

REPORT TO: Executive Board Sub Committee

DATE: 8th May 2008

REPORTING OFFICER: Strategic Director - Health & Community

SUBJECT: Development of Supported Accommodation for People with Mental Health Needs

WARDS: Broadheath

1.0 PURPOSE OF REPORT

- 1.1 To request suspension of the relevant procurement standing orders 3.1-3.8 under the exceptional circumstances set out in this report, to expand a supported living contract to include the services listed in section 3.9 of this report.
- 1.2 To request that the Strategic Director Health and Community, in conjunction with the portfolio holder for Community, be authorised to take such action as may be necessary to implement the recommendations set out below.

2.0 RECOMMENDATIONS:

- (i) **In the exceptional circumstances set out below, for the purpose of standing order 1.6, procurement standing orders 3.1 –3.8 be waived on this occasion on the basis that the market was tested two years ago to secure the current provider who offers value for money and is performing well in meeting the needs of service users with severe and enduring mental health problems.**
- (ii) **Delegated powers be approved to enable the Strategic Director, Health and Community, in conjunction with the portfolio holder for Community, to expand an existing 2yr contract with Creative Support, for the provision of supported living services, to include the new services referenced in section 3.9 of this report.**

3.0 SUPPORTING INFORMATION

- 3.1 National priorities for people with mental health problems focus on ensuring that people remain linked with their communities and have the opportunity to engage fully in all aspects of social inclusion. One of the keys to this is that people should have accommodation that is tailored to their needs, where they can feel safe but also receive support, which effectively manages their mental health condition.
- 3.2 The provision of suitable accommodation for people with mental health problems in Halton has been a local priority for development for some time, and this has been included as one of the key targets

for the Halton Supporting People programme.

- 3.3 In Halton in 2002, the Office of the Deputy Prime Minister estimated that there should be between 45 and 130 units of supported accommodation for people with mental health problems. A further piece of work by the Halton Joint Commissioning Manager for Mental Health suggested that this figure was nearer 70. The current provision of this type of supported accommodation is 34 units.
- 3.4 Of equal importance to the actual number of supported accommodation units is the range of needs that the accommodation meets. Currently only 8 of the units cater for people with the more complex conditions, and none of the units are set up specifically as move-on accommodation (that is, accommodation which is specifically set up with time-limited tenancies to ensure that work continues with people so that they can become increasingly independent).
- 3.5 One supported scheme which has been successfully developed is in Pickering's Close in Runcorn. This accommodates two people with more severe mental health conditions in a house in which they are tenants, but with 24-hour support from resident staff. This scheme has been open for over two years, and both current residents have now improved so much that they are also now ready to live more independently.
- 3.6 The scheme at Pickering's Close is managed, following a detailed tendering process, by an organisation called Creative Support. This is a specialist service which provides a number of schemes around the North West of England for people with mental health problems or with a learning disability. Creative Support have worked positively with both the Council and the local community, and the successful outcomes for the two residents of Pickering's Close demonstrates their commitment to achieving greater social inclusion for the people they work with.
- 3.7 There are currently over 30 younger adults (defined as being between 18 and 64, although most are in their 40s and 50s) from Halton with mental health problems who are living in residential or nursing care. Each of these placements costs around £370 per week per person, although some cost more.

Although some of these people will always need this high level of care, detailed work has been going on with some of this group, and it is apparent that a number of them (eight at this stage) could live more independently but with complete safety in the community.

- 3.8 A project plan has been developed to work with these people, and additional resources have been ringfenced to support the process. A social worker will be employed for the period of the project to assess

in detail each person's needs and ensure that adequate and appropriate care and support can be provided for them. In addition, a service contracted through the Supporting People programme will work on an individual basis to support and encourage each person to develop or re-learn the skills for independent living.

