

**MENTAL HEALTH RECOVERY AND COMMUNITY INCLUSION SERVICE**

*To:* **Adults Committee**

*Meeting Date:* **18 October 2018**

*From:* **Service Director: Commissioning, Will Patten**

*Electoral division(s):* **Countywide**

*Forward Plan ref:* **2018/077** *Key decision:* **Yes**

*Purpose:* **To update the Committee on the award of the Mental Health Recovery and Community Inclusion Service**

*Recommendation:* **The Committee is being asked to:**

- a) Note the outcome of the current tender process for the Mental Health Recovery and Community Inclusion Service and the proposal for re-procurement.**
- b) Agree a further extension of up to 12 months by way of exemption for the current Recovery and Wellbeing service**
- c) Delegate the approval of the Award of Tender to the Executive Director, People and Communities Directorate following outcome of the procurement process.**

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<b>1.</b>	<b>BACKGROUND</b>
1.1	Cambridgeshire County Council (CCC), Peterborough City Council (PCC) and Cambridgeshire and Peterborough Clinical Commissioning Group (C&P CCG) are jointly commissioning a Mental Health Recovery and Community Inclusion Service for Adults with mental health needs that would benefit from a range of interventions in a community setting. The service will enable people to develop the skills and resources needed to gain independence, build resilience and enhance coping skills
1.2	<p>A procurement process was undertaken between March and July 2018 and 7 bids were received and evaluated in response to the tender opportunity.</p> <p>An award recommendation was made to Adults Committee on the 19<sup>th</sup> of July 2018, which was approved and a subsequent Intention to Award notice was issued to the successful provider.</p>
<b>2.</b>	<b>MAIN ISSUES</b>
2.1	Following the intention to award notice further feedback was requested by an unsuccessful bidder within the process. This was supplied by LGSS Procurement. Further correspondence followed with the bidder noting their intention to challenge the Contract Award decision.
2.2	A formal legal challenge to the outcome of the Contract Award was received on the 31 <sup>st</sup> of July 2018. The standstill period between the Intention to Award Notice and Contract Award was extended in order for the challenge to be considered in more detail.
2.3	LGSS Law, LGSS Procurement and Cambridgeshire County Council Officers in consultation with its commissioning partners (the Cambridgeshire and Peterborough CCG and Peterborough City Council) considered the content of the challenge and concluded that it would be in the best interests of the Council to abandon the tender process. The legal challenge was withdrawn and disposed of giving the Council the opportunity to re-run the procurement exercise.
2.4	A formal notice of the abandonment of the tender was issued to all parties who had expressed an interest via Pro-Contract on 22 <sup>nd</sup> August 2018.
2.5	All commissioning authorities (Cambridgeshire County Council, Peterborough City Council and Cambridgeshire and Peterborough CCG) are satisfied that the service specification to be procured will still fulfil the needs of Cambridgeshire residents, will meet long term demand and provide effective preventative services for people with mental health needs. In light of this, the recommendation is that the tender process is re-run with a different evaluation format to reduce, as far as possible, any further challenge.
2.6	It is recommended that the tender process is re-issued to the market in November 2018 with an anticipated contract start date of 1 <sup>st</sup> July 2019.

2.7	<p>The following service will require a contract extension by way of an exemption in order to maintain current delivery prior to the new service contract start date:</p> <ul style="list-style-type: none"> <li>- Richmond Fellowship – Wellbeing, Prevention and Recovery Service</li> </ul> <p>The service has an annual contract value of £412,721 and has been subject to previous exemptions covering the period of April 2017 to September 2018, to the value of £584,687.</p> <p>A further 12 month exemption is requested (value £412,721) in order to ensure that the tender process can be carried out and mobilisation of the new service delivered. It is likely that only 9 months of the exemption will be exercised as the anticipated contract start date is 1<sup>st</sup> of July 2019. However the additional 3 months will be available if there are any unforeseen circumstances and will prevent the requirement for further requests to Committee.</p>
<b>3.</b>	<b>ALIGNMENT WITH CORPORATE PRIORITIES</b>
<b>3.1</b>	<b>Developing the local economy for the benefit of all</b>
	There are no significant implications for this priority.
<b>3.2</b>	<b>Helping people live healthy and independent lives</b>
	There are no significant implications for this priority
<b>3.3</b>	<b>Supporting and protecting vulnerable people</b>
	There are no significant implications for this priority
<b>4.</b>	<b>SIGNIFICANT IMPLICATIONS</b>
<b>4.1</b>	<b>Resource Implications</b>
	<p>The following bullet points set out details of significant implications identified by officers:</p> <ul style="list-style-type: none"> <li>- An investment of £800,507 annually from CCC for the new Mental Health Recovery and Community Inclusion service with a requirement of providers to identify year on year efficiencies.</li> <li>- A saving of £100,000 has been identified as part of the establishment of a more effective step-down pathway</li> <li>- Investment by PCC of £145,000 and CCG of £141,546</li> <li>- Agreements with the CCG and PCC to align budgets to this service to provide economies of scale and consistent and equitable service delivery</li> <li>- Four current providers will be in scope for the procurement (Richmond Fellowship, Lifecraft, Metropolitan and CPSL Mind). TUPE will apply to the procurement exercise and will be considered as part of any tender bids.</li> </ul>

