

Public Document Pack

North Yorkshire Council Health and Adult Services - Executive Member & Corporate Director Meeting

Friday, 13 September 2024 / 1.30 pm

A G E N D A

1 **Declarations of Interest**

Items for Corporate Director decision

- 2 Extension and Variation of Mental Health Supported Housing Services and Mental Health Community Support (Pages 3 - 6)
Variation of Community Mental Health Services (Pages 7 - 10)
- 3 Extension and Variation of Supported Housing Services for Offenders (Pages 11 - 14)
- 4 Date of next meeting: 11 October 2024 1.30pm

Circulation:

Executive Members
Michael Harrison

Officer attendees
Richard Webb

Presenting Officers
Michael Rudd
Sally Anderson

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North Yorkshire County Council

Health and Adult Services

Executive Members Meeting

13th September 2024

REPORT TO Corporate Director of Health and Adult Services (HAS) in consultation with the Executive Member for Health and Adult Services

Extension and Variation of Mental Health Supported Housing Services and Mental Health Community Support

1.0 Purpose Of Report

To seek approval for the extension and variation of Mental Health Supported Housing Services

2.0 Executive Summary

Health and Adult Services commissions Mental Health Supported Housing services from a number of providers across the County to support people with mental health needs to develop the skills they need to live independently.

An identical service, which runs as a single entity with the HAS commissioned service was commissioned by the former Craven District Council (CDC) and runs in parallel.

This paper seeks approval to merge the former North Yorkshire County Council and CDC contracts in line with procurement advice and to enter into the final extension year allowed by the North Yorkshire Council (NYC) contract. The paper also seek approval to apply a negotiated uplift to the contract to reflect additional cost pressures beyond those initially anticipated in the tender.

3.0 Background

3.1 Service Background

The original contract for the provision of mental health housing support managed by North Yorkshire County Council commenced on 1st October 2021, the overall value of these contracts was £501,000 per annum.

North Yorkshire Council commissions a countywide service for people aged 18 and over who are experiencing mental health and housing issues. The aim of the service is to maximise and sustain independence in the community, prevent avoidable hospital admissions, and support people to achieve their rehabilitation and recovery goals.

This contract commissioned Mental Health Housing Related Support across the county consisting of a mixture of floating support for those who have their own tenancy, plus a number of short-term accommodation units.

Housing with support provides accommodation for up to one year with input from a housing support worker to develop the skills required to maintain a tenancy and ensure the person is able to move to

independent living at the end of period. The service takes a person-centred approach to develop other protective factors which may include budgeting, reducing social isolation, benefit maximisation, links with other services, becoming employment or volunteering ready. Transition support is also provided as the person moves to their long-term accommodation.

Floating Support is provided to people who already have a home but are at risk of losing this due to their circumstances. The housing support worker will work with them to identify the risk factors and work with them to develop a plan to support them to maintain their existing tenancy or find a new property where appropriate. Floating support can be provided for up to 12 months.

Seven Lots were commissioned to deliver support in seven different localities. Three providers are responsible for the provision of this service. Units procured were considered to be proportionate to the population in each locality.

3.2 Contract

The contract was procured by the Council on 2 year + 1 year + 1 year basis to start from 1st October 2021.

Lot Number	Supplier	Area Covered	Units supplied	Floating support Units
Lot 1	Foundation	Craven	3	6
Lot 2	Broadacres	Hambleton	5	12
Lot 3	Horton	Harrogate	11	25
Lot 4	Broadacres	Richmondshire	2	5
Lot 5	Broadacres	Ryedale	3	7
Lot 6	Broadacres	Scarborough	7	17
Lot 7	Horton	Selby	4	9

In parallel to this then County Council procurement, Craven District Council (CDC) completed a tender process for the same service under the same specification for 5 additional units in the Craven area. This reflected CDC's view of the service as highly beneficial and also mitigated the loss units which were re-allocated to other areas as a result of the needs analysis which underpinned the then NYCC procurement.

This CDC contract was let on a 2+1 basis and as such ends with no additional extensions on 30th September 2024.

3.3 Performance

The service has supported over 100 people between April 2023 and March 2024. During this period, 12 people have moved from the accommodation pathway, 11 of whom have done so in a positive way (92%) by developing their independent living skills to manage a tenancy. Over 100 people have moved through the floating support service, of which 89% did so in a positive way. A small number of people disengaged from the service. Part of the success of the pathway is that people are considered holistically and the reasons why their tenancies are at risk are explored. Supportive approaches are developed to address the reasons, so the person is empowered to make informed choices and develop resilience longer term.

