



Partnerships with housing to improve mental health outcomes

Introduction

Joint working between housing and health can reduce pressures on the NHS and improve an individual's overall wellbeing. Housing associations are keen to explore ways of working effectively with the NHS and public health to address unmet health needs among tenants and the communities in which they operate. Some housing associations are also starting to recognise new business opportunities in working with health commissioners and providers in developing integrated models of health, care and support, positioning themselves as healthcare providers or entering into joint ventures with NHS Trusts.

This briefing is one of four documents entitled **Connecting Housing and Health**. They are aimed at housing associations and provide learning on health commissioning and NHS providers. The briefings aim to support housing associations in shaping a health offer, but do not present a step-by-step guide. They sit alongside the **Routes into Health** briefings, which explain the new NHS structures and ways to engage with health.

This briefing provides:

- An update on current challenges and opportunities working with NHS providers
- Insight into the priorities for health commissioners and NHS providers in developing crisis and recovery services in mental health
- An outline of the different approaches housing associations can take to develop an offer to NHS providers.

Context

It is estimated that 1 in 4 adults experience at least one diagnosable mental health problem in any one year, and 1 in 6 people experience this at any given time¹. About 1.6 million² people need specialist care for conditions such as severe anxiety problems or psychotic illness. For instance, more than one million Londoners live with mental illness, ranging from anxiety, depression, and bipolar disorder to schizophrenia. Mental ill health is particularly common in London with 18% of people living in the capital having a common mental health problem, compared to 16% nationally³. Untreated mental health conditions also lead to worse health outcomes and increased healthcare spending among those with long term conditions.

Furthermore, there is huge disparity between approach to physical and mental health problems. Over 75% of those with heart disease are in treatment, for people with diabetes or hypertension more than 90% are in treatment. Conversely only 25% of people with depression or anxiety receive treatment⁴. Only 25% of people with a diagnosis of schizophrenia make a full recovery and experience no further episodes. Individuals with mental health issues have the same life expectancy as the general population did 50 years ago⁵.

¹ The Office for National Statistics (2001), Psychiatric Morbidity report

² NHS Confederation (2014), Key facts and trends in mental health

³ The Independent Commission on Mental Health and Policing 2013

^{4,5} <http://www.england.nhs.uk/2013/11/25/martin-mcshane-4/>



It is estimated that the cost of mental ill health in England is now £105.2bn a year⁶. In 2012/13, the Mental Health Act was used in 50,000 separate occasions where people were detained or treated under the Act, whilst 4,600 people were given community treatment orders. The total number of people who were subject to the Mental Health Act has risen by 12% in the last five years to 17,000 based on the Care Quality Commission (CQC) monitoring arrangements under the Act⁷.

These are some of the major challenges facing mental health trusts, which reflect the wider financial crisis facing the NHS. With the launch of *No Health without Mental Health* in 2011 and the Health and Social Care Act in 2012⁸, the Government put mental health at the centre of its programme of health reform, with parity of esteem with physical health services as a key driver. *Closing the Gap: Priorities for essential change in mental health* highlights how mental health services need to change over the next few years. It includes a specific action point on the establishment of a national forum on mental health and housing to explore the barriers in accessing suitable housing for people with mental health problems⁹. It also allocated £43m from the Care and Support Specialised Housing (CASSH) Fund to support specialist housing for people with mental health problems. The Department of Health is also leading a multi-agency concordat¹⁰ on improving outcomes for people experiencing mental health crises, access to support before crisis point and urgent and emergency access to crisis care that promotes recovery.

Recovery is an important feature for service improvement and accountability. The CQC is introducing a new inspection regime for mental health services that will focus on different aspects of the care pathway and gain more feedback from service users and local stakeholders.

