

Meeting:	Cabinet
Meeting date:	Thursday 12 October 2017
Title of report:	Commissioning intentions for universal and early help services for children, young people and families
Report by:	Cabinet member health and wellbeing and Cabinet member young people and children's wellbeing

Classification

Open

Decision type

Key

This is a key decision because it is likely to result in the council incurring expenditure which is, or the making of savings which are, significant having regard to the council's budget for the service or function concerned. A threshold of £500,000 is regarded as significant.

And

This is a key decision because it is likely to be significant having regard to: the strategic nature of the decision; and / or whether the outcome will have an impact, for better or worse, on the amenity of the community or quality of service provided by the authority to a significant number of people living or working in the locality (two or more wards) affected.

Notice has been served in accordance with Part 3, Section 9 (Publicity in Connection with Key Decisions) of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.

Wards affected

(All Wards);

Purpose and summary

To approve the commissioning intentions for public health nursing and early help services. These will be part of Herefordshire's approach to supporting families and providing early help for children and young people aged 0 to 19 and up to 25 for young people with a disability and/or

additional health needs. This includes public health nursing (encompassing health visiting and school nursing) and an approach which supports greater integration with children's centre services, early years and early help services together with wider family befriending, mentoring and third sector services from April 2018.

Recommendation(s)

That:

- a) a new 0 to 25 integrated public health nursing service for a period of up to five years, to commence on 1 April 2018 at a maximum cost of £13,070,700 over this term, be procured;**
- b) the director for adults and wellbeing, following consultation with the directors for children's wellbeing and public health, be authorised to take all necessary operational decisions, including award of contract, to implement the above recommendation within the budget set;**
- c) family mentoring services be procured for a period of up to two years at a maximum cost of £160k for 2018/19, with an option to extend for a further year, subject to continued funding being available;**
- d) pending the procurement referenced at recommendation C above; existing service delivery arrangements for family befriending services provided by Homestart and Vennture be extended to the end of March 2018 at a cost of £167k in 2017/18; and**
- e) the director for children's wellbeing be authorised to take all necessary operational decisions including award of contract to implement recommendations C and D above.**

