

HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker:	Executive Member for Adult Social Care
Date:	16 May 2011
Title:	Permission to undertake a competitive tendering exercise for Mental Health Community Support services
Reference:	2165
Report From:	Director of Adult Services

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1. Executive Summary

- 1.1. The purpose of this paper is to gain permission to carry out a competitive tendering exercise leading to the award of contract(s) for Community Support services that are currently provided through contracts with third sector organisations.
- 1.2. This paper seeks to provide a background to this request by describing the progress being made on the Joint Hampshire Mental Health Commissioning Strategy.
- 1.3. Continuing work is required on the Joint Hampshire Mental Health Commissioning Strategy to ensure that it accommodates the Coalition Government's plan for General Practitioner Commissioning Consortia (GPCC). The work that had been taking place with Hampshire PCT assumed a future of joint working with them as the PCT. As mental health commissioning will transfer to GPCC, the work now needs to plan for a meaningful involvement of the GPCC. However, implementation of elements that are supported by the new national mental health strategy 'No Health without Mental Health' require progressing so that Hampshire County Council remains within its contractual framework with a focus that promotes the government's Big Society agenda and achieves the cost savings required by both the health and social care commissioners.
- 1.4. To do this it is necessary to develop new specifications for services that are currently provided through the contracts listed in the confidential appendix to this report. These new specifications will be for services that more accurately reflect the strategic direction stated above and incorporate the proposals and feedback received from the consultation on the draft Joint Hampshire Mental Health Commissioning Strategy. By aligning the contracts it is planned to reduce the number by about a half.

2. Contextual information

- 2.1. On 23 July 2010 Executive Member approval was given to enter formal consultation on the Joint Hampshire Mental Health Commissioning Strategy.
- 2.2. This strategy was based on: demographic information; the Joint Strategic Needs Assessment; New Horizons, the previous government's all party guide for a national strategy; and the 'World Café' event held on the 8 October 2009 which was organised to involve a wide range of people interested in mental health services.
- 2.3. Ten themes and types of service came out of the café event and were important threads in the draft commissioning strategy. These were all endorsed by the formal consultation process. In alphabetical order these are:
 - Accessible services – both in time and place
 - Community support / social groups
 - Complementary and alternative therapies
 - Early Intervention / preventative support
 - Employment services / benefits advice
 - Family and carer support, including respite
 - Psychological / talking therapies
 - Services out-of-hours – specialist and third sector
 - Service User Involvement
 - Well-being Centres / One-stop shops.

In addition to these, the themes and types of service that also came out from the formal consultation, most of which are included within the draft strategy, were:

- Support and care built around the individual
- Wellness and recovery
- Improved physical health and wellbeing
- Greater focus on primary care
- Link to other strategies including the health of children and older people
- 'Lived Experience' valued and used
- Stable housing
- Reduced use of residential accommodation
- Work / education accessed or maintained
- Improved care / support for people from disadvantaged groups
- Reduced stigma and discrimination
- Service user participation in their local community

- Improved access to information
 - Reduced involvement in Criminal Justice.
- 2.4. On 7 September 2010 approval was given by the Executive Member for Adult Social Care to extend contracts to 30 June 2011 or 31 March 2012 as appropriate for contracts expiring between 30 September 2010 and 31 August 2011, and to proceed with an NHS Act 2006 Section 256 Agreement with Hampshire PCT for the transfer of funds from the PCT for third sector provider services. This agreement has been completed and signed by both parties.
- 2.5. On 8 April 2011 the Head of Legal Services approved further extensions to the 15 mental health contracts for community support services to the end of August 2012. This enables the specifications to be redesigned following the consultation on the draft commissioning strategy.
- 2.6. The new Coalition Government brought in radical changes which are affecting the development and implementation of the joint commissioning strategy. The three main elements of these changes are:
- the Comprehensive Spending Review
 - the restructuring of commissioning creating GP Commissioning Consortia and transferring Public Health to local authorities
 - the publication of the new national mental health strategy 'No Health Without Mental Health' which reshaped New Horizons to actively develop its place within the Big Society and a multi-sector market, and to encourage its development within the broader public health framework.
- 2.7. The consequences of these changes on the commissioning strategy were discussed at the Joint Mental Health Strategy Board on the 14 February 2011 where it was decided that the most effective strategic direction would be achieved by:
- keeping the strategy in draft form so that GPs could be involved in finalising it when their consortia are formed enough to enable them to have mental health representatives;
 - maintaining a strategic direction that respects the national strategy 'No Health Without Mental Health', takes account of the cost savings over the next two years, and reflects the outcome of the consultation process on the draft Joint Hampshire Mental Health Commissioning Strategy;
 - continuing the agreed implementation plans and the implementation of a joint strategic approach to Community Support services currently provided by the third sector.
- 2.8. This report enables implementation of the strategy by developing Community Support based on a model which will create:
- Wellbeing centres across Hampshire;
 - Approaches and methods that ensure independence;