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For members who are registered with CQC, it is important to be aware of the new approach to inspections¹¹. Service users and their carers are meant to play an important role working with clinicians and service providers to ensure that they have access to the right care pathway that is supported by care planning and regular assessment¹². Over the last 5–10 years, there has been a growing movement in the implementation of recovery strategies in the development of mental health services and supported housing. All service providers, across the NHS and the independent sector, need to be innovative in responding to the market and the aspirations of service users around their recovery plans¹³. Housing associations should recognise this as an opportunity to demonstrate to NHS providers not only our skills and expertise, but our capital and access to finance that can enable NHS trusts to transform existing services.

⁶ The Centre for Mental Health (2011), The economic and social costs of mental health problems in 2009/10

⁷ Care Quality Commission (2014), Mental Health Act 2012/13

⁸ Department of Health (2011), No Health Without Mental Health: a cross-government mental health outcomes strategy for people of all ages

⁹ Department of Health (2014), Closing the gap: priorities for essential change in mental health

¹⁰ Department of Health (2014), Mental Health Crisis Agreement Care

¹¹ Care Quality Commission (2014), Inspecting and regulating mental health services

¹² Centre for Mental Health (2008) Making Recovery a Reality

¹³ Mental Health Foundation (2012) A Checklist of Good Practice from service users The Care Programme Approach and Recovery



The NHS perspective

Under the current reforms, all NHS trusts are now expected to become foundation trusts by April 2016. There are currently 58 mental health trusts in England with 41 having reached foundation trust status. It is becoming apparent that a number of NHS Trusts will not be financially sustainable and will struggle to achieve foundation trust status, which is likely to lead to an increasing number of mergers and service reconfigurations. The market for adult mental health services, as funded by the Department of Health, is just under £6.45bn a year based on the latest survey for 2011/12¹⁴. The level of investment has been reduced by 1% compared to 2011 according to the NHS Confederation as a result of the financial challenges facing the NHS. Funding for older people's mental health services fell by 3.1% in real terms over the same period¹⁵. The current financial pressures facing the NHS also increase the need to innovate and deliver services in more cost-effective ways.

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The Health and Social Care Act provides more scope for housing associations to play an increasing role around delivering services. However, for housing associations to develop an offer to NHS providers there has to be an understanding of the care pathway and the priorities of NHS trusts. Since April 2013, NHS Trusts are commissioned by Clinical Commissioning Groups (CCG), NHS England, Commissioning Support Units and local authorities. Commissioners have played an important role in shaping the market. NHS trusts were traditionally paid through block contracts, based on cost and volume of activity.

There has been a shift over the years to payment based on national rules that take into account the complexity of health needs using Payments By Results (PbR), a payment system in England under which commissioners pay healthcare providers for each patient seen or treated, taking into account the complexity of the patient's healthcare needs.

Housing associations should be aware that PbR models in the NHS differ significantly from those being developed by local authorities. The main difference is that local authority and other public sector PbR systems focus on achieving outcomes and then rewarding providers for achieving those outcomes. This approach around performance and payment is much more established in the NHS than local authorities. NHS trusts will expect a housing association, as a partner or subcontractor, to be paid through a PbR mechanism in part to ensure improved outcomes and better value.

For mental health trusts, PbR in mental health has so far involved the development of care packages against the care clusters. Clustering was introduced to help support Payment by Results for NHS mental health services. It links payment to activity by grouping together people with relatively similar diagnosis or care needs and rationalises resource allocations accordingly. The clusters are set nationally as recommendations. Each CCG sets the prices for their own tariff locally, so payment for each cluster can vary. The tariff is also more flexible in delivery as it is not tied to inpatients and outpatients. Housing associations will need to make themselves aware of this method of contracting and payment, and consider how they can shape their service offer appropriately.

