

Committee: Cabinet

Date: 18 July 2022

Wards: All

Subject: Public Health Community Services Contracts for Children and Young People

Lead officer: Dagmar Zeuner, Director of Public Health

Lead member: Cllr Peter McCabe, Cabinet Member for Health and Social Care

Contact officer: Jo Tonkin, Interim Consultant in Public Health

Recommendations:

- A. The purpose of this paper is to seek agreement for an exemption from Contract Standing Order 19 to directly award Central London Community Health Trust (CLCH) a contract which extends their existing contract for the delivery of Health Visiting, School Nursing and Young Parents Service in the London Borough of Merton for the period 1st April 2023 to 31st March 2024.
- B. The extension will ensure continuity of these essential public health services for children whilst a robust review is undertaken, and a commissioning and procurement plan is developed and implemented.
- C. The value of the Exemption is provided in Appendix B (Exempt)

Exempt or confidential report

The following paragraph of Part 4b Section 10 of the constitution applies in respect of information given in Appendix B and it is therefore exempt from publication: Information relating to the financial or business affairs of any particular person (including the Authority holding that information). Members and officers are advised not to disclose the contents of Appendix B

1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY

1.1. This paper seeks agreement for an exemption from Contract Standing Order 19 to directly award Central London Community Health Trust (CLCH) a contract which extends their existing contract for the delivery of Health Visiting, School Nursing and the Young Parents Service in the London Borough of Merton (LBM) for the period 1st April 2023 to 31st March 2024.

1.2. These services are funded through the Public Health Grant and Agenda for Change payments. They include mandated components which LBM are required to deliver as well as critical safeguarding services.

1.3. LBM is an Associate Commissioner for the contract which started on the 1st April 2016. It was awarded for 5 years. A Direct Award was agreed by Cabinet for the period 1st April 2021 to 31st March 2023.

1.4. Plans to develop and procure an integrated place-based model for the delivery of community health services with the CCG were reviewed after the initial engagement stage. It was then interrupted by the COVID pandemic and further by reforms to the health system.

1.5. A review has started and will lead into an appraisal of the options for a commissioning and procurement plan.

1.6. Operational meetings with CLCH manage performance and mitigate risks. They report to the Integrated Commissioning Group co-chaired by Jane McSherry.

1.7. A more formal contract management meeting led by South West London CCG (SWLCCG) the Lead Commissioner, will be re-established in August.

1.8. Why is an exemption being sought?

1.9. A plan to collaborate with Merton CCG and procure a new model of place based integrated community health collaborative for children and adults has not proceeded.

1.10. The COVID pandemic impacted the capacity and capability to initiate a procurement process at scale.

1.11. The procurement process for these services is large, complex, presents risks and requires time and due process to be delivered effectively and safely.

1.12. A review and options appraisal are needed prior to inform the commissioning and procurement plan.

1.13. A new procurement approach, the Provider Selection Regime is being introduced for public health services. The implications of this need to be assessed.

2 DETAILS

2.1. Background Information

2.2. The contract is for the delivery of Health Visiting, School Nursing, and the Young Parents' Service deliver mandated visits and assessments and critical safeguarding services.

2.3. The contract was awarded for 3 years from 1st April 2016 with the option of an additional 2-year extension. After the 2-year extension, an additional 2-year exemption was sought and agreed from 31 March 2021-1st April 2023.

2.4. The contract sits in a wider contract for Community Health Services led by SWLCCG.

2.5. The current supplier is Central London Community Health Trust (CLCH) which CQC judged as 'good' for the delivery of community health services for children and young people and their families in 2020.

2.6. The total contract value for the period 2016/17 – 2020/21, the exemption granted for 24 months from 1st April 2021 to 31 March 2023 were provided in Appendix B (exempt).

2.7. What the Services deliver

2.8. **Health visitors** support families from the antenatal period up to school entry (0-5 years). They deliver 5 nationally mandated visits to the child and their family.

Mandated Visits provided by Health Visitors

Antenatal Health Promoting Visit
New Birth Visit
6–8-week check
1 year old check
2.5-year-old check

To 2020/21, the service has performed significantly better than its statistical neighbours with the exception of the 2.5-year review.

2.9. Each visit includes an assessment of critical developmental milestones. Trusted and expert advice is provided. If a family is assessed as vulnerable due to physical, mental, or social stressors, more support is available.

2.10. The service includes a specialist outreach team which proactively engages with families in temporary housing and in refugees.

2.11. **The Young Parents Service** provides more frequent support for young, vulnerable mothers whose babies are particularly at risk of poor outcomes. These families are also encouraged to access peer support sessions facilitated by the service in Children’s Centres.

