

## Commissioning and Procurement Executive Committee – 14 March 2023

|   |   |                             |  |
|---|---|-----------------------------|--|
| <b>Subject:</b>   | Commissioning of Mental Health Reablement service   |                             |  |
| <b>Directors:</b>   | Lucy Hubber - Public Health   |                             |  |
| <b>Portfolio Holder:</b>  | Councillor Linda Woodings – Adults and Health   |                             |  |
| <b>Report author and contact details:</b>   | Lisa Lopez, Public Health Commissioning Lead, Public Health<br><a href="mailto:lisa.lopez@nottinghamcity.gov.uk">lisa.lopez@nottinghamcity.gov.uk</a>                                     |                             |  |
| <b>Other colleagues who have provided input:</b>  | Claire Labdon-West, Interim Commissioning Lead for Adults, Commissioning and Market Development<br>Caroline Keenan, Senior Public Health Manager, Public Health                           |                             |  |
| <b>Key Decision</b>   | <input checked="" type="checkbox"/> Yes   | <input type="checkbox"/> No | <b>Subject to call-in</b>  |
|   |   |                             | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No          |
| <b>Reasons:</b>   | <input checked="" type="checkbox"/> Expenditure <input type="checkbox"/> Income <input type="checkbox"/> Savings of £750,000 or more taking account of the overall impact of the decision |                             | <input checked="" type="checkbox"/> Revenue <input type="checkbox"/> Capital |
| Significant impact on communities living or working in two or more wards in the City  |   |                             | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No          |
| <b>Type of expenditure:</b>   | <input checked="" type="checkbox"/> Revenue <input type="checkbox"/> Capital  |                             |  |
| <b>Total value of the decision:</b> £1,600,000 (£400,000 per year for 4 years)  |   |                             |  |
| <b>Wards affected:</b> All  |   |                             |  |
| <b>Date of consultation with Portfolio Holder:</b> 22/02/23   |   |                             |  |
| <b>Relevant Council Plan Key Outcome:</b>   |   |                             |  |
| Clean and Connected Communities   |   |                             | <input type="checkbox"/>   |
| Keeping Nottingham Working  |   |                             | <input type="checkbox"/>   |
| Carbon Neutral by 2028  |   |                             | <input type="checkbox"/>   |
| Safer Nottingham  |   |                             | <input type="checkbox"/>   |
| Child-Friendly Nottingham   |   |                             | <input type="checkbox"/>   |
| Healthy and Inclusive   |   |                             | <input checked="" type="checkbox"/>  |
| Keeping Nottingham Moving   |   |                             | <input type="checkbox"/>   |
| Improve the City Centre   |   |                             | <input type="checkbox"/>   |
| Better Housing  |   |                             | <input type="checkbox"/>   |
| Financial Stability   |   |                             | <input type="checkbox"/>   |
| Serving People Well   |   |                             | <input type="checkbox"/>   |
| <b>Summary of issues (including benefits to citizens/service users):</b>  |   |                             |  |
| <p>This report seeks approval to commission a Mental Health Reablement service which will provide support to some of Nottingham’s most vulnerable citizens with mental health needs.</p> <p>The service will provide support to citizens around physical and mental health, financial wellbeing, housing/tenancy issues and access to services, to help them to develop coping strategies and remain living as independently as possible in the community. The service will support citizens with complex support needs including but not limited to those associated with drug use, alcohol use, offending and diagnosed or suspected alcohol-related brain injury. The service will prevent costs in other services such as health, including emergency health services, facilitate timely discharge from psychiatric wards and reduce the number of Delayed Transfers of Care (DTCOC).</p> <p>The Office of Health Improvement and Disparities has set out three key overlapping priority areas of public mental health across the life course: mental health promotion; prevention of mental health problems and suicide prevention; and improving lives, supporting recovery and inclusion of people living with mental health problems. The Mental Health Reablement service has the potential to support the delivery of all three of these priorities, with a particular emphasis on improving lives, supporting recovery and inclusion within the community of people with mental health problems.</p> |   |                             |  |

The Care Act 2014 requires local authorities to ensure that their citizens have access to services that prevent escalation of, and/or delay the impact of their needs; and have access to a range of high quality, appropriate services. The service will support Nottingham City Council's statutory responsibilities in respect of this.