- A range of services that reflect local needs and involvement, operating from wellbeing centres, encompassing the recovery approach and working in ways that reduce stigma, and recognise housing and employment as crucial issues for wellbeing;
 - Services that lend themselves to developing: peer support; personalisation and the use of direct payments; and becoming social enterprises;
 - Closer (possibly integrated) working with the statutory services;
 - Services delivered by providers who are able to work cooperatively with other services and providers.
- 2.9. This implementation plan will be achieved by redesigning community support services so that they are more closely aligned to the aspirations of service users, and the development of the new strategic direction, and can be contracted as of 1 September 2012.

3. Finance

- 3.1. The 2011/12 budget reduction in the mental health social care commissioning budget is approximately 20%. If a further reduction is to be made from this budget this will be managed during the tendering process. The plans for these services are within the current budget.
- 3.2. Agreement is being sought from Hampshire PCT to vary the Section 256 agreement from the end date of 31 March 2012 to 31 March 2013. As this has not been completed there is a risk to the PCT funding for the period of 1 April 2012 to 31 August 2012 which amounts to a total of £85,100. However, it is expected that the variation to the Section 256 agreement will have been signed by the point at which tendering will commence.

4. Performance

- 4.1 Work will be undertaken with our providers to agree meaningful outcome measures and key performance indicators. These will form part of the new contractual framework.
- 4.2 The work on performance indicators will form part of the current Adult Services procurement improvements and will ensure consistency and equity across all contracts.

5. Other key issues

- 5.1 The current Section 256 agreement provides for PCT contribution up to 31 March 2012. With contracts being extended up to 31 August 2012, there is a risk that without variation of the Section 256 agreement being agreed, there would be a gap in funding provided by the PCT. In addition, the expected demise of the PCT in March 2013 will need to be taken into account in the tendering arrangements. This will be taken into account in the tender documentation in order to limit Hampshire County Council's liability.

- 5.2 Early opportunities will be sought to involve GPCC representatives in securing a planned and stable future for: a) the specialist secondary care mental health services and b) these community support services provided by the independent sector.

6. Legal

- 6.1. The Head of Legal Services has given approval to extend all of the community support services contracts to the end of August 2012 (see Appendix) in order to carry out a full competitive tendering programme that will conclude with new contracts for the redesigned services that will be operational from September 2012.

7. Recommendation

- 7.1. That approval be given to go out to tender leading to award of contract(s) for mental health community support services to commence on 1 September 2012.

CORPORATE OR LEGAL INFORMATION:**Links to the Corporate Strategy**

Hampshire safer and more secure for all:	Yes
Corporate Improvement plan link number (if appropriate):	
Maximising well-being:	Yes
Corporate Improvement plan link number (if appropriate):	
Enhancing our quality of place:	No
Corporate Improvement plan link number (if appropriate):	

Other Significant Links

Links to previous Member decisions:		
<u>Title</u>	<u>Reference</u>	<u>Date</u>
Joint Mental Health Commissioning Strategy	1332	23 July 2010
Procurement arrangements to implement the Joint Mental Health Commissioning Strategy	1745	7 September 2010
Direct links to specific legislation or Government Directives		
<u>Title</u>	<u>Date</u>	

Section 100 D - Local Government Act 1972 - background documents

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

<u>Document</u>	<u>Location</u>
None	

IMPACT ASSESSMENTS:

1. Equalities Impact Assessment:

A full Equalities Impact Assessment has been published and is available on the County Council website at <http://www3.hants.gov.uk/as-equality-ia-archive.htm>.

The summary of the Equalities Impact Assessment is below:

Hampshire County Council commissions a range of services that provide support to people with serious Mental Health problems in the community.

These services are currently being reviewed and will be remodelled following a wide consultation on Community Services as part of the Joint Hampshire Commissioning Strategy for Mental Health.

The Council is determined that the services we commission will be of benefit to everyone in the community who is eligible to receive them.

Hampshire County Council, in partnership with Hampshire PCT and the providers of these services, will check that they are being used by members of groups that are sometimes at risk of being isolated and marginalised.

Where there is evidence of groups not using the services being provided, Hampshire County Council will ask providers to prepare action plans to explain how this will be addressed.

2. Impact on Crime and Disorder:

2.1. The strategy incorporates Criminal Justice initiatives that help to ensure safer communities and more appropriate responses to anti-social or destructive behaviours.

3. Climate Change:

a) How does what is being proposed impact on our carbon footprint / energy consumption?

No impact has been identified.

b) How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts?

No impact has been identified.