2.12. **School Nurses** support children aged 5-19. They assess the health of children in Reception Year. Those at greater risk are provided with an additional assessment in Year 6. School nurses also deliver the National Child Measurement Programme which is a nationally mandated assessment of the Body Weight Index of children. This generates intelligence about children who are underweight and overweight. The assessments also identify children and families who would benefit from advice, information, or referral. School nurses receive referrals from schools and children and young people and offer advice, information and make referrals to specialist assessment and support.

2.13. The Services’ Contribution to Preventing Special Educational Needs and Disability

2.14. The mandated visits made by Health Visitors are critical for the identification of development delays which may indicate a child has a SEN or a disability. They deliver interventions which can improve outcomes for these children. They also make referrals for more specialist assessment and care.

2.15. Children with additional health and social needs are handed over from health visiting to school nursing as they enter school.

2.16. Health Visitors and School Nurses contribute to Education and Health Care Plans (EHCPs).

2.17. The Services’ Contribution to Safeguarding

2.18. Health Visitors and School Nurses make a significant contribution to safeguarding children. Their systematic engagement of children and families means they are able to identify safeguarding concerns. Their health expertise means that they can make a critical contribution to multi-agency child protection.

2.19. **Proposed Contract period:**

2.20. It is proposed that the exemption period is extended from 1st April 2023 to 31st March 2024 to allow for a robust commissioning and procurement process.

2.21. The total value of the Exemption from 1st April 2023-31st March 2024 is provided in Appendix B (exempt).

2.22. Why the Exemption is being sought?

2.23. Plans to collaborate with Merton CCG and procure a new model of place based integrated community health collaborative for children and adults were reviewed in 2021 after initial market engagement. Merton CCG has since merged into SWLCCG. The response from the market in 2021 and the Health and Care Act 2022 mean that the plans cannot be realised in the timescales required by LBM.

2.24. The COVID pandemic has impacted on the capacity and capability of the commissioning team, stakeholders, and the market to initiate and engage with a procurement process at scale.

2.25. NHS has been in Level 4 Incident response whereby NHS services are managed nationally. This has limited the CCGs progress on re-establishing and enacting commissioning intentions.

2.26. The procurement process for these services is large, complex, presents risks and requires time and due process to be delivered effectively and safely.

2.27. An additional complicating factor is the integration of this contract with CCG funded child health services. Mobilisation will need to consider the unintended consequences on children in Merton whose needs are met through CCG funded services.

2.28. The legislative and organisational context for the procurement of public health and health services is subject to significant change. This includes the introduction of Provider Selection Regime. As the details of this approach emerge, an assessment of the opportunities and requirements will be undertaken.

2.29. Performance and Risk Management

2.30. Services are delivering broadly in line with service specifications. Performance is improving and returning to pre pandemic levels, which were generally better than the London and England average. This is despite increases in the complexity of the needs of children and families.

2.31. Formal contract monitoring meetings led by SWLCCG are being stepped up. Fortnightly operational meetings are in place to mitigate risk and oversee performance. Any issues are escalated to LBM and SWLCCGs Children and Young People Integrated Commissioning meeting, co-chaired by Director of Children's Service, Jane McSherry.

2.32. Review Redesign and Procurement Timeline

2.33. In line with best practice in commissioning, a review of the service, engaging multiple stakeholders, has started and will report at the end of June. It will be proceeded by an appraisal of options for procurement.

2.34. A standard procurement is expected to take 18 months. Once awarded, evidence from other authorities suggest mobilisation of a contract of this scale may take 6 months.

2.35. Appendix A provides a procurement timetable if a standard procurement process is agreed.

3 ALTERNATIVE OPTIONS

3.1. Option	3.2. Advantages	3.3. Disadvantages
1. Do not extend or vary the contract	There are no advantages to not extending the contract	Not enough time to engage all stakeholders and consider new service options or take account of PSR changes.
2. Vary/extend the contract	<p>It offers consistency of service to residents and continued delivery of functions which are mandated.</p> <p>Allows time to engage all stakeholders & consider other service models.</p> <p>It offers assurances to existing providers and key strategic partners that service continuity is being maintained at a challenging time.</p> <p>The Council would continue to control the market by setting prices in accordance to contract terms.</p> <p>Allows time to implement potential procurement changes in response to the impending PSR (Provider Selection Regime) due in July 2022</p>	<p>Potential breach of the Public Contract Regulations given the total contract value to date.</p> <p>Difficult to demonstrate value for money given that no competition for this provision has been carried out for a number of years.</p>
3. Carry out a separate procurement for the goods, services or works	This would enable the Council to test the market to evidence value for money.	<p>Current Commissioning and procurement capacity could risk the quality of the procurement carried out. There is insufficient resource to conduct adequate market testing to let a new tender prior to April 2023.</p> <p>Missed opportunity to use a more collaborative approach with key stakeholders for service development and the improvement of outcomes.</p> <p>Missed opportunity to use new Provider Framework to maximise outcomes and resources.</p>

4 CONSULTATION UNDERTAKEN OR PROPOSED

4.1. Joint Communities and Housing and Children Families and Schools DMT has been consulted.

4.2. A review of the services is currently being conducted which will involve 1) users of services like children and young people, parents, and carers 2) staff and stakeholders like Health Visitors, School Nurses, Headteachers, GPs 3) Clinical leaders in Merton.

