
Report To: Policy and Resources Committee **Date:** 22 September 2009

Report By: Robert Murphy **Report No:**
Acting Director Social Care SW/40/09/BB/BK

Contact Officer: Barbara Billings **Contact No:** 01475 714015
Head of Community Care and
Strategy

Subject: Mental Health Service Redesign – Proposed Development

1.0 PURPOSE

- 1.1 This report outlines progress made in developing proposals for the re-provisioning of non acute beds from the Ravenscraig Hospital site, and seeks the endorsement of the Committee for the further actions required by the Council, in partnership with NHS Greater Glasgow & Clyde, to conclude the commissioning of alternative high quality services for the future.
- 1.2 Approval is required to issue a PIN notice as the first stage in identifying market interest, followed by advertising in the European Journal.

2.0 SUMMARY

- 2.1 The closure of Ravenscraig Hospital has been formally agreed by the Scottish Government. The redesign proposals have been subject to external scrutiny by an independent group led by Professor Angus MacKay, and confirmed as being appropriate.
- 2.2 The closure of Ravenscraig Hospital offers an opportunity to provide alternative services on a significant scale to meet both the current and projected needs of Inverclyde residents with long term mental health problems. In this respect the progression of a joint proposal and commissioning strategy was viewed to be a positive step to consider. As such, the opportunity to jointly commission a resource which would provide for the continuing health care needs of adults and older people, along side services which would be more specifically targeted towards social care seems to offer both resource and service advantages. Joint engagement with a single developer would enable both organisations to meet local need, and achieve value for money.
- 2.3 Considerable preparatory work has been undertaken by both NHS Greater Glasgow & Clyde and the Council's officers to explore the scope and viability of the proposed development to replace the inpatient continuing care wards for adults and older people suffering from a mental illness. This has resulted in proposals as follows:-

Agreement to jointly commission an external partner organisation to provide, on one site in Inverclyde, a new build development to the highest environmental and care standards which will provide:-

- 33 NHS continuing care beds for older people with mental ill health.
- 10 NHS continuing care adult mental health beds
- 24 specialist care home places for older people

- 8 residential adult mental health social care beds
- 2 NHS funded adult crisis response beds will be available on the site.

2.4 The funding package of circa £2.8 annually for the whole development will be a combination of finance relating to the closure of the Hospital on behalf of the NHS, and also an investment through Resource Transfer Funds allocated to the Council by the Health Board, which reflects the transfer of responsibility for services to the community.

2.5 An 'in principle' agreement for the use of the Kempock Site for such a development has been confirmed following a report to the Regeneration and Resources Committee on 15th January 2009.

2.6 Taking account of the above, and the progression of the joint development, it would be deemed appropriate that the market is tested to ascertain whether there is any interest from developers for such a project. This would not commit the Council or NHS to any further action but would provide some fundamental understanding as to whether the proposal would have validity.

2.7 In terms of the local demography, the increasing older person's population is well rehearsed, however it should be noted that the prevalence of dementia is linked directly to the higher level age bands and cognisance of this effect has been taken into account in determining the need for specialist care places. In Inverclyde the estimated number of people with dementia is likely to rise by 7% between 2008 and 2016. This will present particular challenges for both the NHS and the Council and this development would be viewed as a clear commitment to sustain health services and extend social care provision, for people in Inverclyde.

3.0 RECOMMENDATION

3.1 Committee is asked to:

- Note the progress in the mental health re-provisioning proposals, as part of the closure programme for Ravenscraig Hospital, and note confirmation that the resource allocated for this purpose allows an affordable, value for money and sustainable scheme to be in place.
- Note the 'in principle' agreement for the use of the Kempock Site for the re-provisioning of non acute beds from the Ravenscraig Hospital site was confirmed following a report to the Regeneration and Resources Committee on 15th January 2009.
- Approve the issue a PIN Notice by October 2009 to gauge interest in the proposals. This does not commit the Council or NHS to any further action.
- Accept a further report identifying progress