The service is well used and carries a waiting list in most areas. Utilization is calculated based on the number of people in service at the end of the quarter against the number of people each provider is contracted to support. For the accommodation with support, the rate is 87%, 85%, 100% and 92% for the four quarters of the above period. Where the figure is lower than 100% this is due to maintenance or the period between people moving out and the next person moving in at that particular snapshot in

time. For the floating support, the utilisation rate is 82%, 88%, 92% and 76% for each quarter. This is due to recruitment challenges and long-term illness in the Harrogate area which in part have been covered by agency staff, but due to the relative size of the service, disproportionately impacts on the overall rate. The Harrogate service is now fully staffed.

4.0 Variation and Extension

On entering into discussions with providers to extend the Mental Health Supported Housing contract into a final year, the providers of two Lots raised challenges relating to financial sustainability with commissioners, which they felt would require either an increase in funding or reduction in units.

As such, the Council have entered into negotiations with the providers to reach a mutually agreeable position enabling the service to continue with the current level of units and support.

The contracts were let with 0% annual uplift in 2021 following a period of extended low and predictable inflation. Since that time, inflation has risen, peaking at more than 11% before returning close to the baseline figure. This increase in costs has placed significant pressure on providers operating on tight margins. The Council has worked through a detailed process with the providers to understand the need for additional funding, including:

- Initial bids assumed 2% year on year inflation and as such this must be absorbed within the original bid cost.
- Staffing and pay levels within the provider have been reviewed and the providers have been challenged to review their staffing model and ensure the Council is receiving best value. As a result one provider has moved away from the NJC pay spine as of this year to a wage structure based on performance and affordability.
- Robust contract management has ensured the Council are aware of gaps in staffing and other areas of underspend which need to, and have been, utilised prior to any additional uplift
- The contract has been thoroughly reviewed for opportunities for efficiencies by maximising the service model, these have been explored and implemented prior to this ask
- Very significant increases in utility costs and overheads need to be acknowledged

Following this process and a period of negotiation it is recommended that a 9% uplift is applied to two contracts to ensure sustainability of the service, the annual cost of this is £11,538, following due diligence on the remaining Lots the Council is confident they will remain sustainable at the existing contract value for the remainder of the contract

4.2 Alternative Options Considered

The alternative to applying an uplift to these contracts would be to reduce the number of units available within each contract. This would reduce the ability of the service to support individuals and promote good outcomes.

5.0 Financial Implications

The uplift will fall across financial years 2024/5 and 2025/6 – totalling £5,769 for each financial year.

6.0 Legal Implications

The above proposal has been approved by Procurement Assurance Board and as such legal and procurement risks have been considered and addressed.

7.0 Conclusion and reason for recommendation/s

Mental Health Supported Housing continues to deliver a strong service which supports offenders to reintegrate into communities on release and reduces rates of reoffending. This variation and Extension will allow to service to continue at capacity whilst work is completed to reproduce the service from 2025 onwards.

8.0 Recommendation/s

That the Corporate Director in consultation with the Executive Member:

1. Approve the merge of the former North Yorkshire County Council and Craven District Council services
2. Approve the variation and extension of the Mental Health Supported Housing Service

Mike Rudd
Head of Housing, Technology & Sustainability
County Hall

13th September 2024

North Yorkshire County Council

Health and Adult Services

Executive Members Meeting

13th September 2024

REPORT TO Corporate Director of Health and Adult Services (HAS) in consultation with the Executive Member for Health and Adult Services

Variation of Community Mental Health Services

1.0 Purpose Of Report

To seek approval for the variation of Community Mental Health Services

2.0 Executive Summary

In 2018, NYCC commissioned several providers to deliver preventative Mental Health Services across the then 7 districts of North Yorkshire in 6 Lots.

Approval was given to enter into the final extension within the scope of the original contract from 1 October 2023 to 30 September 2025. Following negotiations with one provider this paper seeks approval to apply an uplift to the final year of the contract to reflect additional cost pressures beyond those initially anticipated in the tender.

3.0 Background

3.1 Service Background

The main objectives of support delivered through the Contract are:

- To help prevent people from developing mental health issues.
- To support people with mental health issues to recover and stay well.
- To act as a local point of contact for people with mental health issues or concerns and their carers and family members.
- To support people with mental health issues or concerns to be able to access the support they need.
- Provide brief interventions on practical support for people with mental health issues or concerns.
- Provide social support and support social inclusion for people with mental health issues or concerns; and
- To promote self-management of mental health conditions

3.2 Contract

The contract was procured by the council in 2018 and is in the final 2 year extension to an end date of 30th September 2025.

