

**Report To:** Community Health & Care Partnership Sub Committee      **Date:** 28<sup>th</sup> February 2013

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CHCP/18/2013/SMcCR

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**Subject:** Inverclyde Council Commissioned Services for Specialist Nursing Care Older People's Dementia and Adult Mental Health Intensive Supported Living Services

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## **1.0 PURPOSE**

- 1.1 To update the CHCP Sub-Committee on the current position on the commissioning by Inverclyde Council/CHCP of Specialist Nursing Care for Older Persons with Dementia and Adult Mental Health Intensive Supported Living Services in Inverclyde.
- 1.2 To note the key timescales and bridging funding requirements will be informed by the outcome of the Scottish Government's Capital Investment Group (CIG) on the NHS GG&C elements of the scheme that will meet in February 2013.
- 1.3 To note the demolition of the old health accommodation on the site adjacent to IRH has been agreed by NHS GG&C Board. This is scheduled to take place in the Spring of 2013.
- 1.4 To note the position and agree the commencement of the commissioning process to identify partner organisations to deliver the required community based mental health services for Inverclyde Council.

## **2.0 SUMMARY**

- 2.1 It is agreed that Inverclyde Council and NHS Greater Glasgow & Clyde separately commission the elements of service to meet their individual requirements. This decision is informed by the two unsuccessful attempts to jointly procure from the market place a viable 74 bed contract that concluded in July 2012 when the tenderer withdrew from the process. Previous reports on the position went to the Full Council meeting of 4<sup>th</sup> October 2012 and to the CHCP Sub-Committee on 15<sup>th</sup> January 2013. Previous reports on the outcome of the Option Appraisal for the NHS element was submitted to the NHS GG&C Q& P Committees on 19<sup>th</sup> November 2012 and 15<sup>th</sup> January 2013.
- 2.2 NHSGG&C is in the process of procuring 42 NHS mental health continuing care beds, (30 for older persons and 12 for adults) as outlined in the original procurement specification. An option appraisal has been carried out to agree the procurement process. The Initial Agreement to progress the scheme has been submitted to Scottish Government Capital Investment Group (CIG) for approval in February 2013.

- 2.3 The Inverclyde Council service elements of the original tender have been reviewed. The needs analysis has determined that 12 old people mental health / dementia beds and up to 8 adult mental health beds are required to be commissioned.
- 2.4 There is capacity and willingness locally in the independent sector to provide specialist dementia and functional mental health services for older people and intensive supported living for adults with mental health conditions and associated behaviours. Informal discussions with some independent providers have indicated this service development would be well received.
- In addition there is a need to strengthen the community infrastructure for older people's mental health services to prevent admission into hospital and residential care.
- 2.5 The following developments are key areas for investment in which a detailed commissioning plan will be produced linked to the ongoing commitments of the Change Plan:
1. Home Assessment of people with Mental Health.
  2. Dementia with co-morbidities and development of liaison services with Acute, care home and community services.
  3. Post diagnosis support for people with Mental Health/Dementia
  4. Extension of Primary Care psychological therapies to older people with Mental Health/Dementia.
- 2.6 This report outlines that the mental health nursing home provision for older people and the intensive living support for adults with mental health needs will be commissioned locally by Inverclyde Council.

### **3.0 RECOMMENDATIONS**

- 3.1 To note the position and agree the commencement of Inverclyde Council's commissioning process to identifying partner organisations to provide the required mental health services in Inverclyde.
- 3.2 To agree to receive future update reports

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## **4.0 BACKGROUND**

- 4.1 For the NHSGG&C the 42 mental health continuing care beds (30 for older people and 12 for adults) will be developed on the IRH site adjacent to Larkfield Unit on what is a derelict NHS accommodation site. The process for progressing the procurement arrangements is through the Scottish Government's Capital Investment Group that will meet to confirm the capital funding arrangements on the 26<sup>th</sup> February 2013. This will be through either (A) NHSGG&C Capital Allocation or (B) The Scottish Futures Trust West Hub Co.
- 4.2 The derelict NHS staff accommodation on the site adjacent to IRH is scheduled to be demolished in the Spring 2013 and work has already begun. This will clear the site in readiness for the new development.
- 4.3 Inverclyde has reassessed the need for specialist dementia services and the capacity and capability of local providers to reshape current services to meet both the environmental and staffing skill levels required and is confident that at least one provider at this time is committed to reshaping their services to meet this need.

## **5.0 PROPOSALS**

- 5.1 The review indicates it is a good commissioning approach to commission for 12 older people's mental health / dementia places rather than the original 24.
- 5.2 This reduction in specialist dementia places is to reflect the national policy drivers through the introduction of the Change Fund to shift the balance of care to community support from nursing care. It is predicted that this will increase local nursing/residential care home capacity in the future should future specialist care places be required
- 5.3 The recommendation therefore is to go to the market place through the Inverclyde Council's commissioning arrangements for independent sector provider/s to provide a specialist nursing care service for older people specifically who will have Dementia and Chronic Functional Mental Illness such as Schizophrenia or treatment resistant depression.
- 5.4 For adults with mental health needs, a reassessment of current clients has confirmed the need for a specialised mental health intensive supported living service for 8 people as part of the original tender proposal. This is currently not available in Inverclyde.
- 5.5 The service will promote capacity of movement between NHS and LA provided services reflecting the changing needs of these individuals who can benefit from long term rehabilitation.
- 5.6 The recommendation therefore is to go to the market place through the Inverclyde Council's commissioning arrangements for independent sector provider/s to provide a specialised and intensive supported living service for 8 adults based on assessment of individuals with complex mental health and associated behavioural management requirements.

