

Appendix B

REPORT BACK TO BV ADVISORY PANEL 19 NOVEMBER 2003

Requirements from September Panel were as follow:

RESOLVED: To note that (1) the Best Value Advisory Panel did not approve all 12 recommendations detailed in the Cross-Cutting review in the report; (2) the Panel expects a break-down report covering the financial implications and need for recommendations: 7,9 &12;

Recommendation 7: Develop increased housing capacity in the system by

- a) PFI bid for supported housing development with potential to provide 12 MH places per year over 3-5 years. Bid currently being costed by financial advisors.
- b) Exploring options for development of new Asian unit (former Asra site).
- c) Undertaking discussions with Housing Associations to develop Asian unit in partnership with other boroughs.

Resource/Other Implications: Contracts Manager time. Funding bids to ODPM, Housing Corporation and with other Local Authorities.

Recommendation 9: Develop specialist housing provision. (See Recommendation 7 with related resource information).

Recommendation 12: Detailed investigation of costs of staffed residential Mental Health units to be undertaken and any options for changes identified.

1. Recommendation 7a to Develop Increased Supported Housing Capacity – Follow-up

i. Background to PFI3

The Office of the Deputy Prime Minister (ODPM) invited bids for PFI credits for Non-HRA Supported Housing schemes in November 2001. The (former) Social Services Department prepared a relatively modest PFI bid for 32 units of supported housing for three client groups as it was understood that the overall 'pot' that the ODPM had was not large. 32 properties would meet the supported housing needs for 12 units for people with mental health problems, 12 units for young people leaving care and 8 units for people with physical and/or sensory disabilities. The bid was submitted in January 2002 and received outline approval by ODPM in May 2002 and was subject to the submission and approval of an Outline Business Case (OBC). £5.66M of PFI credits were awarded by ODPM for the scheme

The scheme/OBC was developed from May to November 2002 with the assistance of Abros who are the financial advisers on another PFI scheme (residential and day care for people with learning disabilities). A report to Cabinet was drafted for its meeting on 12 November 2002 seeking approval to submit the Outline Business Case and a commitment to meeting the

affordability gap. Following consideration of a report by Corporate Management Team on 5th November 2002 it was agreed that the report would not be submitted to Cabinet because there was likely to be an affordability gap of £5185 that was too large. This is often the case with small schemes.

A series of meetings with potential bidders, the ODPM, financial consultants took place to consider the potential for reducing the affordability gap by increasing the number of housing units. Initial proposals reduced the affordability gap but increased the level of PFI credit required well beyond that allocated by ODPM.

Discussions took place with Housing to establish whether they could use these units for temporary accommodation until People First were able to use them for supported housing. It was estimated that People First could use between 30 and 35 units per year which would include up to 12 units for people with mental health problems. If the Council bid for 108 units properties would be acquired over a two year period by the PFI provider. This would facilitate the purchase of the properties by the PFI provider by significantly reducing the property acquisition risk. Properties would be ordinary street properties purchased on the open market in Harrow or very locally to it. Housing confirmed that the temporary timing deficit between supply and demand could be met by the needs of temporary accommodation.

Housing would use the accommodation for homelessness until such time as People First needed them for supported housing. Properties would be let on short term tenancies at full market rents subsidised by Housing Benefits. If ODPM could allocate PFI credits for 108 units (68 for supported housing and 40 for other housing needs) it would also be possible for Housing to use the additional 40 units for key workers and homeless families who work, and therefore need an intermediate rent. This additional provision at intermediate rents had the effect of reducing the affordability gap per property further, but increased the size of the PFI credit.

Following a further meeting with the ODPM, they have agreed to recommend to ministers a PFI credit of £23m for Harrow for up to 105 units including 57 supported housing units.

ii. Basis for Mental Health Units included in PFI

Officers estimated the likely need for supported housing for people with mental health problems on the basis of the numbers of people expected to move on from existing registered, unregistered homes and supported housing schemes. This took into consideration the remit of each unit in relation the expected length of stay and the levels of dependency of their client groups. See table below.

SCHEME	No of places in current Scheme	(Minimum) Estimated Requirement for move-on with support per year
7 & 14/15 Kenton Rd	20	1
Assessment Unit	6	3
777 Field End Rd	6	}
15 Greenhill Crescent	4	} 1

6 Welldon Crescent	5	}
Stroudgate	8	3
Met Hsg Floating Support	20	3
MHT Tenant Support	15	2

The manager responsible for Stroudgate has confirmed that it has 3 people who are ready to move on.

2. Recommendations 7b and 9 to Create Asian, Women- only Unit – Follow-up

Further consideration has been given to the recommendation in relation to the creation of an Asian resource and the need for a women only unit and it is now felt that the two issues should be separated.