¹⁴ NHS Confederation (2014), Key facts and trends in mental health

¹⁵ Mental Health Strategies for the Department of Health (2012), 2011/12 National Survey of Investment in Mental Health Services for Older People



Developing a housing offer

There are a number of ways in which housing and housing-related support services have contributed to improved mental health outcomes. A lack of housing can impede access to treatment, recovery and social inclusion, and accessing mental health services and employment is more difficult for people who do not feel settled in their accommodation. Housing provides the basis for individuals to recover, receive support and, in many cases, return to work or training¹⁶. By working in partnership, NHS providers and housing associations can deliver better outcomes for service users. For people with mental health problems, this has meant a focus on prevention and early intervention, facilities that enable step-down to recovery, repatriation of out of area treatments and avoidance of institutional forms of care.

Before developing a health offer, housing associations need to assess their current services, understand local health pressures and priorities, and decide which approach fits strategically with the direction of their organisation. Some housing associations will be focused on improving the health needs of their existing tenants, working closely with NHS providers and commissioners to raise awareness of unmet need and how to meet that need. Other housing associations will be interested in developing their organisation as an integrated healthcare provider. Health commissioners do not yet have the solutions to achieve preventative, integrated care, and large scale transformation of the health system will take years to achieve. If housing associations viewed the NHS as business partners, rather than commissioners of healthcare, they work as partners to bid for contracts, providing a strong integrated care package.

Housing associations need to be proactive in shaping an offer and need to be prepared for a long-term investment of time and effort to build engagement plans and relationships with health. It may take years of investment and evaluation to demonstrate a

measurable impact on the causes of health inequality and poor health outcomes. Housing associations should ensure that there is a clear service offer that is measurable, marketable and tradable to NHS providers. The organisation should be clear about whether it is looking to be a sub-contractor, to be a partner in the redesign of a particular pathway or whether they have the skills and balance sheet strength to be part of a joint venture.

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Before approaching an NHS trust, housing associations should explore the trust’s strategic and operational objectives to position their offer correctly. This will require initial investment of time, resources and energy to understand the operation of the trusts and to develop an appropriate offer. It will require housing associations to explore trends in health needs and demographics of the local population, gathering information from the CCG commissioning plans and joint health and wellbeing strategy. To understand the priorities of NHS providers, housing associations should explore a range of engagement activities. This varies from attending NHS trust board meetings (all meetings are public) to examining a trust’s annual report. Housing associations could apply to be a board member or governor of a foundation trust, or offer their services and expertise to sit on sub-committees and working groups. They could also appoint current or former senior NHS staff as board members. Housing associations could explore who sits on the trust’s board and develop an engagement strategy to approach senior management. They could also identify and meet the NHS trust’s heads of service to explore their plans around service redesign and pathways, comparing their performance against the NHS outcomes framework.

¹⁶ Centre for Housing Research, University of St. Andrews (2010), Supporting People – client records and outcomes, annual report 2009/10.



This briefing sets out the following approaches to health:

1. Developing more effective service pathways
2. Housing associations redesigning care pathways
3. Estate development

1. Developing more effective service pathways

Housing associations could partner with NHS Trusts to improve existing service provision to make this more efficient or reduce costs. There is a gap in the recovery pathway for partnerships between housing associations and NHS providers that support recovery in the community and prevent a relapse, which would lead to further high intensity services. Common mental health conditions, such as anxiety and depression are currently delivered by primary care mental health teams and Improving Access to Psychological Therapies (IAPT) services. Complex psychological conditions, such as personality disorders, Obsessive Compulsive Disorder (OCD), trauma, and serious depression require specialist treatment teams and care coordination usually by a community team.

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However, the delivery of these services might not be effective due to low take-up, high drop-out rates or poor recovery rates. This can be because the service is not culturally sensitive, in the wrong location or not flexible enough to manage the diverse needs of the client groups.

This provides an opportunity for housing associations to work in partnership with a trust to deliver these services in a way that would be more effective. For example, housing associations could provide the services outside of a clinical setting, helping to develop relationships and provide housing support as a key part of recovery.

