

Report to:	Cabinet
Report of: Date of Decision:	Strategic Director for People 11th January 2017
SUBJECT:	SPECIALIST FORENSIC MENTAL HEALTH STEP DOWN RESIDENTIAL REHABILITATION SERVICE – PROCUREMENT (C0261)
Key Decision: Yes	Relevant Forward Plan Ref: 003021/2016
Relevant Cabinet Member(s) or Relevant Executive Member:	Cllr Majid Mahmood, Value for Money and Efficiency
Relevant O&S Chairman	Cllr Mohammed Aikhlaq – Corporate Resources and Governance
Wards affected:	All

1. Purpose of report:
<p>1.1 To seek approval to the proposed procurement strategy for a Specialist Forensic Mental Health Step Down Residential Rehabilitation Service. The proposed contract will run for a period of up to three years, commencing 1st March 2017.</p> <p>1.2 The Private Report contains the commercially confidential information relating to this service requirement.</p>

2. Decision(s) recommended:
<p>That the Cabinet</p> <p>2.1 Note the contents of this report.</p>

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3. Consultation

3.1 Internal

3.1.1 Officers from the Commissioning Centre of Excellence, the Assessment and Support Planning Team and the Forensic Social Work team have been consulted and are supportive of the proposal as the preferred option to ensure client recovery is maintained and any risk to the public reduced.

3.1.2 The Cabinet Member for Health & Social Care has been consulted and is supportive of this proposal.

3.1.3 Officers from Finance, Corporate Procurement and Legal & Democratic Services have been involved in the preparation of this report.

3.2 External

3.2.1 We are working in close partnership with Midland Heart Ltd to ensure safe exit of services.

3.2.2 There is a joint communications strategy in place between BCC, Midland Heart and Clinical Commissioning Groups (CCGs) Mental Health Commissioning which covers communication with service users, families and other key stakeholders.

3.2.3 A market shaping day took place on Friday 16th December 2016 with all prospective providers within the market where the commissioning intentions for the Specialist Forensic Mental Health Step Down Residential Rehabilitation Service were discussed. Officers outlined that the future commissioning of these services was at the same financial envelope which includes accommodation costs with no inflator uplifts during the contract term. There were approximately 22 people who attended the event from 16 different provider organisations. There appeared to be appetite from the market to deliver these services within the current three year fixed financial envelope, with some providers suggesting that they could access alternative accommodation provision if Flint Green was not financially viable in terms of any future leasing arrangements.

4. Compliance Issues:

4.1 Are the recommended decisions consistent with the Council's policies, plans and strategies?

4.1.1. The service will contribute to the priorities set out in the Council's Business Plan and Budget 2016+ Outcome five: A healthy, happy city:

- Vulnerable citizens feeling safe, living with dignity and independence and having engaged lives in their communities; clients will have access to integrated health and social care services that help clients to develop skills to move towards becoming more independent and integrating back into the community.
- A seamless health and social care provision so clients can get the service they require in one place, in an environment that is able to support their recovery.

4.1.2 In order to discharge the Council's duty under the Public Services (Social Value) Act 2012 and the Council's Social Value Policy the appointed provider will be required to comply with the Birmingham Business Charter for Social Responsibility and demonstrate how their performance on the contract will comply with the principles through the development and submission of an action plan. This will be required as evidence submitted with their application.

4.2 Financial Implications

4.2.1 The current financial arrangements for this contract are under a Section 75 agreement with the CCGs. Whilst the contract is with the Council, Health contributes 70% of the cost with the City Council funding the remaining 30%. The City Council's contribution is funded from the Adult Social Care service approved budget.

4.2.3 The City Council's preferred option is to utilise Flint Green to keep stability for the current citizens, however if the new provider proposes alternative accommodation then this will be considered, if there are no suitable bids for Flint Green. As Midland Heart own the property the council has no exit or liability costs associated with Flint Green.

4.3 Legal Implications

4.3.1 Under the Mental Health Act 1983 as amended together with associated legislation, statutory guidance and codes of practice, the local authority has the power and the duty to deliver services to meet the mental health needs of citizens. Under the Care Act 2014 together with associated legislation and statutory guidance the local authority has the duty to meet assessed eligible need for care and support.

4.4 Public Sector Equality Duty

4.3.1 An initial equality impact assessment has been completed (ref. EA001717). Whilst the proposal will affect service users in all the protected categories, there will be no adverse impact as securing the current service and forensic programme will ensure the vulnerable clients continue to receive a service.

4.3.2 Contingency arrangements have also been considered; if an alternative provider is not found, then the City Council will have to spot purchases places on the open market from the current Adult Social Care Framework. This is not desirable as the costs would be significant.

5. Relevant background / chronology of key events:

- 5.1 Midland Heart has made a strategic decision to cease to provide specialist mental health and learning disability services across Birmingham and other Local Authorities. As a result of this decision Midland Heart served Birmingham City Council with notice on 19th August 2016 for 3 learning disability schemes and 1 specialist forensic mental health step down rehabilitation unit (Flint Green). The learning disability clients have had alternative service provision sourced through the current adult social care framework.
- 5.2 Midland Heart will cease to provide a service at Flint Green on 28th February 2017. The current contract comes to a natural end on the 31st March 2017 and there are no break clauses.
- 5.3 Flint Green is a Specialist Forensic Mental Health Step Down Residential Rehabilitation Service unit for individuals with complex needs who are ready to leave secure mental health units such as Reaside and are typically under restriction orders (Sections 37 and 41 Mental Health Act 1983 as amended) to move towards integrating back into the community.
- 5.4 The unit comprises of 15 beds in total and most clients will undergo an 18 month programme before they are assessed as ready for independent accommodation within local communities. Placements for this scheme are assessed by a joint panel between CCGs Mental Health Commissioning Lead and BCC Adult Social Care Group Manager.
- 5.5 Due to the complex needs of these high risk clients, lack of available bed vacancies across the city and alternative provision being extremely high cost, it was deemed necessary by the City Council and CCG's Mental Health commissioners to keep this essential service and procure an alternative provider to minimise risk and any destabilisation of clients.
- 5.6 The current contract is between the City Council and Midland Heart, the CCGs through the Joint Mental Health Commissioning Team are the lead commissioners for specialist mental health provision.
- 5.7 It is proposed that the contract will be advertised in the Official Journal of the European Union, Contracts Finder and Finditinbirmingham using the "Open" route to attract a range of providers from within this limited market. A Prior Information Notice (PIN) was placed in December 2016 to allow a reduced tender period. The PIN does not commit the Council to go to tender. As this will be under the 'Light Touch Regime' there will be a degree of flexibility available and bidders will be advised of the Council's preference for the Flint Green site to be continued to be used so citizens who use the service are not disrupted or have local social networks impaired. Bidders will be advised that whilst they are permitted to propose an alternative site such alternative site will only be considered if there are no suitable bids received for the Flint Green Site. A suitable bid is one which fully complies with the Council's tender requirements including the financial cap on price and is unqualified. Such bids will be evaluated in accordance with the award criteria set out below. If no suitable bids are received for the Flint Green Site the Council will evaluate any alternative bids received in accordance with the award criteria set out below.
- 5.8 Evaluation of the award criteria below will be carried out by officers from People Directorate – Universal & Prevention Commissioning team, an officer from Birmingham

Cross City CCG, with support from Corporate Procurement Services

5.9 As this is proposed as a fixed cost three year finance model and from experience of other spot purchases which are considerably higher it is not considered there is any further financial margin to be gained. As a result each bid will be evaluated on the quality (80%) / social value (20%) criteria (with a minimum overall threshold of 60%) as detailed below:

Mandatory Criteria	Weighting %	Sub-Criteria	Weighting %
Price	0%	N/A	N/A
Quality	80%	Experience & Expertise	30%
		Partnership working	20%
		Barriers to Service	20%
		Outcomes	10%
		Mobilisation	20%
Social Value	20%	Local Employment	20%
		Buy Birmingham First	10%
		Partners in Communities	30%
		Good Employer	20%
		Green and Sustainable	10%
		Ethical Procurement	10%
	100%		

5.10 The indicative timetable is given in the table below:

Issue of invitations to tender	January 2017
Return of tenders	February 2017
Tender evaluation	February 2017
Contract award decision	February 2017
Service commencement	March 2017

5.11 The contract will be managed in house by the Commissioning Centre of Excellence.

5.12 **Appendix 1** is the outline specification and includes the outcomes that a provider's performance will be measured against.

6. Evaluation of alternative option(s):

6.1 It was considered not to procure Specialist Forensic Mental Health Step Down Residential Rehabilitation Service however as this is an essential service provision, decommissioning this service would have a significant impact on the following:

- Clients may need to return to a secure hospital e.g. Reaside as there are limited specialist mental health providers with bed vacancies in Birmingham. This would not support client recovery to becoming more independent in terms of skills and accommodation.
- Market testing and intelligence has identified that the alternative to a fixed price model would be to Spot purchase individual placements these would be more costly to the council and health as specialist placements can cost up to £2,000 per week per bed due to the complex and forensic needs of these high risk clients. (This would equate to £1.56m per annum for the City Council and Health if current service provision was unable to continue).
- The market day event has shown that there is appetite in the market for a fixed price model and potential providers liked the stability of having a confirmed income over the 3 year period opposed to spot purchasing which brings uncertainty.
- Moving clients before they are ready could destabilise their recovery and pose a potential significant risk owing to their offending histories if not managed effectively.
- Best practice as advised by the Ministry for Justice and the police for monitoring and managing these clients is to do so within a specific dedicated unit rather than having clients dispersed across the city in individual self-contained accommodation units, where they can pose a great risk to the wider community before they are ready for community integration. Having clients dispersed also is more management resources intensive which leads to higher service delivery costs.

7. Reasons for Decisions (s):

7.1 To allow the Strategic Director for People to progress the procurement of a service provider to procure a new provider for the specialist mental health forensic rehabilitation service.

<u>Signatures</u>	<u>Date</u>
Peter Hay Strategic Director for People
Cllr Majid Mahmood Value for Money and Efficiency

List of Background Documents used to compile this Report:
Source documents: Mental Health Act 1983 as amended

List of Appendices accompanying this Report (if any):
Appendix 1 – Specification and Outcomes

Report Version:	V10	Date	22.12. 2016
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Appendix 1 – Draft Service Specification and Outcomes

Service Name	Specialist Forensic Mental Health Step Down Residential Rehabilitation Service.
Commissioner Lead	
Provider Lead	
Period	1 st March 2017 – 29 th February 2020
Review	Annual

1. Aim(s) of the service

- To divert people from permanent placement in residential care
- To facilitate the transfer of people from residential placements back into community settings
- To facilitate those leaving a hospital setting and who require a residential placement
- To provide a time limited rehabilitation service

2. Description of service

The service will provide people with a proactive, time limited and intensive rehabilitation programme, which is flexible to meet individual's needs and focuses upon assisting recovery from mental health. In this way it will enable people from the target group to take up and maintain appropriate tenancies in the community.

Prospective service users will be assessed by operational staff within Community Mental Health Teams across Birmingham City. A willingness and commitment to engage in this process must be evidenced as this is the single most important factor in effectiveness.

Assessments will be referred to a joint selection panel between Birmingham Social Care and Health.

The Service will provide a recovery model, which assists individuals to manage their symptoms and their mental health well-being. The Service will focus on developing independent living skills of residents, either by way of developing new skills or re-learning old skills.

3. Target Group

The target group for this Service Specification are adults aged 18 to 64 years with a functional mental health diagnosis who have an assessed eligible need for care and support funded via Birmingham Social Care and Health Directorate.

They will have been assessed as having an eligible need for residential care.

The service will specifically target people subject to Section 117 of the Mental Health Act 1983 as amended.

4. Volume and Location of Services

Volume

This contract agreement regulates the provision of fifteen beds at Flint Green (or other location as agreed with the Council). Under the terms of this block contract the service is to be provided to Adults with Mental Health difficulties requiring residential rehabilitation to enable their movement to a more independent environment.

Location of Services:

Flint Green House
4 Sherbourne Rd
Acocks Green
Birmingham B27 6AE

OR

To be agreed with the Council.

5. Referrals

All referrals will come directly to the Birmingham Social Care and Health Services Mental Health selection panel. The panel will prioritise those people within the target group and who would benefit from independent living with support.

All referrals must be accompanied by a Care Plan with clear outcomes for the individual, prepared in accordance with the agreed Care Programme Approach protocols. The outcomes for each individual must be clarified prior to placement as part of the written Care Plan. An outcome objective should define what benefits rehabilitation is to achieve for each person.

Selection from referrals

Assessments of potential service users must take account of the following circumstances:

- The person has a functional mental health diagnosis
- The person is subject to the provisions of the CPA.
- The person must be an adult of working age.
- The individual is currently in long term residential caring or ready for discharge from hospital and subject to Section 117 Aftercare.

OR

- The person has been assessed by Social Services as likely to benefit from a period of intensive rehabilitation.
- The individual is in agreement to undertaking a programme of rehabilitation.
- The service offered should be made explicit to users before commencement of placement.
- The emphasis of treatment should be to prevent relapse.
- Each person should have a named care co-ordinator from the Community Mental Health Teams and written care plan under CPA.

6. Service Standards

The service will enable individuals to exercise control and make informed choices in their own lives by:

- Ensuring services are responsive to individuals, taking account of their race, religion, culture, age, disability, gender and sexuality.
- Offering a range of social activities, which stimulate service users including adult education opportunities.
- Offering culturally relevant social activities for all residents.
- Developing self-management of daily living skills such as personal hygiene, time management, domestic skills including budgeting, shopping and cooking.
- Supporting the person to make links like employment.
- Supporting the person to self-manage their medication.
- Supporting the person to develop coping strategies.
- Supporting the person to develop social networks.
- Allocating a named key worker to develop, promote and monitor individuals rehab programmes.
- Undertaking reviews every 3 months following the first four weeks of placement, which includes the person's care co-ordinator under the CPA.

7. Staffing

- All staff are trained and skilled in risk management, health and safety, record keeping, recovery and rehabilitation models.
- Staff will meet the necessary requirements as specified under the Care Quality Commission (CQC).
- Staff must have knowledge and understanding about function mental health conditions.
- All staff at the unit must be committed to taking appropriate proactive approaches that focus on promoting independence and maximising an individual's skill base.
- Staffing must include sleep in night provision.
- The service must provide staff covering 24 hours a day, 7 days a week.
- Staff levels and qualifications must meet those required by the Care Quality Commission (CQC) and must fall in line with legal requirements.
- All tasks undertaken by staff must be performed with sensitivity and respect for the dignity of the individual.
- The service will provide staff that are skilled in assisting service users to build on levels of self-confidence.

8. Service Policy and Procedures

The service should have in place policies and procedures, which cover both staff and service users and make both staff and service users aware of these.

As well a clear statement of intent from the provider, which makes linkage to recovery model in mental health, these policies should also include at least all of the following areas:

- Comments and complaints
- Health and safety
- Codes of conduct
- Violence at work
- Recording and documentation
- Handling of finances
- Equal opportunities

- Staff training, supervision and appraisal
- Adult protection
- Safeguarding
- Reporting of deaths or serious incidents
- Confidentiality

9. Discharge and Service User Review

At the start of each placement active planning for discharge must be undertaken. This process must include service user, care co-ordinator and all those who will be involved in future support and provision.

If during placement either service provider, care co-ordinator or service user believes there are concerns that either placement breaking down or is not appropriate, a review must be arranged and held within 72 hours. The purpose of this review will be to reassess the situation and enable the service user to resettle into more appropriate accommodation.

There must be a clear throughput of service users from the rehab programme to resettlement in community. Therefore having access to move on accommodation is crucial to the success of the Time Limited Placements.

10. Length of Programme

Mental health rehabilitation placements will always be of a time-limited nature and permanent placements cannot be considered for this scheme.

Suitable candidates will be people with mental ill health who require a period of focussed rehabilitation with review of moving on into appropriate alternative accommodation.

The duration of placements should last between 3 months and no longer than 18 months. It is expected that the maximum length of stay for any resident will be no longer than 18 months. It is the responsibilities of both referring agent and provider to ensure people are made aware that placements are for a maximum of 18 months. Placements can only be extended beyond 18 months period in exceptional circumstances.

11. Social Activity

- The service provision will assist individuals in accessing the social support networks within the local community.
- The service will also develop links with the local community to enable individuals to access local resources, which will promote levels of independence.

12. Monitoring and Service Evaluation Process

Quarterly quality audit reports will be produced by provider and presented at quarterly meetings with provider, commissioning and operational staff, which includes:

- The number and nature of new referrals
- The numbers of planned and unplanned psychiatric hospital admission
- The numbers of formal and informal complaints received regarding the service and outcomes
- The number of people waiting to access the service

- The number of permanent and temporary staff providing the service
- The number of service users exiting the service both planned and unplanned
- The number of voids (as per condition 3 (temporary absence and voids) and Schedule 3 – Performance and Voids Reporting)
- The number of people admitted to placements
- The number of emergency admissions
- Feedback on current service users including: access of community based social activities and educational facilities and accommodation needs
- The number of individual tenancies maintained 6 to 12 months after leaving the placement
- Feedback on discharged service users, who have completed a period of rehabilitation and have been discharged from placement into more independent accommodation
- Inspections and feedback from Care Quality Commission (CQC) visits.

13. Outcome Measures

Annual qualitative reports will be produced by the provider based on:

- Customer survey
- Staff survey
- Stakeholder survey
- Monitoring and evaluation processes.

14. Performance Targets

- 100% service users will have commenced a rehabilitation programme, which will focus on promoting independence
- Voids will be kept to a minimum and in line with Provider's organisational targets and section 15 of this service specification.

15. Temporary Absence and Voids

Any absence of residents shall be notified by the Provider to the social work team in accordance with within 48 hours. (as per Condition 2.2 in the contract)

The Provider shall not, without the Council's prior written consent, sub-let or allow any other occupation of the resident's room during periods of temporary absence.

The Provider shall maintain accurate and up to date records relating to all temporary absences of residents. The Provider shall permit the Council with 24 hours' notice to inspect and take copies of such records at the provider premises.

Where a void occurs the Council will continue to make payments to the provider under a block contract for up to 56 days as long as the Provider notifies the council within 24 hours as to when the bed became vacant.

If the provider fails to notify the Council of a void the 56 days payment will start from the date the council was notified and will not be backdated from the initial void date.

Where a vacancy is not being taken up the Provider the Council will cease payment after the initial 56 days. It is expected that the provider will take prompt action to fill the void and hence relieve the financial burden upon the Council.

Please also refer to contract condition 3 (Temporary absence and voids) and schedule 3 – (Performance reporting and Voids).