Lot Locality	Supplier	Annual Value
Hambleton and Richmondshire	Darlington MIND	£58,033.80
Ryedale	Next Steps	£20,996.00
Scarborough	Scarborough Survivors	£55,438.00
Harrogate	MIND in Harrogate	£65,000.00
Craven	Pioneer Project	£18,983.00
Selby	Horton Housing	£28,327.46

3.3 Performance

The service is meeting the contract requirements, delivering a well-used service and extending their reach using a mixture of approaches including offers of telephone support, group activities and 1:1 support. Referrals are accepted from any source, including self-referrals and referrals from family members and carers, and professionals.

The Council has a summary of information relating to the contract which includes the number of people receiving support, types of information, no. referrals, type of mental health conditions, feedback from people who use the service and case studies.

4.0 Variation

As part of ongoing contract management discussions with providers, one of the providers raised issues around the financial viability for the service going in to the final year which puts service delivery at risk and would potentially have knock on effects for associated services also delivered in the area by the same provider such as Supported Housing which share some staff.

As such, the Council has entered into negotiations with the provider to reach a mutually agreeable position enabling the service to continue with the current level of support.

The contracts were let with 0% annual uplift in 2018 following a period of extended low and predictable inflation. Since that time, inflation has risen, peaking at more than 11% before returning close to the baseline figure. This increase in costs has placed significant pressure on providers operating on tight margins. The HAS team have worked through a detailed process with the provider to understand the need for additional funding, including:

- Staffing and pay levels within the provider have been reviewed and the provider has been challenged to review their staffing model and ensure the Council is receiving best value.
- Robust contract management has ensured the Council is aware of gaps in staffing and other areas of underspend which need to, and have been, utilised prior to any additional uplift
- The contract has been thoroughly reviewed for opportunities for efficiencies by maximising the service model, these have been explored and implemented prior to this ask
- Very significant increases in utility costs and overheads need to be acknowledged

Following this process and a period of negotiation it is recommended that a 9% uplift be applied to this contract to ensure sustainability of the service, the annual cost of this is £2,549.47:

4.1 Alternative Options Considered

The alternative to applying an uplift to this contract would be to reduce the service level available. This would reduce the ability of the service to support individuals and promote good outcomes.

5.0 Financial Implications

The uplift will fall across financial years 2024/5 and 2025/6 – totalling £1,274.74 for each financial year.

6.0 Legal Implications

The above proposal has been approved by Procurement Assurance Board and as such legal and procurement risks have been considered and addressed.

7.0 Conclusion and reason for recommendation/s

The Community Mental Health services continue to provide good quality and good value services. Applying the proposed uplift ensures continuity of service into the final year of the agreement whilst work is concluded on a successor service.

8.0 Recommendation/s

That the Corporate Director in consultation with the Executive Member:

1. Approve the variation and uplift of the Community Mental Health Service

Sally Anderson
Strategic Service Development Manager, Prevention
County Hall

13th September 2024

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North Yorkshire County Council

Health and Adult Services

Executive Members Meeting

13th September 2024

REPORT TO Corporate Director of Health and Adult Services (HAS) in consultation with the Executive Member for Health and Adult Services

Extension and Variation of Supported Housing Services for Offenders

1.0 Purpose Of Report

To seek approval for the extension and variation of Offenders Supported Housing Services (known as RACSS)

2.0 Executive Summary

Health and Adult Services in partnership with the National Probation Service (NPS) commissions supported housing services for High and Medium risk offenders where the risk of reoffending is related to the person's ability to maintain a tenancy. These services are known as RACSS (Resettlement and Community Safety Scheme).

This paper seeks approval to enter into the final extension year allowed by the contract, and to apply a negotiated uplift to the contract to reflect additional cost pressures beyond those initially anticipated in the tender.

3.0 Background

3.1 Service Background

RACSS is a countywide housing related support service for high and medium risk offenders. The purpose of the service is for those individuals supervised by the Probation Service-Yorkshire and Humber (PS-YatH) to maximise their potential for independence, sustain accommodation, access employment and significantly reduce the risk of re-offending.

The service provides supported accommodation under a property management arrangement for up to 2 years, plus short-term focussed support based on the individual's needs. This will include empowering individuals to develop self-advocacy skills to further independence including:

- support to develop housing related and financial skills
- signposting and support to engage in services and activities to improve physical and mental well being
- encouraging social and family relationships
- enable access to employment, education and training

NYC commissions Foundation UK to provide the service, and units (housing with support) are located across the county.

