

Nottingham City Council Delegated Decision



Nottingham
City Council

Reference Number:

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Author:

Oliver Bolam

Department:

People

Contact:

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Subject:

Mental Health Reablement service - capacity
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Total Value:

£421,760 over the whole life of the contract (£105,440 per year for up to 4 years) (Type: Revenue)

Decision Being Taken:

Approve the expenditure of £421,760 over the entirety of the contract term, for the provision of the Mental Health Reablement, as detailed in Appendix 1. This will be in addition to the funding approved at Commissioning and Procurement Executive Committee (CPEC) on 14/03/2023, and should be read as an addition to the original CPEC report. .

Reasons for the Decision(s)

Commissioning a new Mental Health Reablement 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. This service will 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 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. The commissioning of a new Mental Health Reablement service was approved at Commissioning and Procurement Executive Committee (CPEC) on 14/03/2023. This report should be read in conjunction with that paper. The costings included in the CPEC were understood to have been correct as of late 2022. However, there have been significant increases in inflation since the service costs were modelled. The procurement for the Mental Health Reablement service was opened on 18/05/23. There was an expectation that the service would support approximately 375 citizens. During the tender process there was significant feedback from providers that the funding was insufficient to support the number of citizens anticipated, and that Nottingham City Council would be unlikely to receive quality bids for a successful service with the level of funding advertised. A working group of Adult Social Care, Public Health, Transformation and Commissioning colleagues have agreed that the service is unlikely to be deliverable and sustainable on the budget previously proposed. Service costs have been re-modelled with support from the Transformation team (see Appendix 1 for updated service costs). The updated service costs would make the service comparable to the costs of Care, Support and Enablement services, which are the most similar services to Mental Health Reablement. This report is seeking approval to increase the expenditure previously approved via the CPEC paper in March to £505,440 per year (an increase of £105,440 per year or £421,760 over the whole life of the contract) to ensure that the service is likely to be sustainable for providers during the term of the contract. The increase in costs is being funded through the Public Health reserve in the first two years of the contract, and by Adult Social Care for the remaining two years should the service be successful and the contract be extended. It is proposed that the tender for the re-modelled service will now take place in September and October 2023, with the service to commence on 1st April 2024. Best Value Considerations The 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. It is recognised that the costs of delivering all services has 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.

Briefing notes documents:

FOR INFORMATION NOT PUBLICATION MH Reablement briefing.docx, Appendix 1 service funding.doc

Other Options Considered:

Option 1) Tender the service with the costings approved in the CPEC paper 'Commissioning of Mental Health Reablement service' dated 14/03.23. Feedback from potential providers has indicated that the service is not viable at the approved costs, and that Nottingham City Council will be unlikely to receive a high quality, viable and sustainable service within the approved cost envelope. Therefore this option is not recommended. Option 2) Reduce the number of service users the provider is expected to support. This is likely make the capacity of the service viable for providers. However, this service has savings implications which are reflected in Nottingham City Council's Medium Term Financial Plan (MTFP). If the number of service users to be supported into reablement and experiencing a reduction in support needs was decreased, the targets identified in the MTFP would not be achievable. Therefore this option is not recommended. Option 3) 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. 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 (DTOC) 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.

Background Papers:

None.

Published Works:

'Commissioning of Mental Health Reablement service' report to Commissioning and Procurement Executive Committee - 14/01/2023 'Mental Health Accommodation and Support Pathways' report to Commissioning and Procurement Sub-Committee - 14/01/2020.

Affected Wards:

Citywide

Colleague / Councillor Interests:

None

Consultations:

Date: 01/10/2020
Other: .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

The commissioned pathway operates 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.

Those not consulted are not directly affected by the decision.

Crime and Disorder Implications:

None

Equality:

Please login to the system to view the EIA document: Appendix 2 EIA Mental Health Reablement - Final signed.docx

Social Value Considerations:

The Mental Health Reablement 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.The 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.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.

Regard for NHS Constitution:

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 this decision relating to public health functions, we have properly considered the NHS Constitution where applicable and have taken into account how it can be applied in order to commission services to improve the health of the local community.

Decision Type:

Portfolio Holder

Subject to Call In:

Yes

Advice Sought:

Legal, Finance, Procurement, Equality and Diversity

Legal Advice:

This report seeks approval for additional expenditure of £421,760 giving a total contract value over the term of the contract of £2,021,760. I understand that Governance colleagues have advised that this route for a decision is appropriate and there is no need to go back to CPEC.

The substantive decision has already been taken by CPEC so as long as best value duties are met, relevant regulations are complied with and the Council's Constitution is adhered to this report offers no significant legal concerns and the comments in the CPEC report remain applicable.

Legal Services are happy to support the implementation of suitable contractual arrangements in due course.

Advice provided by Anthony Heath (Senior Solicitor) on 16/08/2023.

Finance Advice:

This report follows on from a previous report agreed on the 14th March 2023 at the Executive Board Committee approving expenditure of a maximum of £1.6m over 4 years.

For reasons outlined by the report author, this decision seeks approval to commission and award a maximum of £421,760 over 4 years towards a Mental Health Reablement Service. The contract will start on 1st October 2023 and will last 2 years with an option to extend for two years. This decision relates to an increase in the costs since the previous report.

The cost will be funded as follows: £210,880 from the Public Health grant during years 1 and 2 , and £210,880 from Adult Social Care budgets during years 3 and 4 if the contract is extended.

Following the original report, the new total annual cost of this decision is £505,440, a change of £105,440.

The contract cost has increased due to the feedback from the first tender process showing there was insufficient funding to support the number of citizens anticipated, and therefore quality bids were unlikely. The recent inflation increase has also impacted the figures. Transformation and commissioning colleagues have agreed the budget was not sufficient and the costs include the re-modelled service with support from the Transformation Team.

The cost of this decision is £210,880 over the first 2 years which is incorporated within the Medium Term Financial Plan for Public Health and a further £210,880 over years 3 and 4 if the contract is extended. The expectation is that this will be funded via savings that will be made in Reablement. If the funding were to reduce in future years or savings are not available, the service will need to realign services within the revised available funding limit ensuring that no financial pressure arises. The ability to end the contract after 2 years supports this.

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.

Advice provided by Joanna Jenkins (Senior Commercial Business Partner) on 12/09/2023.

Procurement Advice:

This DDM seeks additional funding for the provision of a Mental Health Reablement service. This additional funding is considered necessary as a result of feedback from potential bidders during the recent tender process, about funding not being sufficient for bidders to submit viable tenders and deliver a sustainable service. On this basis, the tender was halted and the procurement of the MHR will be undertaken by the procurement team in compliance with UK Procurement Regulations and the Council's Contract Procedure Rules at the increase value as stated in Appendix 1.

Advice provided by Julie Herrod (Procurement Officer) on 08/08/2023.

**Equality and Diversity
Advice:**

The EIA has been reviewed. There are no impacts to any of the protected characteristics I am therefore happy to sign off.

Advice provided by Rosey Donovan (Equality and Employability Consultant) on 20/09/2023.

Signatures

Linda Woodings as Portfolio Holder (Portfolio Holder for Adult Social Care and Health)

SIGNED and Dated: 23/10/2023

Catherine Underwood (Corporate Director for People)

SIGNED and Dated: 19/10/2023