

**Agenda item: 8**

**Paper no: 5**

<b>Title of Report:</b>	<b>Community connections services: contract extension</b>	
<b>Status:</b>	<b>TO APPROVE</b>	
<b>Committee:</b>	<b>Surrey-wide Commissioning Committees in Common</b>	<b>Date:</b> 29/09/2021
<b>Venue:</b>	Virtual meeting/ Woodhatch Place, Reigate (Surrey County Council)	
<b>Presented By:</b>	Councillor Sinead Mooney	
<b>Author(s)/ Lead Officer(s):</b>	Jane Bremner, Head of Commissioning mental health, Adult Social Care Stephen Murphy, Head of Commissioning mental health, Surrey Heartlands CCG	

### Executive Summary:

Community connections services are a key part of the mental health offer in Surrey. These jointly funded contracts are due to end in March 2022 and we are proposing the extension of the contracts by one further year.

### Governance:

<b>Conflict of Interest:</b> The Author considers:	None identified	✓
<b>Previous Reporting:</b> (relevant committees/ forums this paper has previously been presented to)	Committee name: Surrey Strategic Health and Care Commissioning collaborative Meeting date: 10/09/2021 Outcome: Noted	
<b>Freedom of Information:</b> The Author considers:	Open – no exemption applies. Part I paper suitable for publication.	✓

### Decision Applicable to:

Decision applicable to the following Committee/s:	NHS Frimley CCG	✓
	NHS Surrey Heartlands CCG	✓
	Surrey County Council	✓

## **Recommendation(s):**

The Surrey-wide Commissioning Committees are asked:

1. **TO APPROVE** the extension of community connections contracts by one further year so that these contracts will then expire on 31 March 2023.

## **Reason for recommendation(s):**

Community connections services are an integral part of the mental health support offer for Surrey citizens; they deliver value for money services that improve people's outcomes. The Covid-19 pandemic, changing organisational structures and delivery models, and uncertainty about future mental health need has highlighted the necessity of taking more time to enable a more integrated approach to delivering community connections in the future, with opportunities to explore alliance models and expanding the service offer.

## **Next Steps**

1. Extend all community connections contracts by one further year from 1 April 2022 to 31 March 2023.
2. From October 2021, develop joint commissioning and procurement plan for community connections services from April 2023 onwards.
3. Brief stakeholders on outcomes from paper presented to Surrey-wide Commissioning Committees in Common meeting on 29 September 2021.

## **1. Details:**

- 1.1 Mental health is a priority in Surrey. Published in June 2021, the mental health partnership board report and improvement plan outline areas for improvement in mental health services in Surrey, with a focus on a more preventative and early help approach.
- 1.2 Community connections services are a key part of the mental health early help offer for adults in Surrey. They are jointly funded by Adult Social Care and Health, via the Better Care Fund. The services are delivered by 3 voluntary sector lead providers (Catalyst, Mary Frances Trust and Richmond Fellowship). They are universal access services that support people with mental health needs to stay well in their communities through social connections and networks, contributing to early intervention and prevention.
- 1.3 The services are an integral part of the pathway for people who experience mental health problems, often bridging the gap between primary mental health care and secondary mental health care. They deliver support both on a one to one basis, in groups and via training. Throughout the pandemic, they have substantially grown their online virtual offer. Groups include regular drop-in sessions as well as arts and crafts, photography, Pilates, sports and walking groups. Training covers subjects from mindfulness and coping with stress and anxiety to basic IT skills.