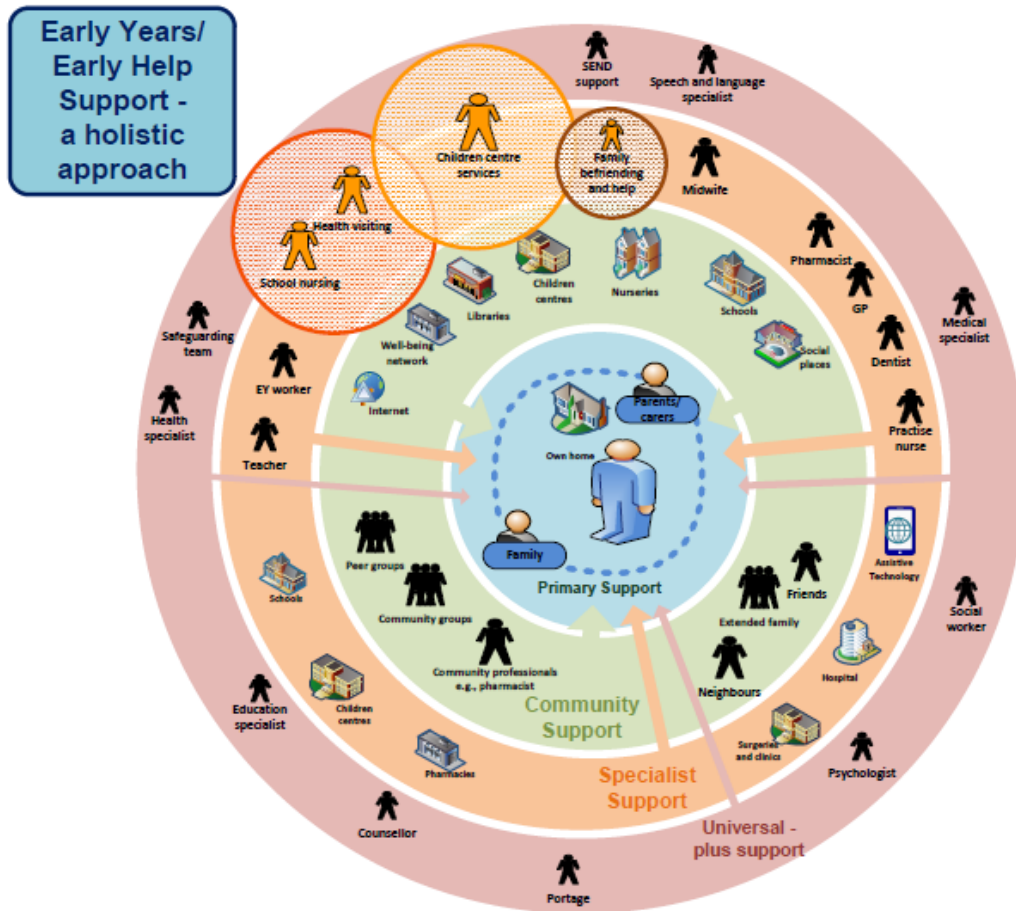
Alternative options

1. Combine all elements into a single competitive tender: this would create potential risks around flexibility for the council in terms of the offer for children and families or where there are changes to funding, policy direction or the council's approach. In response to a soft market testing exercise in 2017, ten provider organisations expressed an interest in delivering some elements of an integrated service. The soft market test showed a number of providers with sufficient experience to deliver individual elements, but only one provider with sufficient experience across all elements. Having only one potential provider could make it more difficult for the council to change the service if it needed to apply a different approach or had to reduce funding. By contrast, a number of organisations would be capable of delivering the public health nursing service. The results of the market engagement exercise therefore support a procurement approach involving separate lots.
2. All services could be brought in-house: this would create clinical, financial, legal and statutory risks in relation to health visitor and school nursing services, since these require considerable specialist expertise, which is not currently available within the council. This could significantly increase the overall costs due to having to bring in specialist clinical expertise and potentially reduce the resource available to spend on front line delivery. This option is not recommended at this time.

Key considerations

3. The Healthy Child Programme is a universal programme available to all children and aims to ensure that every child gets the good start they need to lay the foundations of a healthy life (see Appendix 1). The programme recognises the importance of building on support in the early years and sustaining this across the life course for school aged children and young people to improve outcomes and reduce inequalities through universal provision and targeted support. Universal and targeted public health services provided by health visiting and school nursing teams are crucial to this.
4. Responsibility for commissioning health visiting services (0 to 5's) fully transferred from the National Health Service (NHS) to councils on 1 October 2015. Health visiting and children's centre services have shared outcomes and both support universal and targeted support for families. In Herefordshire, therefore, the intention is to integrate these services with established targeted and early help services as much as possible, through co-location, shared information and systems and greater use of digital technology to increase accessibility. There is an opportunity to provide a more efficient integrated service by aligning teams in children's centre reach areas and improving data sharing protocols. Currently, this is a challenge and a barrier to improving outcomes for young children.
5. The proposed new 0 to 25 public health nursing approach fits strategically within the Children and Young People's Partnership Plan outcomes, Herefordshire's Health and Wellbeing Strategy to reduce health inequalities for children and young people, the Public Health Outcomes Framework, Understanding Herefordshire, Joint Strategic Needs Assessment and the Early Help (EH) offer for children with additional needs, and provides a focus for council service transformation.
6. The 0 to 25 public health nursing service will place continued emphasis on communities and families being assisted to help themselves in the context of resilient communities, thus getting information and support early; the right help at the right time and reducing demand on publicly funded services. In terms of the focus of the service, outcomes will reflect the need for highlighting support for children to be "ready to learn" at age two and "ready for school" at age four / five, and for young people to gain life skills and experience to enable them to be as independent and prepared for adulthood as possible.
7. The existing school nursing and health visiting contract specifications were in large part based on national models developed by NHS England. There is now an opportunity to develop a more localised approach which focuses on achieving health outcomes. The proposed specification for a new contract will:
 - ensure an approach which tailors services to what is needed within localities and communities across the county
 - focus on improving accessibility of services
 - enable continuity through transition points for children and young people
 - deliver improved child health outcomes in Herefordshire
8. The council's in-house early help services, including family support and children's centre services, have already been realigned to provide a more holistic approach to children and families. This can be built on to provide a more cohesive integrated approach to supporting improved outcomes for children and families by aligning them with any