There is a clear need for women-only residential provision both to meet religious and cultural needs and provide vulnerable women with a safe environment. This is also a requirement placed upon local authorities in new Government guidance¹ which specifies that “all residential settings should provide single sex accommodation, toilet and bathing facilities, a women-only lounge in ‘new build’ mental health units and, wherever possible, in existing settings”. No such provision currently exists in Harrow but a number of units have women residents as well as men. It is therefore recommended that the use of current residential units be reviewed with the aim of reconfiguring an existing facility to create a women-only (but not exclusively Asian) facility. This proposal means that a bid to use the former Asra site for a women-only facility would no longer be necessary.

We think that there is a need for a more services aimed at older Asian people and people with mental health problems, particularly in the area of day care. The action plan arising from an SSI inspection of Mental Health Services in 2000 stated that “No strategy was in place to ensure culturally appropriate services and address issues of unequal access by black and other ethnic minority service users”. Work has been done at The Bridge Day Centre to provide activities better tailored to the Asian attenders. However the fact that some Asian elders and younger Asian people with mental illness are currently bussed to Snehcare, a voluntary sector day centre in Willesden, for 24 to 30 sessions per week suggests that there is a gap in Harrow’s services for the Asian community. In addition, whilst the Asian community is proportionately represented within current recipients of Mental Health services, the size of the community and expected prevalence of mental health problems indicates that there is likely to be unmet need. This may vary in accordance with the many different religious and ethnic groups.

It is therefore recommended that further work be undertaken to identify the mental health service needs of black and ethnic minority communities in Harrow before any more specialist facilities are developed.

¹ Delivering on Gender Equality, DoH Oct 2002

3. Recommendation 12 to investigate costs of staffed residential Mental Health units – Follow-up

Members requested more background information and explanation of the costs of Harrow's residential units but were also concerned about the significant differential in the figures for supported housing.

i. Residential Units

7 and 14/15 Kenton Road (Costs £711 and £691) accommodate people recovering from severe and enduring mental illness and aim to enable some of these people to move on to more independent living within 2 years. Both units are therefore permanently staffed and can have to call on agency cover for sickness and training. 14/15 may be slightly more cost effective because of its higher number of residents and consequent economy of scale. The severity of some people's conditions, particularly those at 7 Kenton Road, means that few of them are able to go the day centres. A case may therefore be made that the cost of the day care they receive within the home should be excluded from the residential costs. This approach has been taken by some other local authorities and could bring down the unit costs quoted in PAF indicator B15.

79 Harrow View and 89/91 Bessborough Rd (Costs £631 and £606) provide longer term accommodation for, on the one hand, people with medium to high (support) needs and on the other for a group of people moved out of long term care in Shenley who may be institutionalised. This means that these units have less turnover so may need a different (and possibly less costly) mix of skills around maintaining a relatively stable group of people.

Harrow Assessment Unit (£1340 at time of report but now reduced by £200) provides 4 places to assess the living skills and emotional functioning of people coming out of hospital or needing to move from a residential unit or their own home and 2 crisis beds. These dual functions mean that the unit has a constant turnover of residents at different levels of need for which a range of skills and higher staffing levels are required. The turnover of residents also affects occupancy levels and, through them, unit costs. The appropriateness of the current use of the Assessment Unit is being reviewed but, regardless of the outcome, the potential to create an additional room has been identified and this would reduce cost by a further £200.

ii. Supported Housing

A review of the figures presented in the report has highlighted inconsistency in the information provided on the different units. These housing units are not a direct cost to Harrow because expenditure is covered by Supporting People and the client contribution. The original figures for Welldon Crescent, Field End Road and Greenhill Road therefore excluded the funding for visiting support. The revised figures shown below are based on gross costs in the same way as those previously given for Roxborough Park.

	Previous Unit Cost Figure	Revised Figure
Roxborough Park	£202	£202
Field End Road	£8.20	£154
Welldon Crescent	£35.80	£143
Greenhill	£50.14	£214
Stroudgate	£116	£141

The variation between units reflects the differing levels of support needed to maintain individual people in their homes.

The need to look at the potential to reduce residential costs without detrimental effect on service quality as specified in Recommendation 12 remains. However it may be achieved through work currently in hand to review the Assessment Unit and consideration of the impact of day care in the homes.

4. Conclusion

The recommendations on which Panel asked officers to provide more detail are now resubmitted. (**NB** * Denotes modification of original recommendation.)

Members are asked to accept the outstanding items from the Mental Health Best Value Review with the adjustments put forward in this paper:

- ◆ Recommendation 7: to increase the housing capacity for people with mental health problems by:
 - a) Endorse the development of the PFI bid as originally proposed in the report presented on 8 September 2003.
 - b) Support a review of existing residential units to create women-only provision*.
- ◆ Recommendation 9: Develop specialist housing provision. This is covered by 7b).
- ◆ Recommendation 12: To carry out further work to identify the potential to improve cost effectiveness of current residential units without loss of quality* through:
 - a) Review of Harrow Assessment Unit
 - b) Review of budget provision for day care provided within long-stay units.

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