- 1.4 As a result of being a Community Connections lead provider, Mary Frances Trust, Catalyst and Richmond Fellowship also deliver Safe Havens in partnership with Surrey and Borders Partnership Trust. They are also key players in the new primary care integrated mental health services (GPiMHS and MHICS services) and are the 'go to' voluntary sector providers for additional support for the mental health system in Surrey.
- 1.5 There are 5 joint Surrey County Council and CCG contracts making up the community connections offer covering all of Surrey, total value of c. £1.9 million. The community connection contracts are due to expire on 31 March 2022 however we wish to extend these contract by one further year for the following reasons:
- 1.5.1 Covid-19 has meant that all mental health services have been extremely busy and organisational structures in the health service are in a period of change, making market engagement very difficult throughout this time period.
- 1.5.2 Also as a result of the pandemic, we are unclear what the longer term impact will be on people's mental health and wellbeing. The Centre for Mental Health forecasts that 8.5 million adults will require mental health support as a direct result of the pandemic over the next 3-5 years and local evidence indicates demand for mental health services is increasing. As a result, this makes it difficult to plan ahead to right size the services and ensure the financial envelope is appropriate to the size of service delivery.
- 1.5.3 Further time is required to develop the specification to make sure it is fit for purpose in the new environment we are experiencing e.g. digital inclusion and online service delivery.
- 1.6 The services demonstrably improve people's outcomes and offer a value for money service. They have a broad reach, accessible to people with additional needs and other protected characteristics, contributing to reducing inequalities in health.
- 1.7 Extending the current contracts will enable a more integrated approach to delivering community connections in the future, with opportunities to explore alliance models and expanding the service offer.

## **2. Consultation:**

- 2.1 The community connections services are co-produced with people with lived experience of mental ill-health, their carers and families. There is continual engagement and feedback with the people who use the services, which enables the services to develop and meet local needs.
- 2.2 Councillor Sinead Mooney and Councillor Luke Bennett have been consulted on this paper, as have Procurement and Legal colleagues in Surrey County Council.

2.3 Surrey Commissioning Collaborative at their meeting on 10 September 2021 also reviewed the recommendation in this paper.

### 3. Risk Management and Implications:

3.1 The following key risks associated with extending the contracts been identified, along with mitigation activities, in the table below:

Category	Risk Description	Mitigation Activity
Financial	Services do not deliver quality outcomes expected to demonstrate increased value for money	Key Performance Indicators are in place and monitored in quarterly review meetings.
	Better Care Fund funding has not been confirmed	We fully expect BCF to continue. We also have clauses in the contracts which allow Surrey County Council to terminate the contracts on 30 days notice in writing in the event any grant from Central Government or a recognised third party to fund the services is withdrawn, reduced or delayed.
Reputational	Data Protection or Safeguarding breach	The Termination Clauses allow Surrey County Council to terminate the contracts immediately in the event of a safeguarding or data protection breach.
Service Delivery	Quality of service delivered does not meet objectives and needs.	Strong contract management and quarterly contract review meetings.

### 4. Financial and ‘Value For Money’ Implications

4.1 The cost of the one year extension is £1.9 million across the 5 contracts. The services are funded through Better Care Fund (BCF) and the funding is available for 2022-23 subject to the continuation of the BCF, which we fully expect to happen.

### 5. Section 151 Officer Commentary

5.1 Although significant progress has been made over the last twelve months to improve the Council’s financial position, the medium term financial outlook beyond 2021/22 remains uncertain. The public health crisis has resulted in increased costs which may not be fully funded. With uncertainty about the ongoing impact of this and no clarity on the extent to which both central and local funding sources might be affected in the medium term, our working assumption is that financial resources will continue to be constrained, as they have been for the majority of the past decade. This places an onus on the Council to continue to

consider issues of financial sustainability as a priority in order to ensure stable provision of services in the medium term.

- 5.2 As such, the Section 151 Officer supports the proposed one year extension of the Mental Health Community Connections services on the assumption that these services remain funded by the Better Care Fund. At present, the government has not confirmed the future of the Better Care Fund beyond 2021/22 and so SCC and NHS partners will need to review how these services are funded subject to further government announcements about the future of the Better Care Fund. Should the government withdraw, reduce or change the basis of current funding provided through the Better Care Fund then it may be necessary to alter the delivery of these services subject to what alternative funding is available to SCC and NHS partners. SCC and NHS partners will also need to consider how the financial envelope for the proposed procurement of new services from April 2023 is set and funded subject to the future of the Better Care Fund. The extension of this service will be factored into the Medium-Term Financial Strategy.

## **6. Legal Implications – Monitoring Officer**

- 6.1 Services contracts of this value need to be competitively tendered for under The Public Contracts Regulations 2015, as amended, (PCRs).

- 6.2 Rule 2.7a Summary table of Surrey County Council's Procurement and Contract Standing Orders (PCSOs) requires the Council to tender for services of this value.