5 TIMETABLE

5.1. Cabinet Date: 18 July 2022

5.2. LSG Date: 4 July 2022

5.3. Appendix A provides a timeline for commissioning and procurement of the 0-19 services.

6 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

The values of the Annual Contract Value including Extension (Year 3 + 1 +2), Exemption #1 (Year 1 + 2) and Exemption #2 are provided in Appendix B.

6.1. This will be funded from the Public Health Grant and monitored by the responsible budget managers. Since CLCH is an NHS organisation we are unable to obtain relevant data from Equifax. Additional work was then undertaken to search for the most recent published accounts of this organisation to ascertain financial viability. Thus, I recommend £5m for a single contract and £12m for all contracts.

7 LEGAL AND STATUTORY IMPLICATIONS

7.1. Officers are recommending approval of an exemption from CSO (Contract Standing Orders) 19 (Contracts Above the Upper Threshold (£100,001) to make a direct award of a contract to the incumbent provider, Central London Community Health Trust (CLCH)

7.2. The direct award will facilitate an extension of the contract for the delivery of Health Visiting, School Nursing and Young Parents Service which are mandated components of the Healthy Child Programme which the Council is required to deliver.

7.3. CSO (Contract Standing Orders) 7 and Appendix 2 set out the grounds and authorisation required where an exemption to the CSOs is requested. The Director of Corporate Services is authorised to grant this exemption if she is satisfied that there is the requisite justification as detailed in CSO 7.3. The reasons for the exemption detailed in the body of this report appear to meet the requirements of CSO 7.3 (ii), in that there are exceptional circumstances that have led to a need to depart from the CSOs and evidence has been provided which demonstrates the exemption is necessary to achieve the Council's objectives; and it is also a reason for granting an exemption listed in Appendix 2 section B (c),(d), (f) and (i) of the CSOs.

7.4. Where granted, exemptions must be placed on the exemptions register and reported to the Procurement Board.

8 HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

8.1. 'Equalities Merton' aims for full and equal access to learning, employment, services and cultural life and the celebration of diversity.

8.2. Health Visiting, School Nursing and the Young Parents Service play a critical positive role in reducing health inequalities. Health Visiting and School Nursing's universal role ensures that all families receive support and those families who need more

support are systematically identified, engaged, and receive interventions. This approach overcomes inequalities of perceived and expressed need and access to services. This includes the proactive identification of mental ill-health, disproportionately experienced by women.

8.3. The Young Parents Service provides additional support to young people who are parents. These young families are disproportionately from low-income communities and are generally young women. They are affected by poverty and at risk of poor physical and emotional health outcomes.

9 CRIME AND DISORDER IMPLICATIONS

9.1. There are no relevant implications for Crime and Disorder.

10 RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

10.1. Health Visiting and School Nursing include mandated components which the London Borough of Merton are required to deliver. These services also deliver critical safeguarding services. Therefore, any disruption to the delivery of these services represents a reputational and safeguarding risk.

10.2. Disruption will be mitigated (low impact/ likelihood/) through the exemption and the continuity of the contract pending a review, assessment of need, an options appraisal and procurement plan.

11 APPENDICES – THE FOLLOWING DOCUMENTS ARE TO BE PUBLISHED WITH THIS REPORT AND FORM PART OF THE REPORT

1. Appendix A Timescale for Commissioning and Procurement of Health Visiting, School Nursing, and the Young Parents Service
2. Appendix B - Financial Information of Commercial Sensitivity

12 BACKGROUND PAPERS

13 APPENDIX A

PHASE	Commissioning Task	Procurement Task	Dates (approximate)
Plan	Draft specification / model of care		July 2022
	Options Appraisal		July 2022
		Agree Procurement Plan (based on options appraisal)	July 2022
	Draft early EQIA		July 2022

PHASE	Commissioning Task	Procurement Task	Dates (approximate)
		Early Market engagement	September 2022
	Update CYP Health Needs Assessment		September to December 2022
		Cost and agree capacity	December 2022
	Establish Project group (project plan and risk management) and engage clinical lead		September 2022
	User Engagement		September 2022
Secure Services	Manage provider relationships		On going
	Finalize specification	Draw up contract	October 2022- October 2023
		Market testing	
		Draw up Information to Tender docs – award criteria, method statement, TUPE information,	
		Advertise	
		Evaluate	
		Award	
		Publish and address legal challenge	
Mobilize		Mobilize	October 2023-March 2024
Review	Establish contract management processes		March 2024

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