Nottingham City is an outlier in not having commissioned a Mental Health Reablement service. Such services are widely recognised for their preventative value and are common in other core and neighbouring cities. Nottingham City Council was to commission a Mental Health Reablement service in 2020, but due to budget pressures the contract was not awarded.

**Exempt information:** None

**Recommendations:**

- 1 Approve the procurement of the Mental Health Reablement service detailed in Appendix 1, through an appropriate procurement process, and to award the contracts for the services based on the outcomes of the procurement process. The approved contracts would commence on 1st October 2023, for a two –year period with an option to extend for a further two years (i.e. 2+2), to a maximum of 4 years in total.
- 2 Approve the expenditure of £1,600,000 over the entirety of the contract term, for the provision of the Mental Health Reablement detailed in Appendix 1. This will comprise £800,000 total from Public Health reserves in the first two years, followed by £100,000 per year from the Public Health Grant and £300,000 per year from Adult Social Care for the following 2 years, should the contract be extended.
- 3 Delegate authority to the Director of Public Health to approve the outcome of the procurement process and award the contract to the provider that is deemed most suitable to provide the service.
- 4 Delegate authority to the Director of Governance and Legal or their delegates to sign the final contract and agree the extension on the basis of performance and budget availability.

## 1. Reasons for recommendations

- 1.1 The service will provide support to some of Nottingham's most vulnerable citizens with mental health needs, to enable them to remain independent in the community and to facilitate discharge from psychiatric wards. The proposed service is to provide timely, flexible, intensive, fixed-term support to increase citizens' independence and help them to manage or overcome social, practical, financial, emotional and health-related difficulties. The proposed service will support service users to develop coping strategies and the ability to manage periods of problematic mental ill health, directly addressing issues in citizen's lives that impact negatively on their mental health and wellbeing.
- 1.2 Each citizen receiving support will have a personalised, strengths-based support plan which aims to promote and maximise independence by utilising support available through this service and other community-based resources, thus supporting recovery and enabling them to live as independently as possible. There are currently approximately 393 citizens within the Mental Health Pathway who would potentially benefit from a period of reablement. This service is expected to have the capacity to meet the needs of this group of citizens.
- 1.3 The service will prevent costs to other services such as health, including emergency health services, facilitate timely hospital discharge and reduce the number of Delayed

Transfers of Care (DTC). The proposed service will include in-reach into psychiatric units, and will work collaboratively with hospital colleagues in order to identify patients who would benefit from the reablement service; particularly where this would help to facilitate their discharge. This will support citizens to return home safely, provide support for a fixed period once they return home, and help to prevent avoidable re-admissions.

- 1.4 The service will support Nottingham City Council's statutory responsibilities. The Care Act 2014 requires local authorities to ensure that citizens who live in their areas receive services that prevent their care needs from becoming more serious, or delay the impact of their needs; have access to the information and advice they need to make good decisions about care and support; have a range of provision of high quality, appropriate services to choose from; and have an individual care plan to meet their needs.
- 1.5 The Care Act legislates to improve citizen's independence and wellbeing. It makes clear that local authorities must provide or arrange services that help prevent citizens developing needs for care and support or delay citizens deteriorating so much that they would need more acute and ongoing care and support or be admitted to hospital. The service will address citizens' key support needs and so contribute to better mental and physical health. The service will support citizens towards greater independence, help to prevent escalation of need, and minimise risks / vulnerabilities.
- 1.6 The recent Strategic Commissioning Review suggests that the proposed service will provide value for money when compared against other provision within the mental health pathway such as residential care or accommodation-based Care Support and Enablement. The service is to be jointly funded by Nottingham City Council Public Health and Adult Social Care budgets (see appendix 1) with the Public Health reserves being used to fund the service for the first 2 years, followed by 25% Public Health funding and 75% Adult Social Care funding in subsequent years. The service is being commissioned as 'invest to save' with the initial Public Health funding providing the investment to implement the service, for it to generate savings in Adult Social Care and Health in subsequent years.

## 2. **Background (including outcomes of consultation)**

- 2.1 A Strategic Commissioning Review of the Mental Health Accommodation and Support Pathways took place in 2019/20, which considered both qualitative and quantitative data to inform commissioning of services. The review found inconsistencies in the support citizens were provided with. Due to the lack of a clear pathway, the support offered was often dependent on several factors including the knowledge of the allocated worker and which service was available on the day.
- 2.2 A lack of a highly focused, time-limited reablement service was also highlighted and this is a model of support which is available to citizens who utilise other Adult Social Care Pathways. Though other specialist support services were found to work well, analysis highlighted that the length of support offered (maximum two years, on average ten months) may create unnecessary dependency or a delay in being referred into appropriate longer-term support. Because of these factors a Mental Health Reablement service was recommended. The service model and budget were agreed at Commissioning and Procurement Sub-Committee on 14/01/2020.
- 2.3 As part of this Strategic Commissioning Review, the following activities were undertaken to ensure a clear understanding of need and service gaps:

- Visits to services and discussion with staff and service users;
- A consultation event for providers and frontline staff;
- National analytical reports;
- Barriers to move on service in relation to the accommodation-based support services with providers;
- Case reviews;
- Learning from other local authority's pathway.

Key Messages from engagement and consultation were that:

- the commissioned pathway operated well, offering an effective short-term support system that is value for money. However, some citizens seem to move on from one short-term provision to another, when in reality they require either an earlier discharge to independent living, or longer-term support;
- an enablement service would help to provide an early diagnosis of need and therefore appropriate commissioning of services or discharge depending on individual needs. This should help prevent citizens moving from one temporary provision of support to another. It is envisaged that this service will work closely with the specialist mental health teams, commissioners and contract officers in order to ensure that issues are picked up and mitigated quickly. The focus will be ensuring that needs are met effectively.

2.4 The Mental Health Reablement service was tendered through a competitive procurement process in 2020. Due to the Council's extremely challenging financial position and the requirement for the Adult Social Care directorate to identify £1.5m savings from commissioned services that year, the contract was never awarded and was taken as a saving to the Adult Social Care budget. This was agreed as part of the budget consultation process in early 2021. It was acknowledged at the time that the Mental Health Reablement service was one of a range of preventative services which would reduce demand for Adult Social Care and help to avoid breakdown of tenancies.

2.5 A range of other preventative services were decommissioned at the same time, leaving a lack of preventative services for any citizens who are not eligible for Adult Social Care support under the Care Act. This has contributed to an increase in demand for social care assessments, and elsewhere in the system, such as housing and health services, and placed pressure on already stretched service areas. It was agreed that this de-commissioning of preventative services was not desirable, but the risks in doing so were accepted due the Council's financial situation.

### 3. **Other options considered in making recommendations**

3.1 Do nothing - do not commission the services. Lack of preventative services for citizens who are not Care Act eligible is contributing to additional spend and pressure in Adult Social Care and elsewhere in the system, such as housing and health. This is particularly true for specialist services like the Mental Health Reablement service, where a significant proportion of potential service users are eligible for support under the Care Act.

3.2 A key component of the Mental Health Reablement service is the hospital in-reach. This diverts citizens away from Adult Social Care, particularly where there is a housing need. The lack of this part of the service specifically is likely to mean that the level of delayed transfers of care (DTC) are occurring, reducing the capacity on the acute wards. This is likely to mean significantly poorer outcomes for the citizen, as well as

increased costs to the local authority and Health. Therefore, this option is not recommended.