- 6.3 Regulations 72(1)(b) and 72(1)(c) of the PCRs enables Surrey County Council to modify contracts without a new procurement process:

*where “(b) 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, or*

*(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;*

*(c) where all of the following conditions are fulfilled:—*

*(i) the need for modification has been brought about by circumstances which a diligent contracting authority could not have foreseen;*

*(ii) the modification does not alter the overall nature of the contract;*

*(iii) any increase in price does not exceed 50% of the value of the original contract or framework agreement.”*

- 6.4 Regulation 72(3) of the PCRs requires Surrey County Council to send a notice to that effect, in accordance with Regulation 51, for publication.
- 6.5 The value of the 1 year extensions total £1.9m across the 5 contracts so the extension is therefore allowed under Regulations 72(1)(b) and 72(1)(c) of the PCRs as the increase in price does not exceed 50% of the value of the original contracts which were for an initial period of 3 years with the option to extend by 2 further periods of up to 12 months each.
- 6.6 Rule 2.7 of Surrey County Council's PCSOs states that any procurement, including extensions and variations to Contracts set out in the Annual Procurement Forward Plan and approved by Cabinet, are deemed authorised irrespective of the contract value and must be signed/sealed in line with table 2.7 a columns F-J. Any procurement not authorised as above must be authorised in accordance with table 2.7. a Summary table column E.
- 6.7 Legal will draft the Deeds of Extension and will arrange to have the same executed by the parties.

## 7. Equalities and Diversity

- 7.1 An equality impact assessment (EIA) was developed for the original contractual agreements and is available [here](#). This EIA was presented as part of Cabinet paper signed off in January 2017 and the summary is included in the table below.

<b>Information and engagement underpinning equalities analysis</b>	<p>The services are evidence-based and promote mental health and wellbeing and recovery.</p> <p>The service specification for community connections has been informed by a range of quantitative and qualitative local data.</p>
<b>Key impacts (positive and/or negative) on people with protected characteristics</b>	<p>The commissioning and procurement of community connections services have positive impacts on people with protected characteristics. The commissioning process has been mindful of equalities and accessibility and service specifications and performance monitoring frameworks developed to ensure equalities data is captured.</p>
<b>Changes you have made to the proposal as a result of the EIA</b>	None
<b>Key mitigating actions planned to address any outstanding negative impacts</b>	N/A
<b>Potential negative impacts that cannot be mitigated</b>	N/A

7.2 The proposal to extend by one further year will continue to impact positively on people with protected characteristics. Throughout the lifetime of the contracts, equalities data has been captured and mitigating actions put in place where it appears there has not been equality of access. For example, when it became apparent that men were not accessing the services as expected, this was picked up in regular performance monitoring meetings and providers worked with men to develop groups and activity that men wished to access. Numbers of men and women accessing the services are now more representative of the Surrey population.

## **8. Other Implications:**

### **8.1 Safeguarding Responsibilities for Vulnerable Children and Adults Implications**

8.1.1 The terms and conditions of the contracts stipulate that the providers will comply with the Council's Safeguarding Adults and Children's Multi-Agency procedures, information, requirements, guidelines and good practice as recommended by the Council. This is monitored and measured through the contractual arrangements.

8.1.2 The service will operate a client centred approach, working collaboratively with other Health and Social Care Services.

### **8.2 Public Health Implications**

8.2.1 Community connections services play a vital part in the early intervention and prevention agenda, and link with Public Health priority areas including suicide prevention and addressing stigma.

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## **Consulted:**

- Councillor Sinead Mooney
- Councillor Luke Bennett
- Simon White, Executive Director – PH SCC & Heartlands
- Liz Uliasz, Deputy Director ASC
- Jonathan Lillistone, Assistant Director Commissioning, Adult Social Care
- Wil House, Strategic Finance Business Partner for Adult Social Care and Public Health
- Danielle Bass, Procurement Partner, ASC and Public health
- SCC Legal
- Stephen Murphy, Head of Commissioning Mental Health, Surrey Heartlands CCG
- Independent mental health network

**Sources/background papers:**

- [Equality impact assessment](#) for mental health community connections services January 2017
  - Mental health partnership board [report](#) June 2021
  - Mental health improvement action [plan](#) June 2021
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