4.2	<b>Procurement/Contractual/Council Contract Procedure Rules Implications</b>
	<p>The following bullet points set out details of significant implications identified by officers:</p> <ul style="list-style-type: none"> <li>- This proposed new procurement complies with the Council's Contract Procedures Rules</li> <li>- The current Richmond Fellowship contract has received a previous 17 month exemption to the end of September 2018 (Value £584,687). A further 12 months exemption (Value £412,721) is required for 1<sup>st</sup> October to 30<sup>th</sup> September 2019 in order to achieve the timelines for the procurement exercise. Total exemption value £997,408.</li> <li>- Contract length of 3 years +2+2 to align with potential to procure a joint recovery service with Drug and Alcohol commissioners within Public Health</li> </ul>
4.3	<b>Statutory, Legal and Risk Implications</b>
	<p>The following bullet points set out details of significant implications identified by officers:</p> <ul style="list-style-type: none"> <li>- Legal officers will review all documentation prior to the re-release of the tender documentation in light of the legal challenge to provide further surety for the successful delivery of the contract award.</li> <li>- In order to jointly commission the service across Cambridgeshire and Peterborough authorities, a Delegation Agreement will be required and agreed by both parties' legal teams.</li> <li>- A Partnership Agreement will be required between Cambridgeshire County Council and Cambridgeshire and Peterborough CCG to align budgets to this service</li> </ul>
4.4	<b>Equality and Diversity Implications</b>
	<p>The following bullet points set out details of significant implications identified by officers:</p> <ul style="list-style-type: none"> <li>- The tender will be released to the market through Contracts Finder and all previous bidders will be notified. All previous bidders will have the opportunity to submit a bid based on the revised tender criteria.</li> </ul>
4.5	<b>Engagement and Communications Implications</b>
	There are no significant implications for this priority
4.6	<b>Localism and Local Member Involvement</b>
	There are no significant implications for this priority
4.7	<b>Public Health Implications</b>
	There are no significant implications for this priority

<b>Implications</b>	<b>Officer Clearance</b>
<b>Have the resource implications been cleared by Finance?</b>	No Name of Financial Officer:
<b>Have the procurement/contractual/ Council Contract Procedure Rules implications been cleared by Finance?</b>	Yes Name of Financial Officer: Paul White
<b>Has the impact on statutory, legal and risk implications been cleared by LGSS Law?</b>	Yes Name of Legal Officer: Salma Kantharia and Allis Karim
<b>Have the equality and diversity implications been cleared by your Service Contact?</b>	Yes Name of Officer: Will Patten
<b>Have any engagement and communication implications been cleared by Communications?</b>	Yes Name of Officer: Matthew Hall
<b>Have any localism and Local Member involvement issues been cleared by your Service Contact?</b>	Yes Name of Officer: Will Patten
<b>Have any Public Health implications been cleared by Public Health</b>	No Name of Officer:

Please include the table at the end of your report so that the Chief Executive/Executive Directors/Directors clearing the reports and the public are aware that you have cleared each implication with the relevant Team.

### **SOURCE DOCUMENTS GUIDANCE**

*It is a legal requirement for the following box to be completed by the report author.*

<b>Source Documents</b>	<b>Location</b>
<i>None</i>	