#### **4. Consideration of Risk**

- 4.1 There is a risk that the service may not generate the expected level of savings. This is mitigated by the first 2 years of the contract being funded from the Public Health reserves. Any subsequent years are to be funded by Public Health (25%) and Adult Social Care (75%) (see appendix 1). The contract is to be let for 2 years plus an option to extend for further 2 years, so if it the service is not performing to expected standards and it does not appear that savings will be made, the option to extend the contract will not be utilised and the contract will end with no cost to Adult Social Care, and no ongoing cost to Public Health.
- 4.2 A number of preventative services which were in place at the time of the Strategic Commissioning Review in 2019 have subsequently been decommissioned. There is a risk that the infrastructure to support delivery of this service may no longer be in place, and that the market may no longer be able to deliver this service in the way it was previously envisioned. This is mitigated by reviewing the pathway to ensure that all relevant links are in place and that onward referral routes are consistent. The market will be notified that the tender is due to be opened in order to give providers chance to prepare and stimulate competition.

#### **5. Best Value Considerations**

- 5.1 The proposed Mental Health Reablement service will demonstrate best value by supporting citizens to live more independently, avoiding longer term care costs and additional spend in the healthcare system. A significant cost saving from the Mental Health Reablement service model is that in the Mental Health Reablement service the citizen lives in their own home, and is supported to maintain their own tenancy. Their accommodation costs (rent etc.) are paid for through the benefits they are entitled to. As well as affording the citizen a greater degree of independence, and developing their skills, this model is considerably lower in cost to Nottingham City Council than a service where the local authority pays for the accommodation as well as the care, such as residential care or accommodation-based Care Support and Enablement. The 2019 Strategic Commissioning Review calculated comparative costs of services as follows;

- Accommodation-based Housing Related Support (HRS) average cost per person per week: £238;
- Accommodation Based CSE (Supported Living) average cost per person per week: £457;
- Mental Health Reablement service expected average cost per person per week: £85.

Citizens in residential homes have not been included in consideration of savings, as many citizens who are in residential care are older and have been there for a substantial period of time, and therefore may not be likely to benefit from reablement. It is recognised that the costs of delivering all services will have increased since the review was carried out, however it can reasonably be expected that the Mental Health Reablement service will still represent proportionate value for money compared to the other services.

- 5.2 It has not been possible to jointly commission this service with neighbouring local authorities, since our neighbours already have mental health reablement services in place (for example, the Maximising Independence reablement service in Nottinghamshire County, which includes mental health). However, the service is to be jointly funded by Nottingham City Council Public Health and Adult Social Care budgets (see appendix 1) with the Public Health reserves being used to fund the service for the first 2 years, thus providing the investment to implement the service, for it to generate savings in subsequent years.
- 5.3 Best value will be secured by commissioning the service through a fair and transparent competitive procurement process, managed through East Midlands procurement portal. Notification will be issued to potential providers through the portal to ensure that they are aware of the upcoming tender, and generate market interest and competition.
6. **Finance colleague comments (including implications and value for money/VAT)**

**Observations of Finance Business Partner:**

For reasons outlined by the report author, this decision seeks approval to commission and award spend of **£1,000,000** from the Public Health grant, and **£600,000** from Adult Social Care towards a Mental Health Reablement Service from 1<sup>st</sup> October 2023 for 2 years and an option to extend for two years

The annual cost of this decision is £400,000.

| <b>Mental Health Reablement Service</b> | <b>Budget per annum</b> | <b>Total 2 years</b> | <b>Total (2 + 2 years)</b> |
|---|-------------------------|----------------------|----------------------------|
| Public Health Grant                     |                         | £800,000             | £1,000,000                 |
| Adult Social Care                       |                         | £0                   | £600,000                   |
| <b>TOTAL</b>                            | <b>£400,000</b>         | <b>£800,000</b>      | <b>£1,600,000</b>          |

The maximum cost of this decision is £1,600,000 and is incorporated within the Medium Term Financial Plan. If the funding was to reduce in future years, the service would need to realign services within the revised available funding limit ensuring that no financial pressure arises. The service will need to ensure there is an appropriate exit strategy.

