


<b>Individual Mayoral Decision Proforma</b>  Decision Log No: <u>160</u>	 <b>TOWER HAMLETS</b>
<b>Report of:</b> Denise Radley, Director Adult Services	<b>Classification:</b> Unrestricted
<b>Independent Living Community Support – Contract Value Amendment</b>	

<b>Is this a Key Decision?</b>	No
<b>Decision Notice Publication Date:</b>	22 June 2017
<b>General Exception or Urgency Notice published?</b>	No
<b>Restrictions:</b>	Not Restricted
<b>Reason for seeking an Individual Mayoral Decision:</b>	The contract value attributable to the original delegation was not high enough to ensure that the contract was economically viable

## EXECUTIVE SUMMARY

The Independent Living Community Support (ILCS) service supports 170 people to develop or maintain their independence within their own homes, thus preventing unnecessary use of more institutional forms of care and hospital admission by providing recovery orientated floating support to individuals. Service users may have a forensic history or dual diagnosis, substance misuse and mental health issues.

The service is recognised by stakeholders to be a valuable resource supporting people with significant mental illness to remain in the community and live independently. This service plays a key role in the delivery of the Mental Health Accommodation Strategy 2014- 2019 providing support to the cohort in transition from residential care as well as providing support to individuals across the Mental Health pathway.

The service, which is provided under contract with the Local Authority Health and Adults Directorate, focuses on engaging with and assisting service users to make good use of the community mental health services available to them whilst developing the knowledge, life skills and ability to manage and sustain a tenancy successfully. The service provides one-to-one support at an individuals' home, as well as offering opportunities for service users to meet together, developing options for peer support and appropriate facilitated support groups relating to key areas or tasks.

The contract for this service expires at the end of June 2017 and authority to commence the procurement, at the existing contracted value of £468,000, was granted by the Mayor in Cabinet in January 2016. The tender exercise commenced in December of the same year and is coming to a conclusion; however there is a need to review the original contract envelope to ensure the future sustainability of the service.

As part of the tender process further evaluation of the sustainability of the contract has highlighted that the original contract threshold of £468,000 per annum is now significantly below current market rates. When originally awarded in 2014 a staff hourly rate of £13.14 was achieved however due to increases in London living wage, inflation and other market factors we are aware that the current market rate for similar services is between £15-16. As a result there is a need to increase the contract envelope to £550,000 per annum to enable the contract to be awarded without making significant reductions in the current service provision.

Consideration has been given to the latter option but rejected given the established need for this service in meeting the needs for whom the Authority has a statutory responsibility to provide support. It is also acknowledged that any change to the capacity of the current service will adversely impact on the 170 service users currently in receipt of a service. This approach has been considered and ratified by the Competition Board, which has oversight of the procurement processes for the Authority.

No significant budgetary pressures will arise as a result of this decision as the increased budget envelope will be funded from within current commissioning budget thresholds for services of this type.

## **DECISION**

### *Recommendations:*

Authorise the increased contract threshold from £468,000 to £550,000 per annum to maintain the current service capacity. This will enable the contract to be awarded as a result of the current procurement exercise

<b>APPROVALS</b>
------------------

1. (If applicable) Corporate Director proposing the decision or his/her deputy

I approve the attached report and proposed decision above for submission to the Mayor.

Signed James C. Kelly Date 21/06/17

2. Chief Finance Officer or his/her deputy

I have been consulted on the content of the attached report which includes my comments.

Signed [Signature] Date 21/06/17

3. Monitoring Officer or his/her deputy

I have been consulted on the content of the attached report which includes my comments.

Signed [Signature] Date 21/06/17

4. Mayor

I agree the decision proposed in the recommendations above for the reasons set out in the attached report.

Signed [Signature] Date 28/6/17

NO INFO WHT THIS HAS  
TAKEN SO LONG TO REACH ME  
WOULD LIKE TO KNOW? [Signature]