4.0 BACKGROUND

- 4.1 The decision to close Ravenscraig Hospital was taken some years ago, and the potential closure has been the subject of discussion locally for at least eight years. Formal public consultation took place during 2008 and the public engagement process concluded on 3 July 2008. Since then a Joint Commissioning Group involving technical expertise across both the NHS and Local Authority have been progressing the detailed work to achieve a final position in terms of the redesign proposals in preparation for entering the procurement process.
- 4.2 As part of the progression towards the closure of Ravenscraig Hospital and the commissioning of alternative services, it is essential that community based services are enhanced over the coming period. The Older People's Mental Health Team, Adult Community Mental Health Team and Primary Care Health Team will all benefit from additional qualified staff, and the specialist mental health care provision delivered through third sector organisations locally will be further developed through additional allocations identified from the overarching service and finance framework previously approved by the NHS Board. Thus enabling people with mental health problems to be supported effectively within the community.
- 4.3 The use of the Kempock House site in Gourrock which is owned by the Council would be considered as an appropriate development opportunity for such a project and will require elected member approval. A preliminary impression of site usage for a developer to build the accommodation and facilities required, taking account of the specialist needs of potential service users, and utilising best practice guidance and most recent technological advances would suggest that the site offers a feasible opportunity. Members should be aware that if this project proceeds an agreement will be entered into which will require the selected developer/operator to construct the premises to the Council's specification. Title restrictions can also be applied, where appropriate and legally permissible, to control future development. Furthermore, detailed plans will be required to be submitted to the Council for planning approval as part of the planning process.
- Relevant Council Officers have confirmed that the whole site will be required for the proposed development, and the NHS have secured £10k to have a site survey carried out to clarify any site issues in advance of the procurement notice and £15k for architect services. There is an expectation from NHS that monies expended in these preliminary exercises can be reimbursed through the land sale.
- 4.4 The finances related to the Local Authority contract are wholly funded from resources transferred by NHS Greater Glasgow & Clyde to Inverclyde Council. The annual sum of £1.3m will be transferred on completion of the accommodation and initiation of the bed contract. The £1.3m comprises £1m for 32 bed places relating to this contract and £0.3m for 10 bed spaces relating to community resourcing.
- 4.5 Advice on the proper procurement route indicates that there are two main options, Competitive Dialogue and Restricted Procedure and these have been actively considered by the Joint Commissioning Group.
- 4.6 Important aspects of the care contract for the Local Authority include the regular review which should occur at 3 to 5 year intervals to ensure services continue to meet user needs and to provide flexibility for adjustment. There is an opportunity to build in an element for social benefit at the preparatory stage which will be incorporated in the tender evaluation criteria, and this should be adopted.

Further, a legal agreement between the Council and NHS Greater Glasgow and Clyde will be necessary and this had been recognised early in the proceedings.

5.0 PROPOSALS

5.1 Although this report deals specifically with the mental health framework redesign in relation to adult and older people with mental ill health NHS continuing care beds, and specialist care home provision for older people and residential care units for adults in this category, it should be noted that the overall decommissioning from the Ravenscraig Site also takes account of addiction inpatient facilities, day services and the relocation of a ward of 20 acute adult psychiatric beds. This will be located on the IRH campus along with 10 intensive care psychiatric beds. Construction works at the IRH to provide high standard modern facilities is due for completion by Oct/Nov 2011. Overall these proposals are consistent with the modernising mental health framework and the Clyde Strategy. In order to achieve the optimum balance of patient care and treatment the following configuration of services has been determined via the joint commissioning arrangements.

- 33 NHS continuing care beds for older people with mental ill health.
- 10 NHS continuing care adult mental health beds
- 24 specialist care home places for older people
- 8 residential adult beds
- 2 NHS funded further adult crisis response beds will be available on the site.

5.2 The Kempock House site at Kirn Drive, Gourock could be utilised for the purpose of building the accommodation and facilities required to deliver high quality services for both adults and older people with mental health needs by any successful tender company. This would meet the requirements of the Local Authority in terms of specialist residential and care home places, and the NHS in respect of continuing health care beds.

5.3 The procurement process will be open to everybody to indicate an interest, however, in selecting a provider consideration will be given to the close relationship between services and the need for a well integrated service network which best meets the needs of our population. Appropriate qualification criteria will be established prior to embarking on the tender process.

5.4 There remains a continued commitment that officers of the Council maintain their engagement with relevant staff from the NHS to further refine the preparatory work which will allow a notice to be placed in the open journal inviting tenders for these redevelopment proposals, and that the Council has the lead role in the procurement process.

5.5 The issue of the PIN will facilitate further progression of the development

6.0 IMPLICATIONS

6.1 Legal:

This is a significant piece of work for Legal Services and will require consistent legal advice over the protracted period.

6.2 Finance:

The cost of the development and ongoing care contract will be met from Resource Transfer funding from the NHS Greater Glasgow & Clyde of £1.3m per annum, with £1m relating to this contract and £0.3m relating to community resource.

It should be noted that any cost over run on the contract will be funded from the community resources funding.

Financial implications – one-off costs

Cost Centre	Budget Heading	Budget Year	Proposed Spend this Report	Virement From	Other Comments
Capital Works	Feasibility	2009/10	£25,000	n/a	Fund from receipt

Financial implications – annually recurring costs

Cost Centre	Budget Heading	Budget Year	Proposed Spend this Report	Virement From	Other Comments
EMI	Annual Contract Costs Funded by: Resource transfer income Client Contribution	2010/11	£857,333 (£729,288) (£128,045)		Subject to tender receipt and evaluation
Adult	Annual Contract Costs Funded by: Resource transfer income Client Contribution		£289,778 (£262,904) (£26,874)		
	Net Cost to the Council		Nil		

6.3 Personnel:

None.

6.4 Equalities:

The proposed developments offer vastly improved living and care arrangements for adults with mental health problems, a traditionally marginalised and excluded group.

7.0 CONSULTATION

7.1 The proposals for Mental Health Redesign have been subject to formal consultation. The public engagement process concluded on 3 July 2008, and current patients/families meet on a very regular basis with NHS colleagues directly involved in the commissioning process to ensure positive communication is maintained.

7.2 The Kempock development will require further consultation in relation to planning regulations.