Once the decision is approved, a budget virement will be posted to realign the budgets, supporting budget managers to robustly monitor the budget.

The actual costs associated with this decision will require regular monitoring to form appropriate financial accounting and an audit trail to support robust forecasting. Any decisions taken will need to be captured against this decision value to ensure it is not exceeded. This information will also be used for internal/external reporting purposes as required.

Tracey Moore, Commercial Business Partner - 20 February 2023.

**7. Legal colleague comments**

- 7.1 This report seeks approval to commission and fund, for up to four years, a Mental Health Reablement service.

- 7.2 In procuring the service, the Council must ensure compliance with the Public Contract Regulations 2015 and its own constitution. Further, should the initial term of the proposed contract be extended, and thus be funded by the Public Health Grant and the Adult Social Care funds, the Council must ensure that this is an appropriate use of such funds.
- 7.3 Legal Services will support the procurement process and the agreement for the final terms and conditions; we would recommend that the authority to execute the final contract is made subject to sign off by the Director of Governance and Legal or their delegates.

Anthony Heath, Senior Solicitor, Contracts and Commercial - 6 February 2023.

## 8. **Other relevant comments**

### 8.1 **Procurement comments**

The procurement of the Mental Health Reablement service will be undertaken by the Procurement Team in compliance with the requirements of the UK Procurement Regulations and the Council's Contract Procedure Rules.

Julie Herrod, Lead Procurement Officer – 30 January 2023

## 9. **Crime and Disorder Implications (If Applicable)**

9.1 N/A

## 10. **Social value considerations (If Applicable)**

- 10.1 The proposed service is expected to add social value in Nottingham through enabling citizens to remain independent in the community and reducing the need for long-term community support, hospital admission or other accommodation options such as residential care or Accommodation based Care, Support and Enablement, and preventing costs to other services such as health, including emergency health services.
- 10.2 The proposed service will support service users into employments within the local community wherever possible, encouraging and enabling service users to facilitate and lead on activities at the service and to support other residents in accessing these activities.
- 10.3 The service will employ support workers from the local community as much as possible, upskilling Nottingham citizens to further their development, and reducing travel to support environmentally sustainable working practices wherever possible.

## 11. **Regard to the NHS Constitution (If Applicable)**

- 11.1 Local Authorities have a statutory duty to have regard to the NHS Constitution when exercising their public health functions under the NHS Act 2006. In making decisions relating to public health functions, we consider the NHS Constitution where appropriate and take into account how it can be applied in order to commission services to improve health and wellbeing.
- 11.2 The Mental Health Reablement Service fits with the aims of the NHS Constitution by working across organisational boundaries to deliver support across systems

and pathways. It will provide best use of taxpayers' money, offering effective, fair and sustainable use of finite resources. It will provide person-centred, strength-based care plans, putting the citizen at the heart of the service and supporting individuals to promote and manage their own health.

**12. Equality Impact Assessment (EIA)**

12.1 Attached as Appendix 2, and due regard will be given to any implications identified in it.

**13. Data Protection Impact Assessment (DPIA)**

13.1 Attached as Appendix 3, and due regard will be given to any implications identified in it.

**14. Carbon Impact Assessment (CIA)**

14.1 A CIA is to be completed, and due regard will be given to any implications identified in it.

**15. List of background papers relied upon in writing this report (not including published documents or confidential or exempt information)**

15.1 None.

**16. Published documents referred to in this report**

16.1 Mental Health Accommodation and Support Pathways report to Commissioning and Procurement Sub-Committee - 14/01/2020.