commissioned services. This 'whole systems' approach is demonstrated by the diagram below.



9. Within Herefordshire's early help approach, the council has funded family befriending and family mentoring services through contract and grant arrangements. In 2017/18, this involved council resources of £66k per year, which funded a family befriending service delivered by Homestart. Since 2015/16, it has also included £160k over two years through the national troubled families programme, which has been used to fund the family mentoring service, delivered by Vennture4Families. The two arrangements deliver broadly similar functions. There is a need for this type of service to continue into 2018/19, however at this stage, the availability of central troubled families resources cannot be confirmed beyond 2018/19. The national programme is expected to end in March 2020. Given the uncertain medium term availability of central funding, it is intended to procure services for 2018/19 with an option to renew the contract or contracts for a further year, subject to satisfactory performance and available funding. Services will be procured based on a single 'family mentoring' service specification, which will be tendered in two lots. Lot 1 will be funded up to £66k per year from council resources and lot 2 will be funded up to

£100k per year from national troubled families resources. The single service specification will support the payment by results approach of the national troubled families programme. During the contract period, the troubled families programme will be leading a process of service transformation, which will be led locally by the council's families' first service. Through the service transformation work, the intention will be to mainstream practice in appropriate and locally sustainable ways and to avoid a cliff-edge scenario when the national programme does end.

10. Where there is an option to extend a contract, key considerations prior to any decision will be the quality and cost of the service, the outcomes achieved and fit with the developing strategic direction of the council. The timeline for the procurement is set out below:

Action	Timescale
Tender pack development, TUPE information and specification / contract development complete	30 September 2017
Decision to procure taken (milestone)	28 September 2017
Official Journal of the European Union (OJEU) notice published	4 October 2017
Tender published on Procontract for 30 days (1 month)	9 October 2017
Tender closes (milestone)	13 November 2017
Tender evaluation (1 month)	13 November 2017 - 11 December 2017
Tender intention to award (milestone)	11 December 2017
Standstill period (10 days) and officer decision sign off (14 days) (to run concurrently - approximately 14 days overall)	11 December 2017 – 22 December 2017
Tender award (milestone)	23 December 2017 - 27 December 2017
Contract signed, implementation and TUPE (up to 3 months)	January 2018
Contract start	1 April 2018

11. The Public Health Outcomes Framework identifies key targets and outcomes for ensuring the best start in life and in order to achieve greater accountability against outcomes: these

include, for example, improved dental health in under five's with reductions in the number of children with decayed, missing or filled teeth (currently 41%); and action to improve children's physical health, resulting in fewer children at age five and 11 who are overweight or very overweight (currently 22.6% and 33.8% respectively). This outcomes framework and Herefordshire's Families Outcomes Framework, which is a requirement of the national troubled families programme, will support new and integrated ways of working for services and against which the above services, together with children's centre services, will be assessed. This approach will be underpinned by robust contract management and performance reporting to agreed outcome measures and fully aligned with the paper to Cabinet on 14 September 2017.