2. Housing associations redesigning care pathways

Transforming services for NHS providers is now a key feature in reviewing their long-term business strategy. An NHS provider could review its current services and seek a sub-contractor to lead an aspect of the care pathway or integrate elements of the service as part of a process of production. Trusts may seek to review the acute care pathway for people with mental health conditions to reduce admissions and readmissions to hospital and manage crisis care in the community. Working in partnership with a mental health trust, a housing association could help to develop assertive outreach services and crisis houses to ensure that those most at risk of admission are targeted and to receive care and support, providing an alternative to acute wards like Psychiatric Intensive Care Units (PICU's) which would offer a community-based place of safety and recovery.

Housing associations can bring capital investment and work directly with a trust to develop community-based long-term rehabilitation services for people with complex mental health conditions as part of the supply chain, providing support to assist their eventual rehabilitation in the community. Given the nature of the relationship, working with an NHS provider will require developing a joint business case to convince not only boards of both organisations, but also commissioners and other interested stakeholders such as local authorities and local Healthwatch.



A number of housing associations have developed more integrated packages of care based on the recovery approach.

Where health providers have worked with housing associations to improve outcomes they have found the need to develop shared attitudes to risk and a shared appreciation of each other's skills to be an important component in success. A number of housing associations have developed more integrated packages of care based on the recovery approach. They recognise that this requires them to form new relationships with agencies that have different skills to develop shared value. In particular, to bring into the pathway a range of skills including housing options advice, floating support, life skilling and housing with the necessary support to enable a speedy move into the community¹⁷. For more information on this, see the Federation's **briefing on governance**.

Mental health providers who are foundation trusts own their own estates and they can reinvest income from sale disposals. However, non-foundation Trusts will need permission from the Trust Development Agency (TDA), especially if the value of proceeds is over £5m. The Federation has produced a paper providing more detail on the **disposal of NHS estate**.

NHS providers may feel there is no alternative but to detain patients as there is no suitable accommodation for them to be discharged to. This leads to blockages in the care pathway that prevent transfer of service users from high intensity services, which acts as a barrier to a patient's recovery. Alternatively, it can lead to expensive out-of-area placements. Analysis by the National Mental Health Development Unit (MHDU) found that in 2009/10 around £690m was spent on out of area services in England¹⁹. There are a number of opportunities for housing associations to enter into a joint venture around asset development to address issues like this, using existing NHS estate for new homes and contributing to improved health outcomes such as step-down units for patients in low to medium units or a crisis house.

3. Estate development

The development of NHS land presents an opportunity to both improve health outcomes and provide an independent revenue stream for NHS trusts outside of the tariff. Adopting more revenue-based approaches to land release will also provide much needed income streams to the NHS, especially in light of potential cuts in funding facing mental health trusts as a result of the new tariff settlement¹⁸.

¹⁶ <http://www.hscpartnership.org.uk/policy-and-consultancy/publications/housing-on-the-pathway-to-recovery/>

¹⁸ Risks of deep cuts in mental health funds (Guardian Letter page 12th March <http://www.theguardian.com/society/2014/mar/12/risks-deep-cuts-mental-health>)

¹⁹ NMHDU (2011): In sight and in mind: a toolkit to reduce use of out of area services.



Useful resources

NHS Confederation and the National Housing Federation produced **Housing and Mental Health joint briefing**, which outlines a number of routes that mental health providers and housing associations may wish to explore together to improve quality and reduce costs.

The Federation produced a briefing, **Understanding the new NHS framework for mental health: implications for housing associations**, which draws on input from our joint events with the NHS Confederation to help housing associations to navigate NHS structures and understand how the new framework will influence their offer to the NHS.

The 'mental elf' website is a good source of information on new developments and research in mental health **www.thementalelf.net**

The National Housing Federation has produced a **briefing paper on the creative use of NHS estate**, which outlines the disposal process for NHS estate and sets out possible approaches housing associations can take to access land.

The Federation has produced a **briefing paper on quality governance** which explains the key elements of good quality assurance for partnering with NHS providers.

Examples of housing associations developing partnerships with health can be found in the case study section of the Federation's **Health Partnership Hub**.