

Committee/Meeting: Cabinet	Date: 3 rd August 2011	Classification: Unrestricted	Report No: (CAB 024/112)
Report of: Corporate Director Helen Taylor Originating officer(s) Richard Fradgley, Head of Mental Health Commissioning		Title: Commissioning Strategy for Accommodation of Working Age Adults with a Mental Health Problem Wards Affected: All	

Lead Member	Councillor Abdul Asad, Cabinet Member Health and Wellbeing
Community Plan Theme	Healthy and Supportive
Strategic Priority	Supporting people with mental health problems to live independently

1. SUMMARY

1.1 This paper summarises the Strategy for developing and improving accommodation with support for people of working age with a mental health problem over the next five years, as detailed in the *Commissioning Strategy for Accommodation of Working Age Adults with a Mental Health Problem*. The Strategy has been developed by the London Borough of Tower Hamlets and NHS East London & The City, with the involvement of stakeholders.

1.2 The number of Tower Hamlets service users with a mental health problem living in residential care has increased significantly over recent years, with Tower Hamlets now in the top quartile of all London boroughs for the number and cost of people with mental health problems living in residential care. Due to the low number of care homes in-borough, and a pattern of supported housing supply that has not up to now been designed optimally to meet current or future need, 90% of Tower Hamlets mental health service users living in a residential care home do so out of borough, away from their families and communities.

1.3 The *Commissioning Strategy* details proposals to redesign existing in-borough supported accommodation and to increase in-borough capacity in high support schemes, so that service users living in out-of-borough residential care can be supported to move into high support accommodation in-borough, and where appropriate into their own tenancy with more flexible, floating support at home, as their needs and aspirations change.

1.5 The Strategy aims to significantly improve service users' quality of experience through increasing the capacity of supported accommodation in-borough so that more service users can live in-borough, closer to family, friends and community; minimising the number of times service users have to move through different levels of accommodation with support; improving the coordination of the support that

service users are offered across clinical and care management services and providers; and improving the quality of support offered by accommodation providers. The Strategy has at its heart the principle of recovery, that clinical, care management and housing services should be designed to support service users to live “satisfying, hopeful and contributing life, even with the limitations caused by illness” (Anthony, 1993, quoted in SLAM, 2011)¹ in as independent a setting as possible, as close as possible to their home and community. The Strategy will also realise a significant reduction in residential care spend against the 2009/10 baseline, resulting in better value for money, and cash released for reinvestment into supported accommodation and savings to the Council.

2. DECISIONS REQUIRED

2.1 Cabinet is recommended to:-

Consider the proposals for developing and improving accommodation with support with a view to agreeing the Strategy, and for detailed engagement and consultation with service users affected to proceed.

3. REASONS FOR THE DECISIONS

3.1 The Strategy outlines proposals for developing and improving supported accommodation in-borough and increasing its capacity over the next five years, in order to support service users either currently living in residential care, or who may in the future potentially be at risk of moving into residential care, to move into it, and to improve the quality of accommodation services.

3.2 It is anticipated that implementation of the Strategy will bring a significant improvement to the experience of, and outcomes for, service users living in accommodation with support, a much greater focus on supporting service users to live in a setting that promotes their recovery and independence, and better value for money.

4. ALTERNATIVE OPTIONS

4.1 Were the Strategy not to be implemented, a significant and potentially increasing number of service users would continue to live in out of borough residential care some distance from their families and communities, and total spend on residential care would be likely to increase significantly, creating a significant cost pressure to the Council and NHS East London & The City.

5. BACKGROUND

5.1 The Strategy details the Tower Hamlets Partnership’s plans for developing and improving accommodation with support for people of working age with a mental health problem over the next five years. The Strategy has been developed by the

¹ All references can be found in full in LBTH & NHSTH (2010) *Need and Capacity Assessment* and LBTH & NHSELC *Commissioning Strategy for Accommodation of Working Age Adults with a Mental Health Problem*.

London Borough of Tower Hamlets (LBTH) and NHS East London & The City (NHSELC)², with the close involvement of a range of stakeholders.

5.2 The Strategy focuses primarily on the accommodation needs of people with severe and enduring mental health problems, who are most likely supported by secondary care mental health services under the Care Programme Approach³. It includes within its scope registered residential and nursing care, supported accommodation, general needs housing, and the specialist teams which support service users to move along the accommodation care pathway.