Community impact

12. The Children and Young People's Plan (CYPP) identifies early years and early help among its priority strategic planning areas (Appendix 3). Briefly, these involve improving outcomes for children, young people and families through:

Early years

- Integrated approaches and continuity of support
- Better transitions between services and age groups
- Early education and childcare
- Being school ready
- Delivery of the healthy child programme
- Effective parent support

Early help

- Improved early identification
- Breaking cycles of intergenerational inequality
- Targeted and co-ordinated interventions with lead workers
- Improved take-up of community and universal support
- Delivery of the government's troubled families initiative

13. The recommendations support both the council's Health and Wellbeing Strategy and Children and Young People's Plan's aim to keep children safe and give them the best start in life. They will also support the council's Corporate Plan priorities to enable residents to live safe, healthy and independent lives by increasing family capacity and skills; to keep children and young people safe and give them a great start in life by supporting parents to develop their expertise and skills and by providing direct work with children and families focusing on those with emerging need; support the growth of our economy through advice and guidance on how to make the most of local opportunities and state benefits; and to secure better services, quality of life and value for money by establishing new outcome focused contracts and service specifications to make better use of the resources the council spends on preventative services.
14. This approach will contribute to the achievement of improved outcomes for children and families, as described by the current and future Children and Young People's Plan and the Joint Strategic Needs Assessment. It will also support the council's role as a corporate parent and ensure that the health and development needs of looked after children are prioritised across agencies.

Equality duty

15. Under section 149 of the Equality Act 2010, the 'general duty' on public authorities is set out as follows:

A public authority must, in the exercise of its functions, have due regard to the need to:

- a) Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act
 - b) Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it
 - c) Foster good relations between persons who share a relevant protected characteristic and persons who do not share it
16. Herefordshire Council has a mandatory duty to commission universal health reviews and provide targeted support to families. The revised approach continues to pay due regard to the council's public sector equality duty. As the proposed service delivery model does not represent any significant change in the council's responsibilities, there is no anticipated negative impact on individuals with protected characteristics as identified under the Equality Act 2010.
17. The proposed service delivery model will apply to all individuals equally, regardless of protected characteristics.
18. The new service delivery model, including easy read versions, will be made available to the public on the council's website and will be communicated to the public and providers through updates at forums and events, which the council regularly participate in (e.g. workforce development group and provider forums).
19. An Equality Impact Assessment (EIA) is attached as Appendix 5.
20. The public sector equality duty (specific duty) requires us to consider how we can positively contribute to the advancement of equality and good relations, and demonstrate that we are paying 'due regard' in our decision making in the design of policies and in the delivery of services. Our providers will be made aware of their contractual requirements in regards to equality legislation.

Resource implications

21. The current (2017/18) contract value for health visiting is £2,182,000 and the contract value for school nursing is £513,336 giving a total value for both services in 2017/18 of £2,695,000, which is counted against the public health grant.
22. Due to reductions in the public health grant, the proposed new integrated public health nursing contract is designed to ensure efficiency savings of a further 3%, through co-location, greater skill mix of staff, better co-ordination and information sharing.
23. After adjusting for the 3% saving the total value of this contract will be £13,070,750 for the full five year period.
24. The ring-fenced public health grant is confirmed until 2018/19. Although the ring-fencing will come off and future funding is likely to be affected by changes in business rate retention, the commissioning of public health nursing services will continue to be a statutory obligation for the council and it is expected that this will be taken fully into account in future funding settlements.
25. Tenders for the new 0 to 25 public health nursing service will need to take account of TUPE regulations and any IT implications related to ensuring more effective and integrated communications across services, or any relocation of services.

26. Grant funding of the family mentoring project, delivered by Vennture4Families, has been provided through the council's troubled families grant scheme, which is a nationally resourced payment by results programme. Over the two years to March 2017, the council has granted £160k of troubled families monies to deliver the project. In the same period, the council's contract for family befriending services, delivered by Homestart Hereford, was valued at £141k. In 2016/17, the value of the family befriending contract was reduced by 5%.
27. Up to £100k of national troubled families funding will be available in 2018/19 and a similar level is expected to be available in 2019/20, however national arrangements beyond then are currently unknown. Up to a further £66k has been budgeted for a commissioned service in 2018/19. It is therefore intended to explore the opportunities to achieve efficiency savings from these two approaches, with a view to achieving sustainability with available resources in the longer term. It is expected that a commissioning exercise will deliver services in 2018/19 up to the average combined costs, of the previous two years, of £150k. Commissioning for these services will take account of any staffing issues and TUPE regulations.

