

Classification: Open	Decision Type: Non-Key
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Report to:	Cabinet	Date: 12 July 2023
Subject:	Part A Commissioning new mental health supported living	
Report of	Deputy Leader and Cabinet Member for Health and Wellbeing	

Summary

1. This report requests approval to commission the necessary care services for two new mental health supported housing schemes, which align to Housing with Additional Needs strategy:
 - **137 The Rock, Bury, BL9 0ND:** Northern Healthcare is an existing mental health supported living provider in Bury and they have leased the building to offer the opportunity of 13 apartments. The property would be developed into supported living accommodation for people (18+) with a mental health condition who are ready to live more independently. In this scheme Northern Healthcare is both the developer and proposed care services provider. It is the care service provision that is the subject of this report.
 - **127 Blackburn Street, Radcliffe, M26 3WQ:** Redside Capital Resources has purchased the building and is offering this property of 6 apartments. The property would be developed into supported living accommodation for (18+) with a mental health condition who are ready to live more independently. In this scheme the Council intends to procure a separate care service provider.
 - In summary the key commercial proposal for both schemes is that the Council will buy a block of care service packages at a discounted rate to provide care to the user/tenant at each accommodation unit irrespective of take up of the services. Consequently, the risk of the Council not being able to place (aka “nominate”) a user/tenant to use the care service must be managed.
 - As part of the associated property arrangements in each scheme the Council will have exclusive nomination rights to nominate a user/tenant to occupy the units and receive the associated care. The property arrangements include a lease between owner and Registered Provider of Social Housing (“RP”) and viability of both schemes' rental arrangements depend on the RP providing “Intensive Housing Management” (IHM) in order to secure a higher uncapped level of rent known as “Exempt Accommodation”. IHM is necessary in these

schemes due to the support user/tenants require to maintain their tenancies. This IHM support is provided by the RP in conjunction with the care services provided by the care providers this report seeks approval to procure.

Recommendation(s)

2. It is recommended:

- The Council commissions Northern Healthcare, as the appointed care provider for the mental health supported living scheme at 137 The Rock, Bury, BL9 0ND, by making a direct award for a 3 year contact.
- The Council procures via tender a care provider for the provision of mental health support for 127 Blackburn Street, Radcliffe, M26 3WQ, for a 3 year contact and following this process delegates to the Director of Adult Social Services the contract award.
- Note that this will be funded using Bury's Adult Social Care Community Care budget.

Reasons for recommendation(s)

3. The above recommendations align to the Housing with Additional Needs Strategy and the vision for mental health supported accommodation to:

- Improve outcomes for people with mental health needs.
- Enabling people to live independently.
- Reduce the need for out of area placements.
- Enable tenancy sustainment.
- Support management of long-term health conditions.
- Create employment for local people.
- Create value for individuals, communities and statutory services.

Alternative options considered and rejected

4. None

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Background

1. Introduction

- 1.1 The Bury Housing with Additional Needs Strategy outlines the need to increase the number of beds / units in Bury by 2025 for people with Adult Social Care needs, including those with a mental health diagnosis.
- 1.2 The Housing with Additional Needs Market Position Statement projects an additional 86 supported living units are required to provide mental health provision by 2025.
- 1.3 A Mental Health Housing Group has been established to progress this work, with colleagues from health and social care teams and the housing growth and infrastructure team, providing valuable knowledge and insight.
- 1.4 Two opportunities have been presented by developers to commissioners for new supported housing schemes:
 - **137 The Rock, Bury, BL9 0ND**: 13 apartments presented by Northern Healthcare.
 - **127 Blackburn Street, Radcliffe, M26 3WQ**: 6 apartments presented by Redside Capital Resources.
- 1.5 The Group has considered both properties, and based on local needs for people with mental health conditions, propose that the following new schemes are established:

The Rock: supported living accommodation for people (18+) with mental health conditions who are ready to live more independently, stepping down from 24/7 supported care, or potentially stepping up from community living to avoid hospital admission. The building lends itself to town centre living, with close proximity to public transport and social activity. Often this is not an option for residents receiving adult social care as there are no suitable properties/buildings in the area.

Blackburn Street: supported living accommodation for people (18+) with mental health conditions who are ready to live more independently, stepping down from 24/7 supported care, or potentially stepping up from community living to avoid hospital admission. The property is in a central accessible location in Radcliffe.
- 1.6 Existing mental health supported living accommodation is varied, some with shared living (kitchen and lounge) facilities and others with 'own front door' self-contained apartments. Bury currently has approximately 110 people living in mental health supported living accommodation across 29 different care providers. Around 30 of the people are jointly funded with the NHS.

- 1.7 Consultation with Community Mental Health Team (CMHT) colleagues has confirmed there is a need for more supported living, for both 24/7 support and step-down support. The proposed step-down schemes would also be considered for hospital avoidance as a step-up option.
- 1.8 The support from suitably qualified staff will help people to recover further, supporting them with things like medication, appointments, cooking, budgeting and social inclusion.
- 1.9 The schemes would have a mixture of people with different levels of support needs, ranging from low, medium and high. People would be referred into the schemes by their Care Co-ordinator and assessed by the care provider to ensure all the people living in the scheme synergise well together. The allocation of apartments would adhere to the current due process.

2. New Scheme – 137 The Rock

- 2.1 The property is in Bury town centre, near the Rock. Northern Healthcare is an existing mental health supported living provider in Bury and they have leased the building. Planning permission is still pending for the change of use and structural alterations.
- 2.2 The property was previously a retail unit and is deemed suitable for developing into 13 self-contained apartments. In summary the building will offer:
 - One-bedroom apartments with living area, kitchen and bathroom
 - No allocated parking but ample car parks nearby and good access to public transport
 - Building over 4 floors (no lift)
 - 5 ground floor rooms and 3 are duplex
 - 3 first floor rooms
 - 3 second floor rooms
 - 2 third floor rooms
 - Outside space – small-shared courtyard, plus the 3 duplex apartments with small private gardens
 - Staff based in a 'pod style office' in the courtyard
- 2.3 Due to the town centre location, an overnight concierge service will be considered to support residents, this will be reviewed at 6 monthly intervals.
- 2.4 A Registered Housing Provider will be appointed, and rents will be submitted for approval to Bury Council's Housing Benefit Team. As there will be a Registered Provider in place, there will be no additional costs to the Council for rent or service charges. An Assured Shorthold Tenancy (AST) will be offered to tenants on a fixed term of up to 2 years. During this period tenants will be supported to further develop their independent living skills to improve resilience and community connections before being supported to move on to independent living in the community.

2.5 Northern Healthcare is an experienced mental health provider and will appoint the staff required to support all 13 residents, for maximum efficiency. This scheme would provide a level of care that is a 'step-down' from 24/7 care meaning staff would be available during the day and early evening but not overnight. It is envisioned that there will be an out of hours call system available for tenants, including during weekends.

2.6 The following should be noted as part of the consideration for making a direct award to Northern Healthcare:

- Northern Healthcare is an established supported living provider in the Borough and has operated Montgomery House in Radcliffe since 2018.
- The proximity of Montgomery House and 137 The Rock would provide resilience and reassurance to the people moving into the step-down accommodation.
- The provider has achieved good outcomes for people living in their existing schemes and supported their recovery towards more independent living.

2.7 The approximate timescales for this project are:

The Rock, Bury	Approximate timescale
Cabinet approval to make a direct award for the care provision	July 2023
Building work completed	September 2023
Provider recruits and trains staff	October to November 2023
People move into the property	Late Nov / early Dec 2023

3. New scheme – 127 Blackburn Street

3.1 Redside Capital Resources Ltd has purchased the property.

3.2 The property was previously a children's nursery and is deemed suitable for redevelopment into 6 self-contained apartments, planning permission has been approved. In summary the building will offer:

- One-bedroom apartments with living area, kitchen and bathroom.
- No allocated parking but ample car parks nearby and good access to public transport
- Small area of outside space
- Staff office base on first floor
- Building over 2 floors (no lift)
 - 3 x ground floor apartments
 - 3 x first floor apartments

3.3 The appointed Registered Housing Provider is Inclusion Homes and rents will be submitted to Housing Benefit for approval. As there is a Registered Provider in place, there will be no additional costs to the Council for rent or

service charges. An Assured Shorthold Tenancy (AST) will be offered to tenants on a fixed term of up to 2 years to offer a settled secure home to enable people to take part in therapeutic interventions and treatment to support their recovery.

- 3.4 A tender process for the Blackburn Street scheme will be conducted to appoint a suitable care provider. It is envisaged that the same provider will provide the required support to all 6 residents, for maximum efficiency. This scheme would provide a level of care that is a 'step-down' from 24/7 care meaning staff would be available during the day and early evening but not overnight. The option of an out of hours call system available for tenants will be considered once people are referred into the scheme.
- 3.5 The timescales for this project are similar:

127 Blackburn Street, development	Approximate timescale
Cabinet approval to publish a care tender on The Chest	July 2023
Building work completed	September 2023
Care provider appointed	October 2023
People move into the property	Late Nov / early Dec 2023

4. **Strategic Background**

- 4.1 Bury Council's mental health spend is the highest per head of adult population when compared to 15 other statistical neighbours. People remain in accommodation with higher levels of care and support than they need due to the shortage of options to 'step down' their support.
- 4.2 People are also placed out of Borough due to the lack of provision in Borough for this level of support, there is one other scheme that provides a similar model of care to those proposed in this paper.
- 4.3 The new schemes will improve the wider system flow with options for people in hospital and 24/7 supported living support schemes and fill a deficit in local provision.
- 4.4 It is expected the schemes will be staffed between the hours of 9am and 9pm, to provide the required level of support for a step-down mental health scheme. The estimated contract values have been calculated and are detailed in report **Part B Commissioning New Mental Health Supported Living.**
- 4.5 Both properties will be owned by private developers. However the housing management functions will be carried out by the Registered Housing, hence the reason why they will be claiming Intensive Housing Management fees. The Council has negotiated 100% nomination rights in perpetuity to all 19 dwellings. The Council will also be paying a block contract for the care

provision in all 19 units. Whilst the nominations agreement is in perpetuity it can be ended with notice as per the terms of the contract

- 4.6 Commissioners are therefore seeking to award a block contract for the care support for all 19 apartments (across both schemes) by negotiating reduced prices from the Bury Council standard supported living rates, this will provide further savings opportunities, estimated in the region of 6%-10% from the standard rates.
- 4.7 The contracts will outline the required outcomes and performance arrangements and incorporate review milestones.

Links with the Corporate Priorities:

5. The Housing with Additional Needs Strategy aligns to the Bury Let's Do It Strategy which provides the vision to enable people of all ages to live well within their neighbourhoods, supported by the integration of public services with our neighbourhood hubs.

Local

- Local housing options for local people
- Developing and regenerating the unique townships where people live
- Prevent the need for Bury residents to have to go out of the borough to live
- Bring Bury residents back in borough, if its right for them
- Work with local developer's and providers who know the local area.

Enterprise

- Encouraging enterprise to drive inclusive economic growth through our business community
- Enterprising innovation and creative solutions to current housing issues
- Be bold in our housing solutions and future developments in Bury.

Together

- Working together to design quality, fit for purpose homes for people with additional needs in Bury
- Working together with service users, their cares and family to shape accommodation
- Working together to insure inclusivity throughout the housing agenda.

Strengths

- Taking a strengths - based approach to recognise the assets and strengths of communities
 - Recognising the strengths of individuals enabling their independence, choice and control for housing.
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6. Equality Impact and Considerations:

The outcomes of the initial equality analysis are positive. The service will be available for people with mental health needs who are struggling in accessing accommodation and need support to develop independent living skills.

