

Open Report on behalf of Terry Hawkins, Interim Assistant Director, Adult Social Care Commissioning

Report to:	Councillor G A Marsh
Date:	21 October 2011
Subject:	Support Services for Carers Caring for someone with Mental Ill Health
Decision Reference:	01932
Key decision?	No

Summary:

Rethink is a Third Sector organisation providing services to Carers caring for people with Mental Ill Health which has provided services for a number of years under an Agreement with the Council.

Following two unsuccessful tenders for services of Carers caring for people with Mental Ill Health and Carers Caring for people with Dementia work commenced to look at the possibility of combining both contracts and working with a consortium or other legal entity to provide the services. This work was halted in January 2011 as it became apparent that this approach could not be successfully completed within the Council's Contracting and Procurement Regulations.

The original Agreement with Rethink now needs to be extended for a period of eight months to provide continuity of service for existing Carers whilst this service is re-tendered.

Recommendation(s):

To extend the Agreement with Rethink for a period to eight months to 31 March 2012 whilst a procurement exercise is undertaken.

Alternatives Considered:

1. Extend the Agreement for eight months to 31 March 2012 to allow a tendering process to be undertaken.

Advantage: Continuity of service for people using the services.

Disadvantage: No immediate savings to the Council.

2. Terminate services immediately.

Advantage: An immediate saving to the Council.

Disadvantage: Reputational damage to the Council and distress caused to users of the service and no service to replace the existing service.

Reasons for Recommendation:

The Contract can not be extended again with the terms and conditions outlined within the contract and therefore a tendering exercise is required. In order for a robust exercise to be undertaken and provide continuity of service for service users an extension of the contract is required.

1. Background

Nationally one in four British adults experience at least one diagnosable mental health problem in any one year and one in six experience this at any given time. The estimated numbers of people with mental illness in Lincolnshire, (2008) are:-

- Neurotic disorder 75,722
- Severe mental disorder 2,271
- Personality disorder 19,989
- Psychotic disorder 1,819
- Drug dependency 18,172

0.6% of Lincolnshire's population is on a register for severe mental illness, varying from 2.6% to 0.6% across GP practices.

The current service has approximately 900 carers registered. Carers receive various levels of support from 1:1 support, carers assessments, carer support groups to carers, information and advice and a monthly news letter.

EU Treaty Obligations – under EU procurement rules, this service is classified as a Part B service and the Public Contracts Regulations which govern local authorities' procurement do not require this service to be exposed to competition through a tender advertisement in the Official Journal of the European Union (OJEU).

The Council's Contract Regulations do not allow the direct approach to a single supplier for procurement of services above £5k and the value of this extension would be £158k.

Under the Council's Contract Regulations approval can be given by an Executive Councillor for direct negotiation of contracts with a value of up to £250k.

2. Conclusion

This contract may be extended by eight months on the authority of the Executive Councillor for Adult Social Care. The current contract provides a cost effective service. An extension would secure the service under current terms and provide continuity of service for Carers whilst a competitive tender is undertaken.

3. Legal Comments:

The paper sets out the reason for the need to extend this contract. In view of the contract value being £158,000 the approval of an Executive Councillor is required if the proposal is not to go through the required procurement process as set out in The Constitution. The contract is for Part B Services and therefore the EU Treaty Obligations do not apply. However, reason should be given as to why any advertisement of the contract need not take place.

This is an approval which is within the remit of an Executive Councillor should they believe that the reasons are made out.

4. Resource Comments:

Financial regulations relating to Rules in Relation to Contracts exist to ensure value for money is achieved and that governance arrangements are adequately followed. In this particular case, the unsuccessful tendering process has meant that in order to maintain the service an extension to the contract will have to be made. Whilst the extension of contract is essential to the provision of service it should be noted that further delays may have an adverse impact on the reputation of the authority and its ability to deliver best value in the short to medium term. If the tendering process fails again the authority needs to look to alternative methods of provision in order to be able to maintain its commitment within the rules relating to contracts.

It is imperative that a tender programme is undertaken as soon as possible as it is unclear whether the existing contract offers value for money. It is also recommended that a project plan is produced demonstrating how any new contracts will be in place by April 2012 when the extension to the contract, if agreed, will expire.

5. Consultation

a) Has Local Member Been Consulted?

n/a

b) Has Executive Councillor Been Consulted?

n/a

c) Scrutiny Comments

n/a

d) Policy Proofing Actions Required

n/a

6. Background Papers

No background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

This report was written by Rachel Wing, Contracts and Financial Assessments Manager, who can be contacted on 01522 554242 or Rachel.Wing@lincolnshire.gov.uk.