- 3.9 Creative Support has worked with the Council to develop a new scheme in Widnes, as an extension to its Pickerings Close scheme. Four new-build semi-detached houses have been purchased in Liverpool Road, Widnes, each of which is ready to move into. Each house can take two tenants, who, it is proposed, will be supported staff at a level, which suits their needs. This will, it is proposed, be funded at an hourly rate of support, tailored to the needs of each individual in the scheme. The funding proposals would allow around 28 hours of direct support per person per week; it is highly unlikely that this level of support will be needed for anything other than the first stages of the scheme (in addition other services can be provided at no additional cost to support each individual). There is therefore likely to be a substantial cost saving to the Authority arising from this scheme.

4.0 BUSINESS CASE FOR WAIVING STANDING ORDERS

4.1 Value for Money and Competition

The tender exercise undertaken in 2005/6 secured a competitive price for the existing service. The recent value for money assessments undertaken during Supporting People service reviews have determined a reasonable hourly rate for similar services of between £11.50 and £12.50 per hour.

The proposed costs therefore offer value for money when benchmarked against other contracted services within Halton.

4.2 Transparency

The process paperwork and minutes are open to public scrutiny under the Freedom of Information and Local Government Acts although the contract itself is likely to be exempt from disclosure under the 2000 Act subject to application of the Public Interest test at the time of any request for access.

4.3 Propriety and Security

The usual anti-corruption integrity clauses will be built into the contract document and only staff with a need to know will have information about the contract.

4.4 Accountability

Accountability for the report and recommendations would remain with the relevant Operation Director. The decision is a matter for the Sub-Committee but would appear to be consistent with the Council public stewardship duties in relation to use of resources. The process and

paperwork is open to the annual audit process, internal audit and access by other regulatory and enforcement bodies.

4.5 Position of the contract under the Public Contract Regulations 2006

As this is for care services (Health and social care services) this contract is largely exempt from the 2006 Regulations so there is no need to advertise for expressions of interest in the official Journal. However, it is necessary to advertise the award of contract within 48 days of the date of the award.

5.0 POLICY IMPLICATIONS

5.1 The proposals in this Report go a further step towards meeting the needs for social inclusion for a group of people with complex mental health needs. It supports a range of national policy guidance designed to promote social inclusion for people with mental health needs, and also supports delivery of local policy objectives.

5.2 The proposal will also assist the Authority to meet a strategic priority to expand provision for people with mental health problems, as set out in Haltons Supporting People strategy.

6.0 OTHER IMPLICATIONS

6.1 Financial Implications: at this stage it is not possible to be explicit about the final financial outcomes of this project – this will depend on the progress that each individual makes as part of the development of the new service.

6.2 So saying, we know that each of the eight people in residential care currently has a financial commitment from this Authority of just over £19,000 annually; put together, this amounts to over £152,000. It is most unlikely that each person will require, in the medium to long term, more than a maximum of 20 hours individual support each week (and possibly substantially less). This would lead to a weekly saving per person of around £100, or £40,000 overall annually.

6.3 Supported Living services in Halton have recently been subject to a Supporting People service review, a key element of which was a value for money assessment. Services provided by Creative Support were assessed as providing value for money in that they deliver a good quality service at a reasonable unit cost price.

6.4 However, the proposed expansion of services set out in this report will result in business efficiencies for Creative Support, as overhead costs can be shared across a greater number of services. The proposed unit cost of the new service is therefore £12.21 (plus 2.5% 08/09 inflation), which is in line with the reduced unit cost renegotiated with similar providers in Halton as a result of the value

for money assessments carried out at service review.

- 6.5 The revenue cost for housing related support within this scheme can be met within the Supporting People budget.

7.0 RISK ANALYSIS

- 7.1 Risk to vulnerable clients is reduced through contracting with a provider with a proven track record of delivering good quality services for people with mental health problems.

8.0 EQUALITY AND DIVERSITY ISSUES

- 8.1 The proposals for this service development are designed to support some of the most disadvantaged people in the Borough, and to actively promote their social inclusion. The project will be open to all people and there will be no barriers to inclusion in the scheme.

9.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

- 9.1 None.