7. Environmental Impact and Considerations:

As a minimum, the new homes will be built to the 'Future Homes Standard', including the installation of energy efficiency measures to reduce fuel bills and cut carbon emissions.

8. Assessment and Mitigation of Risk:

Risk / opportunity	Mitigation
Planning permission isn't approved	127 Blackburn Street has received planning approval. 137 The Rock has received informal positive feedback from planning but not official approval.
Registered Provider still to be appointed	Both projects have engaged with the Bury Registered Provider framework and are in discussions to appoint a partner for the properties.
Providing the right care to meet the needs of the people living in the schemes	Engagement with Mental Health Practitioners is on-going to understand the care needs of the people who could live in these properties to ensure appropriate care and support is in place when people move in.
The proposal will generate a total of 19 Multifunctional supported homes (which can be adapted to suit need at any given time) to help meet the Council's housing targets.	

9. Legal Implications:

From 1 April 2015, Part 1 of the Care Act 2014 consolidates the existing law relating to adults with care and support needs. The emphasis in the Care Act is on meeting needs to improve the well-being of adults who need care and support because of physical or mental impairment or illness, as well as meeting the support needs of their carers.

The Department of Health has produced the [Care and Support Statutory Guidance](#) to the Care Act. Local authorities must 'have regard' to this guidance when carrying out their responsibilities under the legislation. An authority must be able to justify any actions it takes that depart from the guidance.

[Department of Health guidance](#) defines care and support as the help some adults need to live as well as possible with any illness or disability they may have.

The guidance states that it can include help with things like:

- getting out of bed
- washing
- dressing
- getting to work
- cooking meals
- eating
- seeing friends
- caring for families
- being part of the community

It might also include emotional support at a time of difficulty and stress, helping people who are caring for an adult family member or friend or even giving others a lift to a social event.

This report seeks approval to procure and commission care services to discharge the above obligations.

The care services are part of an overall "scheme" of arrangements that include related property arrangements as described but which are fundamental to the provision and viability of the care packages. These property arrangements will be brought to members for approval separately (unless dealt with by officers under delegated powers).

10. Financial Implications:

Both contracts are proposed for 3 years with annual reviews built in therefore rigorous contract monitoring is essential. It is essential that voids at the units and non-take up of care services are kept to a minimum otherwise the Council is at risk of paying for unused hours of care. A close working relationship is essential with each of the care providers to ensure that there is an identified cohort of residents ready to move into the properties and take up the care services once they are ready in late November/early December of this year and further identified service users/residents should an apartment become vacant during the contract period.

Clients who are currently residing in spot purchase placements similar to the recommended provisions' set out in this report will be placed (where practical to do so) in the newly created block contract provisions and therefore the reduction in spot contract expenditure will offset the cost of the Block contract provision

resulting in a net nil cost to the Council with regards to the commissioning recommendations in this report

Block booking the accommodation means the Council will receive a discount on the care costs which are funded from the adult care budget. The savings generated will contribute to the Health and Adult Care department's savings requirements of £500,000 over 4 years for mental health packages of care. As part of the monthly budget monitoring cycle, Finance, Commissioners and Social work teams will triangulate and track the expenditure linked to the provision set out in this report ensuring that all expenditure aligns to the funding provided. Any financial risks/pressures identified will be highlighted to the Director of Adult Social Services as part of the monthly budget monitoring cycle whereby an action plan will be deployed to mitigate any financial risks/ pressures.

Procurement Method

The Northern Healthcare scheme is a direct award under regulation 32 2 (a) no other supplier. This has been confirmed with the Council's procurement service.

For the Radcliffe Scheme the care provider will be appointed by open tender.

Appendices:

None

Background papers:

[Bury Housing with Additional Needs Strategy](#)

[Housing with Additional Needs Market Position Statement](#)

Please include a glossary of terms, abbreviations and acronyms used in this report.

Term	Meaning
None	