5.3 The development of the Strategy has been informed by the national policy context, the evidence available on best practice, by the local strategic context, and by a number of specific pieces of work to gather intelligence on local need and capacity, as detailed in *NHS Tower Hamlets (2010) Need and capacity assessment: supported accommodation for people of working age with a severe and enduring mental health problem*. Recent policy has emphasised care closer to home, personalisation, choice, prevention and a focus on outcomes as the key organising principles of health and social care delivery (DoH, 2010a; DoH, 2010b), within an over-arching requirement for all public services to dramatically improve productivity and value for money, and in many cases deliver cash-savings (DoH, 2010c).

5.4 In Tower Hamlets, the Partnership is committed to supporting people with mental health problems to live independently (Tower Hamlets Partnership Community Plan, 2011, p. 38) and recognises that high quality integrated mental health services, with good quality supported accommodation when needed, are critical factors in providing effective support to service users.

5.5 NHSELC is currently working with partners across Tower Hamlets, Newham, and City & Hackney to undertake a Whole Systems Review of mental health services. The Review has at its heart the principle that mental health services should be organised to support the recovery of individual service users, and is currently developing a vision and set of principles that will guide the future shape of mental health services across the system.

5.6 LBTH has in place a 2011-2015 Supporting People Strategy, the aim of which is to lay out the future direction of supporting people services to ensure that staff and buildings respond to the changing requirements of vulnerable people across the borough and are used in the best way, based on what people need, when they need it. As part of the Strategy, LBTH is currently tendering for all supported accommodation contracts across all care groups during 2011/12.

5.7 NHSELC and LBTH both require significant cash-savings to be delivered as part of their corporate savings plans over the next three years.

6. BODY OF REPORT

² Previously NHS Tower Hamlets.

³ The Strategy focuses primarily on the needs of people who are receiving support from mental health services for people of working age. As these teams take a needs, rather than age, based approach, they may support people aged over 65, where mental health needs, rather than needs associated with age, are primary. The Strategy does not focus on the needs of people receiving support from older adult mental health services.

6.1 The number of Tower Hamlets service users with a mental health problem living in residential care grew from c. 95 in Spring 2004 to c. 139 in Winter 2009/10. As of June 2011, there are 131 service users living in a care home. Due to the low number of care homes in-borough, and a pattern of supported housing supply that has not been designed optimally to meet current or future need, 90% of Tower Hamlets mental health service users living in a residential care home do so out of borough. This results in “dislocation from family and community and loss of continuity of services” (Killaspy et al., 2009, p. 112), a disconnect between care management and care co-ordination⁴, and evidence to suggest that quality and costs are more difficult to control when placements are out of borough (Ryan & Rayne, 2007).

6.2 Over the same period, the annual cost of residential care for people with mental health problems has risen from c. £3m to c. £6.5m. According to the NHS Information Centre (2011) during 2008/9 and 2009/10, Tower Hamlets was in the top quartile for the number of new residential care placements made of people with a mental health problem aged 18 to 64 in London, the total number of weeks spent in residential care by people with mental health problems, and the unit cost of residential care for people with mental health problems. Whilst Tower Hamlets is one of the most deprived boroughs in the country, with a high index of mental illness, it is unlikely that the high placement rate can be explained entirely by need alone. It is likely that a complex interplay of practice, process, pathways and system capacity are additional drivers that impact on the level of placement activity.

6.3 The *Commissioning Strategy* details proposals to redesign existing in-borough supported accommodation and to increase in-borough capacity in high support schemes, so that service users living in out-of-borough residential care can be supported to move into high support accommodation in-borough, and into their own tenancy with more flexible, floating support at home, as their needs and aspirations change.

6.4 The Strategy aims to significantly improve service user’s quality of experience. It has at its heart the principle of recovery, that clinical, care management and housing services should be designed to support service users to live a “satisfying, hopeful and contributing life, even with the limitations caused by illness” (Anthony 1993, quoted in SLAM (2011)) and should be able to be supported in as independent a setting as possible, as close as possible to their home and community, and with more flexible and personalised support designed around their needs, and which minimises the current requirement for them to move repeatedly through different types of accommodation as they recover.

6.5 With the delivery of this Strategy, the Partnership anticipates that over the next four years an additional circa 62 units of in-borough high supported accommodation will be commissioned, and that, by diverting new and existing service users from out of borough residential care into them, the number of residential care home placements⁵ will have reduced from a baseline of 139 in 2009/10 to circa 83 in

⁴ As a result the clinical and social care of service users can become disconnected, which can disrupt the continuity and coherence of recovery-orientated care and mean that it takes longer for those who wish to move into more independent accommodation to do so.