Legal implications

28. The Health and Social Care Act 2012 sets out a local council's statutory responsibility for delivering and commissioning public health services for children and young people aged 5 to 19 and up to 25 for young people with a disability or life limiting condition. Responsibility for children's public health commissioning for 0 to 5 year olds, specifically health visiting, transferred from NHS England to councils on 1 October 2015.
29. The council will undertake a competitive tendering process to select a provider for these services. The value of the contract requires compliance with the Official Journal of the European Union (OJEU) tendering process, as set out in the council's contract procedure rules.
30. As this service is being re-procured, consideration has to be given to any implications under the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE).

Risk management

31. The financial allocations listed above are based on current approximate values, with the health visiting and school nursing budgets coming from the ring-fenced public health grant. The absence of the expected bill on business rate localisation in the June 2017 Queen's Speech has left the future position of public health funding uncertain. There had been an expectation that from April 2019, locally retained business rates would be used to fund public health budgets, this is no longer clear. However, councils will continue to have a statutory responsibility to commission services for 0 to 19 year olds (and up to 25 years old for those with a disability or special health needs).
32. External commissioning of public health nursing services means that insurance liabilities, for example for clinical negligence, sit with the provider. If these health services were brought in-house then the insurance liabilities, including clinical and death liabilities would

sit with the council. The current provider is covered by NHS insurance and indemnities as part of the contract, at no additional cost to the council. It is expected that the future provider will similarly ensure its own cover, within the contract value.

33. In order to maintain flexibility within a potentially changing financial environment, individual contracts will include appropriate conditions regarding possible contract extension, as well as clear terms for early termination, for example there is a risk that changes in national policy and funding may require significant shifts in the services. We will build flexibility into our contracts to deal with this.
34. It is proposed that performance management and the oversight of contracts is tightly controlled across early years, early help and public health nursing in order to ensure that the relevant contributions to outcomes are identified and achieved. In order to achieve contracts that deliver the intended outcomes and performance, budgets will include an allowance of up to 2% to provide robust contract performance and management.

Consultees

35. As part of the early years integration of services project, a focused review of public and professional perspectives on early years services for children and families in the county was undertaken between November 2016 and May 2017. These activities were intended to help determine public and professional views on current services and specific areas/themes for development.
36. During the engagement period, 19 discussion meetings and three professional workshops were held as well as an online questionnaire to inform the way forward. Parents and carers were engaged in localities. Full detailed analysis of the engagement activity can be found in Appendix 1. The key areas for development were identified as:
 - Advice, guidance and information for parents/carers - establish the reliable sourcing of advice, information and guidance for parents, carers and families
 - Professional/specialist support - develop professional support based on wider wellbeing conversations with children and families
 - Community development - empowerment and enablement of local communities to help and support families within their locality and make links with professionals where/when appropriate
 - Access to services - develop community based support to address rural isolation
 - Shared information and partnership working – integrate services through measures that support appropriate sharing of intelligence, communication and co-ordination of support for children and families
 - Service and systems transformation - develop professional systems and administrative processes that support confident, safe and appropriate data sharing
37. Consultation with political groups is underway and closes on 29th September. The proposals outlined in this paper were contained within the council's commissioning intentions discussed at the Health and Wellbeing Board meeting on 16 May 2017, and is fully consistent with comments made at the time.

Appendices

- Appendix 1: Early Years' Service Re-design Survey Report
- Appendix 2: Herefordshire's Families Outcomes Framework
- Appendix 3: Children and Young People's Partnership priorities for early years and early help
- Appendix 4: Early Years Early Help Whole System Approach
- Appendix 5: Equality Impact Assessment

Background papers

Additional background papers are available for members.