SUBJECT: CONTRACT AWARD FOR HOUSING SUPPORT SERVICE FOR ADULTS WITH MENTAL HEALTH PROBLEMS

1. Synopsis

1.1 This report seeks approval for the award of a Supporting people contract to Camden and Islington NHS Foundation Trust for an intensive outreach floating housing support services for people with mental health problems. The aim of this service is to support people with severe and enduring mental health problems to live independently in the community and to reduce readmission to inpatient wards.

1.2 This is a unique service working as part of a multi-disciplinary team within the Camden and Islington NHS Foundation Trust to develop or sustain an individual’s capacity to live independently and prevent hospital admissions. The procurement method used was direct negotiation.

1.3 The service will support the One Islington vision by offering vulnerable people the opportunity to improve their quality of life enabling people to develop skills to live independently and live successfully in the community.

2. Recommendations

2.1 To grant a waiver of the tendering requirements in the Procurement Rules to enable acceptance of the negotiated tender
2.2 To approve the award of a three year contract to Camden and Islington NHS Trust (the Trust), for an intensive outreach floating housing support service for people with mental health problems, commencing in February 2010 and with an option for a further extension of up to 2 years.

3. **Background**

3.1 The original service which is jointly funded with NHS Islington has three separate schemes known as Cornwallis, Clerkenwell and Highview making up 55 accommodation based units.

3.2 The Cornwallis service (part of the Friern Barnet re-provision) has grown from the original 11 tenancies and now supports 41 service users, the service also supports people in the community who it has assisted to bid under Islington’s Choice Based Letting. The service was established to provide an alternative to residential care by delivering high levels of flexible support to people with high mental health need living in the community. As part of an NHS service access is immediate through multi-disciplinary team rather than through the stepped care model operating in the community.

3.3 Clerkenwell and Highview are based around support from an accommodation base. Clerkenwell (also part of the Friern Barnet re-provision) is a care home with originally 3 tenancies attached that has developed further to support an additional 4 community tenancies to provide increased value for money, using the staff team of the registered care home. Highview is a 24-hour NHS community rehabilitation facility with 7 attached tenancies, again supported by staff from the Rehabilitation project.

3.4 The Strategic Review of Accommodation Based Support Services completed in June 2008 made a number of recommendations to improve housing support services for people with mental health problems and identified a need for flexible, intensive floating support services to help people sustain independent lives in the community. The review reinforced the uniqueness of this service within the sector. The service is intensive, flexible and responsive. On a regular basis it can provide more support by visiting than projects with staff on site. It was designed and works as an effective alternative to residential care. It plays a key role in reducing the numbers of people in residential care which is a key LBI performance indicator. The service covers high need service users who require many hours per week and regular flexible visits. There is no comparable service in the borough that provides a safety net of support to people in their own flat. The support provided is unique because it is higher in support hours than many of the accommodation based services on site support.

3.5 The service operates a 24/7 model, with support workers on call who can then access senior managers in the Trust for expert advice and management. The service has successfully prevented unnecessary hospital admissions, supporting people with very complex mental health needs to remain in the community. This service plays a direct role in facilitating move on from hospital and from high support projects. This move-on was strongly highlighted by the recent mental health review. This has a direct effect in reducing the high cost of delayed discharges from hospital and the enabling out of area placements to return to Islington. The service is able to support the most complex mental health service users in the community and prevent hospital admission and tenancy breakdown.

3.6 The service is a direct alternative to residential care – it’s a step down from hospital which is integrated with the NHS and hospital base. This is assisted by direct links to discharge arrangements from the residential and rehabilitation wards. This also means service users have direct access to crisis teams, Assertive Outreach and a clear response in difficulties. As the service is 7 days a week, year round it is able to prevent more serious incidents, breakdowns and anti social behaviour.
3.7 The Supporting People Commissioning Body, a senior officer partnership including the Council, the PCT and the Probation Service, in July 2008 agreed to the direct renegotiation of this agreement with the Trust.

3.8 The Board made this decision based on the fact that the Trust provides established and well-regarded local services with a strong track record of quality, and based upon the findings of the review. The Commissioning Body felt that direct negotiation was the appropriate procurement method to secure a continuation of this critical service, which reduced the high cost of delayed transfer of care and supported mental health service users with complex needs in the community, preventing hospital admission and tenancy breakdown.

3.9 The Procurement Board in November 2008 acknowledged that the combined elements of the service, Clerkenwell, Highview, Cornwallis, its direct links to statutory services, the intensity of the service, the combined funding all together make the service more than the sum of its parts. It endorsed and approved the direct renegotiation of this agreement as in its current form it provides more than what could be achieved by tendering of the disaggregated service. It was agreed that direct negotiation could provide the best value for money whilst retaining valued services and allowing them to develop for the wider benefit of Islington residents.

3.10 Delivery of local services to meet local needs and build stronger communities through partnerships is a key element of the One Islington vision. Community based services also support the council’s ambition to be regarded as excellent by residents. Homelessness prevention and community safety underpin the delivery of the Supporting People programme and awarding a contract to this service will help meet key strategic objectives. This service has demonstrated strong partnership working with key statutory and voluntary agencies to ensure that local needs and priorities are met.

3.11 Through direct negotiation the provider has agreed to work to a revised service specification, offering greater flexibility in the service delivery model across the borough, working in the evening as well as weekends. They will provide support to 55 service users and extend their focus to the South of the borough as well as the North. The provider was also required to demonstrate improved value for money by undergoing a VfM assessment. This assessment included the resources offered to deliver the service, the staffing model, track record on quality and outcomes for service users. The Trust contributes resources to the service to ensure that it offers an integrated model of working for people with high support needs.

4. Implications

4.1 Financial Implications

The full cost of this contract will be met from Supporting People grant funding. The annual cost of the service is detailed in the exempt appendix to this report.

4.2 Legal Implications

4.2.1 The Council has power to enter into a contract with Camden and Islington NHS Trust for the provision of housing support services for adults with mental health problems under section 1 of the Local Government (Contracts) Act 1997 on the basis that such services are properly required for the discharge of the Council’s duties.

4.2.2 The services to be provided are Part B services for purposes of the Public Contracts Regulations 2006 and as such do not need to be tendered in full compliance with the Regulations. However, even in relation to Part B services the Council has a duty to comply with the European Treaty principles of equal treatment, non-discrimination and transparency. An interpretive communication published by the European Commission in 2006 reiterated these requirements and in particular the need for appropriate advertising in all cases including Part B services where there is a functioning internal market for those services within the EC.
4.2.3 Where there is no comparable alternative provider for the required services within Islington and it is the policy of the Council to meet the needs of vulnerable people within Islington wherever possible and close to their family and social networks directly negotiating the contract with the Trust is likely to provide little or no risk in relation to breaching the requirements of the EU procurement regime. The services provided by the Trust appear to fit this category and therefore award of this contract to the Trust is likely to provide little or no risk.

4.2.4 Under the council’s Procurement Rules contracts over the value of £80,000 need to be awarded using a competitive tendering procedure which would normally involve the drawing up of a short list following appropriate advertisement. The Executive may waive the requirement for competitive tenders where they are satisfied that there are sufficient reasons for doing so (Rule 3.3).

4.2.5 The Executive will need to satisfy itself that the terms negotiated with the Trust, including price, represent value for money. In considering the recommendations in this report, members must take into account the information contained in exempt appendix to the report.

4.3 Equalities Impact Assessment

4.3.1 The Council must eliminate unlawful discrimination and promote equality of opportunity in relation to disability, race and gender, and take account of disabilities even where that involves treating the disabled more favourably than others (section 49A Disability Discrimination Act 1995; section 71 Race Relations Act 1976; Section 76B and C Sex Discrimination Act 1975).

4.3.2 The council must eliminate unlawful discrimination and promote equality of opportunity in relation to disability, race and gender

4.3.3 An Equality Impact Assessment (EIA) on this proposal was carried out.

4.3.4 The contract and specification states that provider must be able to work and retain engagement with service users from diverse backgrounds whose behaviour can be challenging. The service will be monitored to ensure that fair access, fair exit, diversity and inclusion are embedded within the culture of the service and there is demonstrable promotion and implementation of the policies. It will benefit service users from all backgrounds in Islington


http://izzi/DownloadableDocuments/LawandPublicServices/EqualityandDiversity/impact_assessment_template.pdf

5. Conclusion and reasons for recommendations

5.1 Camden and Islington NHS Trust has a proven track record in delivering high quality housing support services for vulnerable people Islington. The service makes an important contribution to the achieving the objectives within the Supporting People strategy and the sustainable communities plan.

Background papers:
Contract documents
Final Report Clearance

Signed by

Executive Member for Health and Adult Social Care

Date

Received by

Head of Democratic Services

Date

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