## **6.0 INVERCLYDE COUNCIL COMMISSIONING ARRANGEMENTS & TIMETABLE**

- 6.1 Inverclyde CHCP is developing the CHCP commissioning strategy for the next 10 years, which has been consulted on.

Within this there is identified an opportunity to recast the relationship with the third sector, and find ways to use commissioning and procurement to open up opportunities to work in partnership and grow the contribution of the third sector to deliver better outcomes for people who require our services. This also reflects the Scottish Government objective for third sector organisations to realise an increased share of public sector expenditure through engagement with service design, commissioning and procurement activities.

6.2 The work to commission and manage the process will be undertaken by officers of Inverclyde Council. It is intended to use the current Framework Agreement that is in place with 3<sup>rd</sup> sector organisations as the vehicle to deliver these services. Legal advice is being sought to ensure all the procurement requirements are met through this approach.

### 6.3 TIMETABLE

#### Commissioning Process Key Elements

- Engage with the market to provide update on the CHCP's revised commissioning intentions
- Identify innovative partnership opportunities
- Determine viable procurement options
- Develop outcome based service specifications

<b>TASK</b>	<b>DATE</b>	<b>DECISION</b>	<b>RESPONSIBILITY</b>
Committee Approval	CHCP 28 <sup>th</sup> February 2013 – submission 1 <sup>st</sup> February	Agreement to go to the market place to discuss requirements with potential partner organisations.	Commissioners/Contracts / Legal / Procurement
Market Engagement	February 2013	Inverclyde Council / CHCP information sharing session with potential partner organisations.	Commissioners
Agree Procurement Options	March 2013	Confirm that the Framework Agreement is a suitable contractual vehicle for these services.	Commissioners/Contracts/ Legal/Procurement
Update Service Specification and Contractual Documentation	April 2013	Update and finalise the specification for older people and adult mental health requirements.	Commissioners/Contracts
Commence Procurement Process	May 2013	Invite suitable organisations to submit proposals to meet the service requirements.	Contracts/Procurement
Award Contract	30 <sup>th</sup> December, 2013	To sign Contract	Legal

### 7.0 IMPLICATIONS

#### 7.1 Legal:

Legal have been consulted.

## 7.2 Finance:

The total resources held on the NHS side is £3.2 million recurring, with the current allocations:

Cost Centre	Budget Heading	Budget Year	Proposed Spend this Report	Virement From	Other Comments
Residential (Council CHCP via resource transfer)	Older People	**	£378,000	N/A	12 Specialist Dementia
	Adults		£272,000	N/A	8 Supported Living
Continuing Care (NHS CHCP)	Older People		£1,382,000	N/A	30 beds
	Adults		£551,000	N/A	12 beds
Resources Committed to date			£2,583,000		
Uncommitted Resource			£664,000		
Total Resource			£3,247,000		

\*\*The recurring cost shown in the table above represents the costs and income for a full financial year. The timing will be determined by the closure timetable for Ravenscraig.

7.3 It should be noted that the balance of unallocated resource, currently shown at £664,000 is dependent on the outcome of the final cost of both the commissioned places and the continuing care bed provision. The final balance of this resource will be subject to further discussion with NHS GG&C and will ultimately be invested in community infrastructure. Community Service specification is currently being drafted by officers of Inverclyde Council in involvement with service users and carers organisations.

7.4 In addition to resource transfer funding for the Council commissioned places there will also be an element of client contribution of between £3,000 and £5,000 per client.

7.5 Bridging investment will be required for a period before the expected closure of Ravenscraig Hospital date to allow the Council to progress their commissioning arrangements and have a suitable provider in place. This will enable Inverclyde CHCP to bring services into management prior to closure of the hospital. The period of time that bridging will be required will be determined by the timetable associated with the outcome of the funding route proposed by the Scottish Government Capital Investment Group in February. We will agree with NHSGG&C as the closure timetable is developed the amount of bridging finance within the next 3 months. The associated funding will be contained within the CHCP.

7.6 The timetable for the Resource Transfer from the NHS GGC Health Board to Inverclyde Council is on the closure of Ravenscraig Hospital which is scheduled for December 2014 but this is under review dependent on the confirmation of the hospital closure options.

## 8.0 CONSULTATION

8.1 ACUMEN mental health services users group have agreed to be a reference group for this scheme.

## **9.0 LIST OF BACKGROUND PAPERS**

9.1 Previous Council reports have been submitted: