Date of meeting: 23 November 2016

DLT lead: Interim Chief Officer Commissioning

Paper author: Sinead Cregan/Helen Gee

Paper title: MH 3rd Sector Commissioned Services

Adult Social Care Directorate Leadership Team (DLT)

Purpose: To provide DLT with a detailed set of recommendations relating to potential savings from the overall Mental Health 3rd Sector Commissioned Services budget.

Key issues or outcomes:

Background Information

DLT received a report on the Mental Health Framework on the 17th August. This outlined the principles of the framework and raised some issues for consideration.

1. The community element of the framework has three main phases:

    a. New models of care in primary care: these place additional MH resource at the primary care level and intend to reduce demand on secondary services

    b. The "transitions" phase: Intensive support from CMHTs (including a range of different functions, possibly from different agencies, as appropriate) with the intention that people will have achieved a level of recovery within 6 months and move back to their 'normal life' with minimal support

    c. The "continuity" phase: This is for those people with complex and longstanding needs who will need a level of continuing support. This support could range from low level and preventative (of relapse) to high level for people who are seen to present considerable risk.

2. ASC and NCCG, although jointly committed to achieving the outcomes of the framework, are faced with differing pressures of timescales and budgetary pressures. The NCCG has to agree all contracts, for two years, by the 23 December 2016. The LCC ASC contracts currently run until 31 March 2017 and a waiver will be presented to the DASS seeking approval to enter into a new contract to allow for a possible procurement exercise to be undertaken.

3. NCCG intends that LYPFT will be a lead provider sub-contracting with 3rd sector organisations to meet the needs of patients in the various clusters in a more flexible and effective way.

4. The new CCG 3rd sector contracts will be based on this scheme within the context of the framework.

5. Adult Social Care (ASC) provides (directly and indirectly) a considerable proportion of the continuity component of the framework so our decisions in this paper will have an impact on the whole MH system.

6. The context for ASC is that there are three main elements of our provision/commissioning: (all of these areas are affected by the need to achieve savings in our financially challenging times):

    a. the MH social work service (which is also responsible for the purchase and review of individual care packages)
    b. the in house provider service
    c. the 3rd sector commissioned services.

7. Financial pressures impact all areas but there is a need to ensure that savings in one area do not have an unpredicted knock on effect on another area.

8. This paper is mainly focused on the 3rd sector commissioned services as there is an urgent need for decisions to allow progress, however it is worth highlighting some of the interdependencies between these different ASC MH areas.

    a. in house and 3rd sector provide (approximately) equal amounts of support to people in the continuity element of the framework. There is some cross referral between providers of these services once people have used their maximum time limit in a given service.
    b. there is an element of cross referral and partnership work between these services.
    c. LYPFT and in house services are developing closer partnership working.
    d. social workers (in both area and MH teams) can currently use the block funded in house and 3rd sector resources to support their clients without an additional cost to the community care budget. However, social care does not have priority access.
    e. some of the services (or components of them) help to meet our Care Act obligation to provide preventative services. In the mental health context prevention can take a number of forms, from preventing illness at the beginning of the pathway to supporting someone to avoid relapse at a later stage in the pathway.
    f. much of the current social work direction – strengths based work, can be well supported by our provider services if we attend to this in our specifications and monitoring.

9. NCCG direction of travel: the NCCG jointly fund a number of our 3rd sector contracts and are currently working towards a lead provider model, with LYPFT as the lead. A working draft Memorandum of Understanding is currently being consulted on by the NCCG and ASC will have the opportunity to comment on it.

10. Currently, ASC commissions the following mental health voluntary sector services:

Mental Health Voluntary Sector Commissioned Services	**Total Service users**	**NCCG**	**ASC**
Community Links Mental Health Support Service	241		£ 385,248
Community Links Oakwood Hall (residents and respite)	46	£ 325,969	£ 436,442
Leeds Mind (Inkwell, Employment, and Wellbeing service) The budget also funds the Drop-in and Outreach Budget and the Mindwell website. The Employment section of this service is worth £173,200 leaving £351,953 for the more generic community work.	402		£ 525,153
Leeds Mind MH Employment Service 100% funded by NCCG	442	£ 645,204	
Leeds Survivor Led Crisis Service (LSLCS) Connect helpline	3874*		£ 22,860
LSLCS – Dial House and Group work	1916* 1042*		£ 91,610
LSLCS Dial House and Touchstone and Connect Helpline NCCG contribution	As above	£ 329,562	
Touchstone (including Dosti £35,660) This is comprised of the Support Centre (SCT) (£372,737 inc Dosti funding) and community support team (CST) £223,859 (see line below for joint funding by NCCG)	349 (including 67 women from Dosti)		£ 596,596
Touchstone - Leeds Community Support Team NCCG contribution	192	£ 226,232	
Women's Counselling and Therapy Service (WCTS)	199 women supported		£ 143,340
Total (excluding LSLCS figures)	1,871	£1,526,967	£2,201,249

***The SLCS figures are** based on the number of calls or visits not people "on the books".

Background numerical information

11. We have substantial amounts of information about these and other mental health services which can be drawn up on to inform our future work. This includes:

- service specific information in detailed contract monitoring reports.
- patient flow information which was produced as part of the framework project.
- work on the new MH JSNA is well underway and will be useful to support the prediction of future demand.
- the NCCG are leading on developing a MH Dashboard (which incorporates ASC information) – this will be a very useful resource to support final service design.

12. For the purposes of the ASC 3rd sector process, we will be seeking more detailed information about how current service use can be divided into support needs and preventative needs whilst trying to find out how many current users could use a less intensive support in future, whilst maintaining their recovery and wellbeing.

Cluster Audit

13. In order to better design services for the future we needed to understand the current needs of people across our city and who they are being offered support by. To do this the NCCG with support from ASC, reviewed most of the commissioned 3rd sector mental health services with the same Cluster Audit Tool.

14. A mental health cluster is a global description of a group of people with similar characteristics identified from an assessment and rated using the Mental Health Clustering Tool (MHCT).

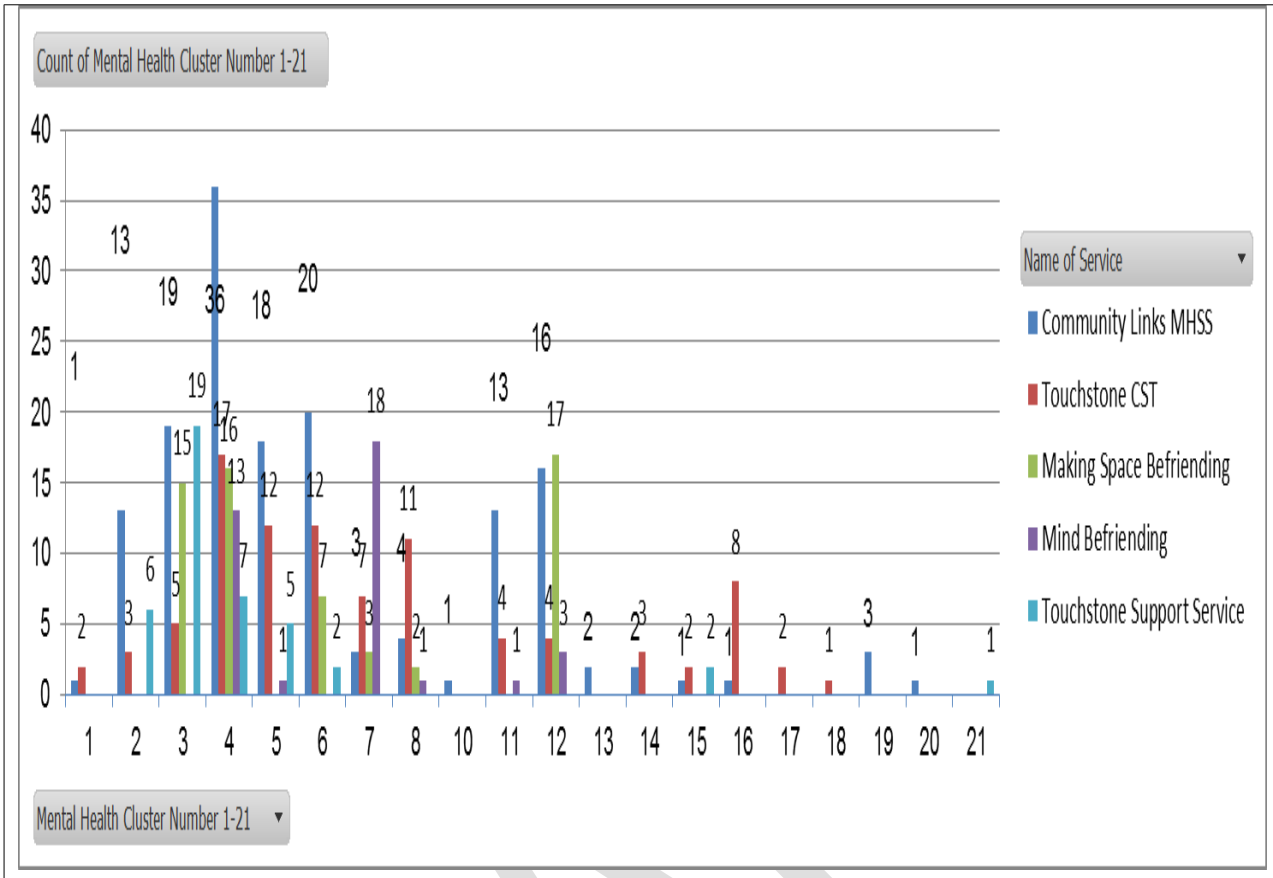
15. There are some provisos in interpreting this information:

- It was initially designed to facilitate payment by results in MH services and as such it is of considerable interest, but its use is limited in assessing the needs of those people who have (what might be thought of as) the Adult social care range of complexities. There are also some limitations for people who will have long term (albeit maybe small) needs for support to sustain recovery.

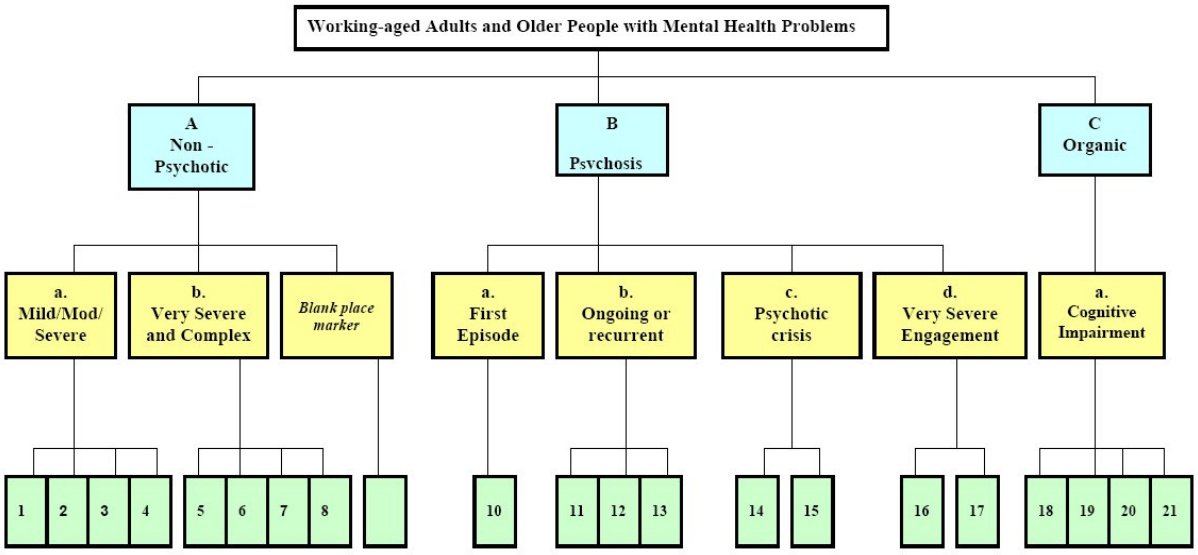
- It is not widely in use in the 3rd sector; these results were derived from a (well supported) desk top exercise. This effectively forms a baseline so, as yet, we can't measure change.

- People leave clusters when their treatment pathway is complete. They may well still have a need for prevention of relapse support so our proposed community based mental health service may not be meaningfully scoped in terms of clusters.

16. The table below shows the cluster information provided by the 3rd sector.



The diagram below provides a description of the Mental Health clusters.



Discussion

Overall intention of this commissioning exercise

17. In the context of a strained financial situation and the departmental sign up to the MH framework these recommendations are designed, firstly, to support our city wide intentions to improve the offer for people with mental health problems and, secondly, to "tidy up" a portfolio of contracts which have evolved over time. We wish to achieve a balance between open access service for people with moderate MH needs and protected access for people with severe and enduring mental health needs/on CPA.

18. We intend that, in line with the Care Act obligations our models support prevention of relapse (i.e. sustainment of recovery as a priority outcome) as well as meeting our statutory obligations to meet assessed need e.g.S117s.

19. Historically some 3rd sector services have worked hard to encourage take up of personal budgets with varying levels of success and, unless we substantially shift the access criteria to the services, it is unlikely that we could successfully shift the funding from the current block arrangement to self-directed support for eligible people.

Timelines and technical considerations

20. The contracts under discussion have a historical origin, largely dating from the old mental health support grant. The obligation to retender was last waived in a DDP report (dated) until March 2017. The reason for this was to enable the alignment of this procurement work with the development of the MH framework, which reported, and was agreed, in September 2016. DLT received a report on the MH framework in August 2016 which asked, in principle, for a further extension to enable an efficient process. This report clarifies timelines for this.

21. It has been agreed in principle (by ICE) that the CCG and ASC should work more closely together with the possibility of developing a pooled fund under the aegis of BCF. This work is currently on hold while we await the appointment of the new joint deputy director but the intention is that the proposals in this report are in line with closer working between the two commissioning organisations. The council has different obligations for procurement to the CCG and in order to maximise the gains from this we are proposing some s256 transfers of contracts to maximise efficiency and high quality future partnership work.

22. There is other council investment in mental health, some from public health. The large housing related support contract, which had a substantial MH component, has recently been awarded to a new consortium of non MH providers.

Identified risks or opportunities:

23. It will be difficult to generate savings during 2017/18 as this would mean either not renewing existing contracts or taking a top slice from all the contracts, but services are already stretched due to the previous two rounds of budget reductions. If the recommendations contained within this report are approved by DLT they will generate savings of £208,836 in 2018/19.

24. The transaction costs of procurement (to both providers and commissioners) are high, so this paper proposes an approach that minimises the number of individual procurements.

25. There are some wider political sensitivities and some more specific ones:

- The CEO of Touchstone is an elected member and this service will be subject to the proposed procurement exercise to be undertaken for CBMHS. It would be helpful to have clear guidance from DLT as to how this situation can be managed to ensure there is no conflict of interest or risk of challenge from other providers.

- The CEO of LSLCS is also an elected member.

26. All providers are under pressure at the moment but a number of the currently contracted providers (Community links, Leeds Mind and Touchstone) were in the consortium which lost the recent HRS tender. There can, of course, be no guarantee as to who will be awarded a contract at the end of a competitive process.

Additional information and options appraisals to support specific recommendations

1. Community Based Mental Health Service

The key elements of a new CBMHS are Information (needs to clear and publicly accessible), creating a Single Point of Access and Assessment and services are better integrated and continue to be recovery and outcome focused.

a. At present there are three separate providers: Touchstone, Community Links and Mind, which provide a range of services which sit clearly in the continuity end of the MH framework. The proposal is that these are retendered as one community based mental health service which will be specified to meet outcomes around recovery, continuity and sustainment. There will be an obligation to work in partnership with the in house MH services, LYPFT, Housing Related Support and to develop the service to meet changing demand in the next five years.

b. These current services are fully funded by ASC and thus the decision as to the next steps to take is less complicated. It is thought that there would be potential for saving under a consortium/partnership arrangement.

c. The Commissioning manager has been meeting regularly with the current providers and they are aware of the need to merge their services to offer better value and value for money.

1.1. Outline options appraisal of possible changes:

Possible Action	**Risks**	**Benefits**
Undertake a procurement exercise for a single service	Destabilising the current status quo.	Savings can be made. Easier for service users to navigate.
Undertake three separate procurement exercises	Difficult to achieve value for money. Complicated for service users to navigate services.	Nothing changes for the services and users

1.2. **Recommendation**

For DLT to agree that the procurement exercise for a Community Based Mental Health Service (CBMHS) commences in early 2017/18 and the budget for this service will be reduced by 10 percent once it has been procured. This will involve the services provided by Leeds Mind, Touchstone and Community Links. A DDP report will be produced detailing the procurement exercise early in 2017. The value of the service to be procured would be £1,201,227, following a 10 per cent reduction generating a saving of £133,470.

2. **Touchstone Community Support Team (CST) works with:**
   - People aged 18+
   - People with severe and enduring mental ill health
   - People with chaotic lives or challenging behaviours
   - People who live across Leeds
   - Some service users are in prison
   - Some service users misuse substances

This service was commissioned as a 3rd sector version of an assertive outreach service. It is jointly funded by LCC and NCCG to a total of NCCG £226,232 and ASC £223,859.

a. Recent CCG renegotiations of the contract clarify that it is targeted to people clustered into the following mental health clusters:
   - severe and Complex Common Mental Health Clusters 4, 5, 6, 7 and 8
   - ongoing and Recurrent Psychosis Clusters 11, 12, 13, 16 and 17
   - people with complex mental health needs, who are excluded from or disengaging with other services
   - people with complex mental health needs who are not in contact with any other mental health services
   - people with complex mental health needs who are exiting the criminal justice system.

b. There are some current concerns about how accurately the service has historically targeted its offer to its desired client group; the contract monitoring process is addressing this. An initial impression however is that though some of the clients may not be the priority target group from a health point of view they may otherwise be seeking support from other elements of ASC, so this would need careful research.

c. This is probably the most challenging of our services to agree a solution for as it is the nearest to the treatment end of Mental health services, meets the needs of a hard to support group of people and is particularly impacted by the differing commissioning needs/powers of the CCG and ASC.

d. The CCG wish to more closely align their element of the work with the CMHTs (i.e. at the transitions end of the framework) but, in the context of major LYPFT reorganisation, which also involves the LYPFT Assertive outreach team. The implementation of the framework agreements is likely to be a gradual, and evolving process from the NCCG point of view.

e. At the moment the CST is a single team, jointly monitored. The differing procurement and contract processes and options for the council and the NCCG lead to some difficult decisions, particularly for this service.

2.1. Outline options appraisal of possible changes:

Possible proposal	Risks	Benefits
To cease funding	Political Loss of support to a vulnerable group of people and knock on effect on other services.	Saving of £223,859
To align LCC funded half of the service with the CCG half of the service in the transitional part of the community pathway	Failure to meet Care Act obligations (this is more treatment than support) and one tranche of current service user group not included in new scheme. Can we put our funded services into an LYPFT lead model?	Discharge LCC duties to people with more severe mental health needs and contribute (hopefully!) to a quicker and more effective treatment pathway.
Procure a smaller service to meet the needs of a similar group of people within a different referral route (pathway).	High transactional costs The new service would be less economical (higher management proportion). A service is already in place so would be more effective to re-design what's already there than procure it.	We could ensure (if we were clever) that people with wider vulnerabilities, but still high risk, were covered.
To partially align the service with the CCG half whilst retaining an element of support for people who are not accepted by CMHTs or do not recover according to plan in the shorter timescale. This could be done on an annual adjustment (whilst gathering more info) basis.	Complex to design and monitor LYPFT lead provider model might be problematic (can we legally do this?) We may need to retender anyway and if Touchstone do not get our half then that would be complicated.	Probably most straightforward in some ways despite this.

2.2. **Recommendation**

For DLT to agree that the CST element of the Touchstone contract is aligned with the NCCG half of the service in the transitional part of the community pathway. That the CST budget is reduced by ten percent as it was not reduced in the previous two rounds of budget reductions giving a saving of £22,386.

3. Leeds Survivor Led Crisis Centre (LSCLS)

3.1. LSLCS was set up in 1999 to provide services which are an alternative to hospital admission and statutory provision for people in acute mental health crisis. It offers high quality, person centred, radical and innovative services to people experiencing mental health crisis. LSCLS is a well-regarded service which performs an important function within the city wide network of crisis services. It is largely funded by the CCG with a relatively small contribution from ASC.

3.2. Outline options appraisal of possible changes to LSLCS:

Possible Action	Risks	Benefits
To transfer funding to CCG	few	The CCG wouldn't have to retender
To decommission	To a valuable and politically sensitive service	Saving of £114,470
To retender	High transactional cost and there is unlikely to be another provider.	few

3.3. **Recommendation**

For DLT to agree that the budget for LSLCS including the Connect telephone helpline be transferred to the North CCG (NCCG) from 1 April 2017 as they have responsibility for the Crisis Care Concordat. The value of this contract is £114,470. If this is not agreed the existing contract would have to be extended for another year however the NCCG are not obliged to subject this service to a procurement exercise and it would not be possible for ASC to procure this service on its own due to the dependency on the majority of the budget coming from the NCCG.

4. Employment element of Leeds Mind contract

4.1. The Employment Support service aims to build confidence and self-esteem, explore volunteering and training opportunities and eventually help prepare adults to, look for, and gain paid work when they are ready.

4.2. The support is tailored to the individual's mental health and employment needs. Workplace Leeds is a well regarded employment service provided by Leeds Mind. The CCG commissions the bulk of the service which is targeted at people in contact with CMHTs and uses a PTS model. The MH 5 year forward plan requires an extension of this model of MH support.

a. As the figures above show ASC is much the smaller funder of Workplace Leeds, our contribution ensures that the service is available to people who are not currently supported by CMHTs. Historically this element of the service was ring fenced to ASC resource hub users but is currently being extended (by negotiation) to 3rd sector service users too. The provider is tasked with monitoring the impact of this change which will inform future commissioning decisions.

b. There are a number of current or imminent changes in employment services which could inform the decision about the employment service commissioned by ASC. See appendix 1 for a briefing on this.

4.3. Outline options appraisal of possible changes:

Possible Action	Risks	Benefits
To retender separately	High transaction costs	few
To transfer funding to CCG	Losing the support for non CMHT people unless this transfer is agreed clearly.	Allows the service to operate more efficiently, if sent with a saving allows a small efficiency.

To decommission	Losing a valuable service at a time when employment support is increasingly recognised as an essential element of MH support.	Saving of £173,200

4.4. **Recommendation**

For DLT to agree that the budget for the employment service element of Leeds Mind is transferred to the NCCG from 1 April 2017 as they commission the much larger mental health employment service also provided by Leeds Mind. The expectation would be that the service would continue to support those individuals not entering the service via a CMHT. The value of this element of the contract is £173,200 and it could be reduced by 10 per cent before transferring it to the NCCG, giving a saving of £17,320.

5. Community links Oakwood hall

5.1. Oakwood Hall is a residential/Nursing service which was commissioned in the 1990s to meet the needs of people whose behaviour challenged non hospital services. The service provides an important part of the discharge and accommodation pathway from LYPFT. It is jointly funded by ASC and CCG on a block basis. The proposal is to review the service for value for money before seeking approval for making a decision about future commissioning intentions.

5.2. Outline options appraisal of possible changes:

Possible Action	Risks	Benefits
Decommissioning	Remove an important part of the MH accommodation pathway and place more pressure on community care budgets as it is likely that this cohort of people would then need individual placements.	Saving
Tendering out	This is complicated by the joint funding and the service might be attractive to the private sector.	Might be able to get better value for money.
Review to gain more information for future decision	No savings can be found.	Full understanding of service costs and value for money

5.3. **Recommendation**

For DLT to agree that a review of the costs for Oakwood Hall be undertaken jointly with the NCCG during 2017/18, but it needs to be borne in mind that this service does offer value for money given the weekly charge being approximately £1,200.

6. Dosti (now part of Touchstone Support Centre)

6.1. Dosti is a citywide Black Minority Ethnic (BME) Women's Support Service with a vision to deliver high quality services empowering women to enhance their mental health. It has been running for some decades on a small amount of funding. It recently transferred over to Touchstone as the Board of Trustees decided it would be beneficial to merge with a larger BME mental health service provider.

6.2 It has provided a useful resource for Asian women who had not found mainstream services accessible to them as many of the women are isolated within their own community.

6.3 Outline options appraisal of possible changes

Possible Action	Risks	Benefits
Decommission the service	Political sensitivity	This is a small service and can be provided within the funding envelope of the proposed CBMHS
Add the funding to the CBMHS contract	Failure to achieve savings	Greater resources within the contract
Retender separately	Far too small to be worthwhile	

Collated recommendations

1. For DLT to agree that a waiver report is presented to DDP in December 2016 to extend the existing contracts for a further year with Leeds Mind (minus the employment element), Touchstone, Community Links and WCTS.

2. For DLT to agree that in relation to Dosti a decommissioning exercise is undertaken during 2017/18 as the work of this service will be incorporated into the new Community Based Mental Health Service. The value of the contract with Dosti is £35,660.

3. For DLT to agree that the procurement exercise for a Community Based Mental Health Service (CBMHS) commences in early 2017/18 and the budget for this service will be reduced by 10 percent once it has been procured. This will involve the services provided by Leeds Mind, Touchstone and Community Links. A DDP report will be produced detailing the procurement exercise early in 2017. The value of the service to be procured, following a 10 per cent reduction, would be £1,201,227 and the savings from the reduction would be £133,470.

4. For DLT to agree that the CST element of the Touchstone contract is aligned with the NCCG half of the service in the transitional part of the community pathway. That the CST budget is reduced by ten percent as it was not reduced in the previous two rounds of budget reductions giving a saving of £22,386.

5. For DLT to agree that the budget for LSLCS including the Connect telephone helpline

be transferred to the North CCG (NCCG) from 1 April 2017 as they have responsibility for the Crisis Care Concordat. The value of this contract is £114,470. If this is not agreed the existing contract would have to be extended for another year however, the NCCG are not obliged to subject this service to a procurement exercise and it would not be possible for ASC to procure this service on its own due to the dependency on the majority of the budget coming from the NCCG.

6. For DLT to agree that the budget for the employment service element of Leeds Mind is transferred to the NCCG from 1 April 2017 as they commission the much larger mental health employment service also provided by Leeds Mind. The expectation would be that the service would continue to support those individuals not entering the service via a CMHT. The value of this element of the contract is £173,200 and it could be reduced by 10 per cent before transferring it to the NCCG, giving a saving of £17,320.

7. For DLT to agree that a review of the costs for Oakwood Hall be undertaken jointly with the NCCG during 2017/18, but it needs to be borne in mind that this service does offer value for money given the weekly charge being approximately £1,200.

V1 June 15

APPENDIX 1

DWP

During the course of 2017 the DWP will implement a series of changes which may impact on the service they provide to people with mental health problems and other disabilities.

DEAs will no longer hold a dedicated case load but will support existing work coaches in a ratio 1:30. In addition they will have a role to support the disability confident employer agenda. This is a gradual process of change and it is yet to be fully determined how this role will develop or who will hold these posts.

The DWP are talking to specialist organisations about working alongside existing work coaches to support people on ESA. As yet it is not clear who these organisations will be.

There will also be the potential addition of Community partnerships with NHS and Leeds City Council.

There is employment resource in the system - £50m in the LEP (local employment partnership) from the ESF (European social fund). Any funding awarded via ESF will remain for the life of the contract regardless of the Brexit implications.

The work programme and work choice will finish to new referrals in March 2017. They will be replaced in November 2017 by a (smaller) new (non mandatory) work and health programme which will be contracted by the DWP (on a local or regional basis) to disabled and long term unemployed people. It will aim to engage with 70% disabled people and 30% that have been unemployed for two years or more.

NHS

The Mental Health five Year Forward Implementation Plan requires a doubling in access to Individual Placement and Support (IPS), enabling people with severe mental illness to find and retain employment by 20/21.

This however is a national target so it is not as yet clear how this will affect Leeds which has an effective IPS scheme (Workplace Leeds). It does however mean that the NHS will need to continue to commission this specific form of employment support for the foreseeable future.

DLT recently received a paper reviewing the council's position on employment support for disabled people.

Benefits issues

The claiming and review process for the new PIP allowance (which replaces DLA) is placing pressure on providers and social workers to help with filling in forms and will (probably) act as a disincentive to choosing to seek work.

Proposed plans to reduce ESA by nearly £30 per week (a 30% reduction to £73.10 for single over 25 year olds) appear to be making even this government uncomfortable. If these plans are implemented this will constitute a serious disincentive to seeking work to current ESA claimants.