⁵ The 83 includes 20 units of in-borough residential care so out of borough placements would reduce to c. 63.

2015/16, and the number of high support units will have increased from 82 to circa 144.

6.6 The Partnership also aims as part of this Strategy to significantly increase the number of floating support units available to support service users in their own home.

6.7 Through this Strategy, it is anticipated that LBTH will realise in the region of £2m recurrent cash-savings target against the 2009/10 baseline of residential care spend, to be delivered incrementally over the period to 2015/2016. This will require a reinvestment of approximately £1m into high supported accommodation as an alternative to residential care. The profile of savings and reinvestment is set out in detail in the Commissioning Strategy for Accommodation for working age adults with a mental health problem. The savings arise partly through a lower unit cost for supported accommodation compared to residential care. However, savings also arise from an ability to reduce average lengths of stay due to bringing service users back in borough which will enable care management (social care) and care co-ordination (health care) under one team. This will mean a better service for users, a service which is holistic and joined up between health and social care.

6.8 Without the implementation of the Strategy, it is likely that costs will grow significantly over the period, with a “do nothing” forecast of c. £9.8m residential care spend alone by 2015/16.

7. COMMENTS OF THE CHIEF FINANCIAL OFFICER

7.1 As per Section 2 of the report, Cabinet is recommended to:

7.1.1 Consider the proposal for developing and improving accommodation with support a view to agreeing the Strategy, and for detailed engagement and consultation with service users affected to proceed.

7.2 The cost of service provision from 2008/2009 to 2009/2010 rose from £3m to £6.5m (paragraph 6.2).

7.3 The cost of service provision is expected to increase by a further £3.3m by 2015/2016 from the 2009/2010 level (paragraph 6.8).

7.4 Over 90% of service users are in out of Borough residential care and therefore it is more difficult for the Mental Health Commissioning team to control the costs of these placements (paragraph 6.1) and therefore do not necessarily represent best value for money.

7.5 To ensure better value for money, the Authority along with NHS Tower Hamlets commissioned a Mental Health Resettlement Team pilot and this has seen the weekly cost reduce from £951 to £894, providing a saving of 5.99%. The team in 2010/2011 has been funded by NHS Tower Hamlets and in 2011/2012 will be funded by the Authority through invest to save funding.

- 7.6 The Authority is proposing a £2m recurrent efficiency saving for mental health residential care expenditure which will be achieved in full by 2015/16 (paragraph 6.7). Additional efficiency savings will be submitted as necessary by the Directorate in future budget rounds.
- 7.7 In order to achieve the £2m of recurrent efficiencies, upto £1m of investment will be required in high support accommodation as an alternative to residential care. This investment will need to be met from existing Directorate resources and in particular the use of the Supporting People Reserve, which currently has a balance of £1m. This funding however is also to be used in part to support the Supporting People Strategy.
- 7.8 The reinvestment will increase the number of in-Borough high support accommodation units from 82 to 144.
- 7.9 As per paragraph 6.7, the efficiencies will be met by:
- 7.9.1 Savings arising through a lower unit cost for support accommodation as opposed to residential care.
 - 7.9.2 A reduction in average length of stay due to bringing service users back in Borough which will enable care management and care-coordination under one team.
- 7.10 The financial risk to the Authority for non delivery of the Strategy could be an increase in expenditure of upto £3.3m by 2015/2016 (see paragraph 7.3). This will need to be addressed in the forward financial planning for the Directorate.

8. CONCURRENT REPORT OF THE ASSISTANT CHIEF EXECUTIVE (LEGAL SERVICES)

- 8.1 Local Authorities have discretionary powers and statutory responsibilities to people with mental health problems to provide housing support and residential care and to work in partnership with the health service in providing services. In assessing housing need in the borough under Section 8 Housing Act 1985 consideration needs to be given to the provision of sufficient affordable housing for all of the different communities in the borough including people with mental health problems.
- 8.2 People who need to move on medical or welfare grounds (including grounds relating to a disability) must also be given “a reasonable preference” by the Local Authority when allocating housing under Section 167 Housing Act 1996.
- 8.3 The National Health Service and Community Care Act 1990 requires Local Authorities to provide care and support services to people who need them due to a mental or other disability, age or illness . This help and support can include home care meal services day centre services providing equipment and making adaptations. Under the Community Care Direct Payments Act 1996 the Local Authority must inform people receiving community care

services of their right to receive payments instead of having services provided directly to them.

- 8.4 The Council must also be mindful of the single equality duty under the Equality Act 2010. All of the duties and powers should be reflected in the recommended policy

9. ONE TOWER HAMLETS CONSIDERATIONS

9.1 The Strategy support delivery of the Community Plan theme to deliver a Healthy & Supportive Community and the strategic priority to support people with mental health problems to live independently.

9.2 A full Equalities Impact Assessment has been completed as part of the development of this Strategy. It is not anticipated that there will be adverse equality implications for service users as a consequence of this Strategy. There is likely to be an improvement in the quality of experience of service users which would potentially enhance equalities, for example the Strategy will enhance the range of in-borough accommodation options available to service users with a mental health problem, closer to their family, friends and communities, and therefore enable them to have easier access to established sources of informal support than they would have had if they moved to out of borough residential care.

9.3 There may as a consequence of the Strategy be some transitional impact on service users living in out of borough residential care who are moving back into in-borough supported accommodation, and on service users living in existing in-borough supported schemes where there is a potential reconfiguration, re-commissioning, or decommissioning. The Mental Health Commissioning Team and Supporting People Team will work closely with providers and clinical teams provided by East London Foundation Trust to minimise the impact on service users. The Mental Health Commissioning Team and Supporting People Team will monitor the impact of any changes as a consequence of this Strategy on equalities through regular and proactive equalities monitoring with providers.

10. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT

10.1 In line with the Supporting People Strategy, the design, construction and running of any new facilities will follow best practice and the Council's Environmental Strategy.

10.2 Any reconfiguration of existing or development of new buildings will seek to deliver buildings which maximise energy efficiency and innovative design which could unlock additional Homes and Communities Agency funding and follow the London Development Agency "Sustainable Development Guide: Implementing Sustainable Design & Construction". Work will be undertaken with planning an urban design on detailed planning briefs for each site to incorporate these aspects.

10.3 Renewables and onsite energy generation will be pursued, e.g. food growing projects linked to healthy eating for supported accommodation residents.

11. RISK MANAGEMENT IMPLICATIONS

11.1 Potential risks to the successful delivery of the Strategy include:

- Demographic growth or change in patterns of need
- Limited development of recovery orientation in practice
- Achieving anticipated value for money in unit costs
- Provider access to capital restricted
- Procurement risks, e.g. changes in provider where the provider is also the landlord
- Change in use of existing premises and impact on existing service users, e.g. change in use may mean some service users have to move
- Provider capability and staff skills/knowledge
- Availability of places on priority general needs housing quota.

11.2 These challenges are being addressed through the development of a detailed project plan and risk management plan as part of the project management of the Strategy Implementation.

12. CRIME AND DISORDER REDUCTION IMPLICATIONS

12.1 In line with the Supporting People Strategy, this Strategy will ensure that the safety and welfare of some of the most vulnerable people in the borough are taken into account in the development of new services. Partnership working with the Community Safety Team and the Drug and Alcohol Action Team will ensure that people who require support to live independently are safe.

12.2 Any reconfiguration will take on fully how best to respond to Anti-Social Behaviour (ASB) in various parts of the Borough and the concerns of different stakeholders.

13. EFFICIENCY STATEMENT

13.1 The Strategy will significantly improve and increase the range and quality of services, whilst having the added benefit of delivering improved value for money.

13.2 Developing new provision and reconfiguring existing provision will lead to less people being placed into residential care and in particular expensive out of borough placements. Placing people into supported housing within the borough will ensure people receive the best services possible and the Council will realise efficiencies.

14. APPENDICES

None

Local Government Act, 1972 Section 100D (As amended)
List of “Background Papers” used in the preparation of this report

LBTH & NHSELC (2011) Commissioning Strategy for Accommodation of Working Age Adults with a Mental Health Problem

Richard Fradgley, Head of Mental Health Commissioning (Tower Hamlets)

LBTH & NHSTH (2010) Mental Health Accommodation Need and Capacity Assessment

Carrie Kilpatrick, Supporting People Service Manager, 02073845000

LBTH & NHSELC (2011) Equality Impact Assessment Mental Health Accommodation

Andria Gosling, Supporting People Manager, 02073645000