships between the employment specialists and the mental health teams combined with an outcome's payment model.

5. REASONS FOR RECOMMENDATIONS

5.1 See part 2 of this report

6. COMMENTS OF THE DIRECTOR OF FINANCE, RESOURCES AND CUSTOMER SERVICES AND OTHER DEPARTMENTS

6.1 Financial Implications

6.1.1 See part 2 of this report

6.2 Legal Implications

6.2.1 Section 111 of the Local Government Act 1972 permits local authorities to do anything which is calculated to facilitate, or is conducive or incidental to, the discharge of their functions.

6.2.2 Furthermore, the Council has a general power of competence under section 1(1) of the Localism Act 2011 to do anything that individuals may do, provided it is not prohibited by legislation and subject to Public Law principles.

6.2.3 The contract is below the threshold where a European procurement process is required under the Public Contracts Regulations 2015 (at the time of the tender the threshold for Schedule 3 Services (Social and other Specific Services) was £615,278.00). An open tender process was followed in accordance with the Council's Contract Procedure Rules. As fewer than five quotes were obtained, the approval of the P & C Hub is needed prior to proceeding with the award of contract (see table at CPR 3.5).

6.2.4 The decision to award a contract is a Key Decision as it involves expenditure of more than £250,000. Therefore the Council needs to comply with its Key Decision governance process (see CPR 1.22.4).

6.2.5 The contract must be in a form approved by the Director of Law and Governance.

6.2.6 Legal Services notes that there may potentially be transfers of staff from the outgoing provider to the incoming provider under the Transfer

of Undertakings (Protection of Employment) Regulations 2006. Legal services should be consulted if advice is required on any specific issues.

6.2.7 The Director has power to approve the award under CPR 1.22.

(Legal imps provided by MO'C on 31 January 2020 based on a report circulated on 30 January 2020.)

6.3 Property Implications

6.3.1 No property implications

6.4 Procurement Implications

6.4.1 PROCUREMENT EXERCISE

6.4.1 Any procurement must be undertaken in accordance with the Councils Contract Procedure Rules (CPR's) and the Public Contracts Regulations (2015).

6.4.2 The award of the contract, including evidence of authority to award, promoting to the Councils Contract Register, and the uploading of executed contracts must be undertaken on the London Tenders Portal including future management of the contract.

6.4.3 All awarded projects must be promoted to Contracts Finder to comply with the Government's transparency requirements.

6.4.4 A competitive procurement process was conducted in accordance with the Light Touch Regime of the Public Contracts Directive 2014/24/EC, as implemented by the 2015 Regulations. The Procurement and Commissioning Review Board agreed the business case on the 11th June 2019.

6.4.5 An open tender procedure was followed and the opportunity was advertised, on 22 November 2019, through the Council's electronic tendering system, the London Tenders Portal (www.londontenders.org), reference number: DN417516.

6.4.6 Following the advertisement although around 50 companies accessed the opportunity, only two (2) companies submitted compliant bids. Feedback was requested from those that did not respond but has yet to be provided. Importantly, the incumbent provider provided feedback stating that the contract is not affordable for them within the current budget envelope and specification. The level of funding was evaluated and believed to be fair in the current market for similar services.

- 6.4.7 The two tenders have been assessed by Council Officers and a staff member from the Mental Health and Employment Partnership (MHEP) of the Social Finance organisation (an organisation that contributes towards the cost of the contract), including bidder presentations and clarifications. Detail scores are given in Part two report.
- 6.4.8 it is expected that the service will ensure proper contract management during the lifetime of the contract to ensure VFM. And that proper planning will be undertaken to commence the re-procurement of this service in sufficient time to ensure a thorough needs analysis, market engagement and procurement process. Given the lack of market interest, it is important that the service provision model and budget are reviewed prior the commencement of the next contract to ensure that the set up of the provision is in line with market interest.

Implications provided by C E Reilly 06/02/2020

7 KEY RISKS

- 7.1. See part 2 of this report.

8. IMPACT ON COUNCIL PRIORITIES

8.1 Good homes in well-connected neighbourhoods:

Employment support service for adults with mental health needs will contribute towards the Council's aim of serving the whole borough fairly. This group of residents faces several barriers to enter the job market or to retain jobs when they gain one. This programme helps them gain and maintain employment with the aim they can move to their own properties and eventually live independently.

8.2 Sustain strong and healthy communities

Helping adults with mental health needs access work placements and work-skills training will contribute towards the Council's aim to encourage growth and sustainability within the borough and deliver a positive contribution towards building strong and inclusive communities.

8.3 Build our local economy to create a thriving place

The employment support service for adults with mental health needs will contribute towards getting individuals into employment and improve the local economy.

9 EQUALITIES IMPACT IMPLICATIONS

An assessment has been undertaken there are no identified issues to the commencement of this service.

10 PERFORMANCE MANAGEMENT IMPLICATIONS

10.1 This service will contribute towards achieving better outcomes against NI 150 –‘No of Adults receiving secondary mental health services in employment’

10.2 Performance of this contract is undertaken on a quarterly basis with Enfield Council, Enfield Mental Health Trust and Social Finance.

11 HEALTH AND SAFETY IMPLICATIONS

No Health & Safety implications have been identified.

12 HUMAN RESOURCES IMPLICATIONS

None. Enfield Council will not employ the staff.

13 PUBLIC HEALTH IMPLICATIONS

No Public Health implications have been identified.

Background Papers

None