3.2 Contract

The contract was procured by NYC on behalf of the Council and NPS on a 3 year + 1 year term commencing 1st October 2021.

On commencement the contract comprised 3 service Lots:

Lot 1 - core funding of £243,478 per year from NYC to secure 60 units of supported accommodation,

Lot 2 - 1 year Lot based to secure 10 units of supported accommodation from non-recurrent funding of £39,390 from NPS as the ongoing status of this funding as not known at the time due to changes within the Probation service.

Lot 3 – A linked but separate service for substance use supported housing, fully funded by NYC. This Lot was added to the RACSS procurement due to the low value and small number of units.

Note - The extension for this Lot has been entered into and does not require a Key Decision.

At the end of the first year of the contract NPS confirmed that ongoing funding would be available for the service and as a result the £39,390 and 10 units allocated to Lot 2 was added to Lot 1 for the remainder of the contract via contract variation, Lot 2 ceased at the end of the first contract year.

3.3 Performance

For those individuals supported by the RACSS service during the contract year 23/24, 52.5% had a positive move on. Move on accommodation is difficult to source and this figure would be higher if suitable accommodation was available. Joint review meetings take place quarterly with PS- YatH to evidence the steps taken by Foundation to deliver successful outcomes for individuals in receipt of the service. Individuals accessing the service are living less chaotic lives - examples of success over the past quarter has resulted in one person being accepted to buy a shared ownership property; another has taken part in recruitment training and has sat on the Foundation interview panel to recruit new staff; and a person who accessed the service in February this year, has now engaged with the service and managed his tenancy to a very high standard, resulting in him being referred for general needs housing with gold band bidding starting this month.

Probation have expressed their satisfaction with the service particularly for Foundation UK's prompt response in dealing with imminent releases to ensure individuals are provided with housing and support at short notice, thus maintaining safety levels.

Probation view the RACSS service as a positive way of managing high risk individuals and have identified additional funding to maintain and increase activity levels for years 2 to 4 of the contract.

Prison leavers without stable accommodation are almost 50% more likely to reoffend again per Yorkshire and the Humber Reducing Reoffending Plan, 2022-25, [Reducing Reoffending Plan 2022-25 for Yorkshire and the Humber \(publishing.service.gov.uk\)](#)

4.0 Variation and Extension

On entering into discussions with foundation to extend the RACSS contract into a final year, the provider raised challenges relating to financial sustainability with commissioners. As such, the Council has entered into negotiations with Foundation to reach a mutually agreeable position which ensures that the service can continue with the current level of units and support.

The contracts were let with 0% annual uplift in 2021 following a period of extended low and predictable inflation. Since that time, inflation has risen, peaking at more than 11% before returning close to the baseline figure. This increase in costs has placed significant pressure on providers operating on tight margins. The Council has worked through a detailed process with the provider to understand the need for additional funding, including:

- Initial bids assumed 2% year on year inflation and as such this must be absorbed within the original bid cost.
- Staffing and pay levels within the provider have been reviewed and the provider have been challenged to review their staffing model and ensure the Council is receiving best value. As a result Foundation have moved away from the NJC pay spine as of this year to a wage structure based on performance and affordability.
- Robust contract management has ensured HAS are aware of gaps in staffing and other areas of underspend which need to, and have been, utilised prior to any additional uplift
- The contract has been thoroughly reviewed for opportunities for efficiencies by maximising the service model, these have been explored and implemented prior to this ask
- Very significant increases in utility costs and overheads need to be acknowledged

Following this process and a period of negotiation it is recommended that an uplift of £12,376 or 4.5% be applied to the final year of the contract to reflect increased costs.

4.2 Alternative Options Considered

The alternative to applying an uplift to these contracts would be to reduce the number of units available by 3-5 units. This would reduce the ability of the service to support individuals and promote good outcomes.

5.0 Financial Implications

The uplift will fall across financial years 2024/5 and 2025/6 – totalling £6,188 for each financial year.

6.0 Legal Implications

The above proposal has been approved by Procurement Assurance Board and as such legal and procurement risks have been considered and addressed.

7.0 Conclusion and reason for recommendation/s

RACSS Supported Housing continues to deliver a strong service which supports offenders to reintegrate into communities on release and reduces rates of reoffending. This variation and Extension will allow to service to continue at capacity whilst work is completed to reproduce the service from 2025 onwards.

8.0 Recommendation/s

That the Corporate Director in consultation with the Executive Member approve the variation and extension of the Offenders Supported Housing (RACSS) Service

Mike Rudd
Head of Housing, Technology & Sustainability
County Hall

13th September 2024

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