



**Glasgow City Council**

**Contracts and Property Committee**

**Report by: Interim Chief Officer, Glasgow City Health and Social Care Partnership**

**Item 1**

**23rd May 2024**

**Contact: Geri McCormick, Head of Commissioning**

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**APPROVAL OF A DIRECT AWARD FOLLOWING A NEGOTIATED  
PROCEDURE FOR PROVISION OF A MENTAL HEALTH COMPLEX  
NURSING CARE SERVICE**

**Purpose of Report:**

- 1) To advise Contracts and Property Committee of the work undertaken to develop a mental health complex nursing care service within Glasgow that can meet the needs of people who require to be discharged from hospital care: and
- 2) To request that Contracts and Property Committee approve a Direct Award Contract with a single supplier under the terms of Standing Order 23.

**Recommendations:**

Contracts and Property Committee is asked to:

- a) Approve the Direct Award of a contract to establish a complex Mental Health Nursing Care Service to Lanam Health Care Limited; and
- b) Note that any continuance of contractual arrangements will be subject to satisfactory review and evaluation of the service.

Ward No(s):

Citywide: ✓

Local member(s) advised: Yes ☐ No ☐ consulted: Yes ☐ No ☐

## **1 Background**

- 1.1 A priority for the Glasgow City Integration Joint Board's strategic direction for Mental Health service provision and the GG&C Mental Health Strategy is to reduce the number of hospital beds and re-invest in the community to support people to be discharged into community-based nursing/social care living. Within Glasgow City there are a significant number of mental health in-patients, who have been assessed as being no longer in need of clinical care. Their move into community resources has not been achieved to date because current care home models have been unable to meet their needs, leading to refusal of placements, failed placements and re-admission to hospital.
- 1.2 As part of the HSCP's Mental Health commissioning plan scoping exercise, a PIN was published by GCHSCP in November 2022 advising of the intention to go to market for mental health supported accommodation and complex mental health nursing care, however, this Notice failed to attract any interest from the nursing care home market. This along with the need for demonstrated experience, expertise and availability of provision has formed the basis of reliance on Reg 33(1)(b)(ii), namely that competition is absent for technical reasons. A subsequent review of the current market identified that Lanam Health Care Ltd have one unit in Olympia care home that can be made available from June 2024 and designed for individuals with complex mental health care needs.
- 1.3 Currently there are no alternative providers that have the skills, experience or capacity to deliver complex mental health nursing care within the timescales or scale required.
- 1.4 A direct award to Lanam Health Care Ltd would provide 12 placements and support a proof of concept approach to assist the GCHSCP to identify the future design and requirements for complex community based mental health nursing care.
- 1.5 If approved, this direct award will inform future commissioning requirements and specification for this service type.
- 1.6 The initial contract term proposed is eighteen months, with an option to extend for up to two further periods of six months each (18months + 6months +6 months) if appropriate. Extension periods will be implemented subject to satisfactory reviews being concluded.

## **2 Finance/Benchmark**

- 2.1 The annual cost would £1,238,917.68 giving a total estimated contract value of £3,097,294.20 if both extension period are utilized.
- 2.2 This cost is based on a proposed weekly price that is in line with existing rates charged within similar units operated by Lanam Health Care Ltd outwith Glasgow. The proposed rate also compares favourably with external services purchased for individual placements outwith Glasgow and Scotland Excel's

Care Home for Adults with Learning Disabilities including Autism Framework rates.

- 2.3 Start up costs of £11,760 are requested to support provider staff to work within individuals current environment and to shadow the in-patient support team to get to know individuals and to ensure a successful discharge.

### **3 Legal**

- 3.1 This request is presented in accordance with Standing Order 23.6 of the Council's Standing Orders, a prior report having been submitted by the Chief Officer as required by SO23.3 requesting the approval of the Executive Director of Financial Services and the Director of Legal and Administration.
- 3.2 As the contract value exceeds £663,540, SO 23.6 the additional prior approval of the Contracts and Property Committee is sought on the basis of Regulation 33(1)(b)(ii) of the Public Contracts (Scot) Regulations 2015, namely that competition is absent for technical reasons.
- 3.3 All discharges/admissions would be under individual or guardian choice and determination, or other lawful authority.

### **4 Service Implications**

- 4.1 Commissioning, Finance and Care Group teams in Adult Services will manage the Contract and Provider performance in compliance with requirements of the Social Work Services Contract Management Framework. This will promote consistency of quality service standards and allow the monitoring of achievement of outcomes for Service Users and ensure effective communication between all stakeholders.

### **5 Policy and Resource Implications**

#### **Resource Implications:**

##### *Financial:*

The estimated value of the contract is £3,097,294.20. over the full 30 months of the contract term.

This has increased from the initial potential value approved by Legal and Audit due to an increase in the number of placements and extended timeframe for the test of change.

Startup costs of £11,760 are being sought as set out in 2.3 above.

The cost of the service will be met from existing HSCP monies.

*Legal:* The Director of Legal and Administration will be required to conclude the contract for award of service.

*Personnel:* None

*Procurement:* The contract will be awarded in line with the requirements of the Public Contracts (Scotland) Regulations 2015.

**Council Strategic Plan:** The service contributes to Grand Challenge 4; enabling staff to deliver essential services in a sustainable, innovative, and efficient way for our communities.

**Equality and Socio-Economic Impacts:**

*Does the proposal support the Council's Equality Outcomes 2021-25? Please specify.* Yes, an EQIA screening has been completed for this proof of concept and a full EQIA will be completed prior to tendering for Mental Health Complex Support provision. This service will contribute specifically to the Council's Equality Outcomes 1 and 6.

*What are the potential equality impacts as a result of this report?* Overall, it is expected that there will be positive impacts on people with mental illness as a result of this new service.

*Please highlight if the policy/proposal will help address socio-economic disadvantage.* The service will support local employment and will provide ongoing staff training to ensure an appropriately skilled workforce and will deliver programs and initiatives aimed at enhancing the social inclusion of individuals supported within the service.

**Climate Impacts:**

*Does the proposal support any Climate Plan actions? Please specify:* N/A

*What are the potential climate impacts as a result of this proposal?* N/A

*Will the proposal  
contribute to  
Glasgow's net zero  
carbon target?* N/A

**Privacy and Data  
Protection Impacts:**

Are there any potential data protection impacts as a result of this report  
Y/N

Yes, there are potential data protection impacts as a result of this report. Providers are required to comply with GDPR and the Council's Privacy, Data Sharing and Data Protection policy requirements. This is set out in the contractual terms.

If Yes, please confirm that a Data Protection Impact Assessment (DPIA) has been carried out.

Yes, a DPIA has been carried out.

**6 Recommendations**

6.1 Contracts and Property Committee is asked to:

- a) Approve the Direct Award of a contract to establish a complex Mental Health Nursing Care Service to Lanam Health Care Limited; and
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