

From: Matt Dunkley, CBE, Corporate Director of Children, Young People and Education

To: Roger Gough, Cabinet Member for Children, Young People and Education

Decision No: 18/00071

Subject: Children and Young People's Mental Health Services, funded by Kent County Council

Classification: Unrestricted

Past Pathway of Paper: CYPE Cabinet Committee, 29th November 2018

Future Pathway of Paper: N/A

Electoral Division: All

Summary:

This paper follows the discussion at CYPE Cabinet Committee in November 2018, during which an options paper was discussed regarding the contract management arrangements for Children and Young People's Mental Health Services (CYPMHS). These services are delivered by the North East London NHS Foundation Trust (NELFT) and KCC invests £2.65m annually into an NHS contract for the delivery of specific services including Early Help and services for Looked After Children.

The paper presented to the Committee in November highlighted that the existing commissioning arrangements were unsatisfactory and that the service had under-performed in the first twelve months of the contract. This paper builds on the initial recommendations presented at the November meeting and takes account of the comments and feedback at that committee meeting, the subsequent member briefing and consultation with NHS commissioners and NELFT.

To meet the identified objectives, it is proposed that the contract monitoring arrangements change in relation to the KCC investment into this contract, but that KCC continues to work in a collaborative partnership with the NHS to ensure a whole system service for children and young people across Kent.

Recommendation(s):

As Cabinet Member for Children, Young People and Education, I agree to:

- a) End the existing Section 76 agreement and establish a new agreement which reflects KCC as the commissioning lead for the KCC elements of the service.
- b) Delegate authority to the Corporate Director for CYPE to take necessary actions, including but not limited to entering into legal agreements, required to implement the above.

1. Introduction

- 1.1 KCC invests £2.65m per year into the mental health service contract for children and young people in Kent which is delivered by North East London NHS Foundation Trust (NELFT). This funding is pooled with the wider NHS funding and the service is commissioned by the NHS locally. This is a partnership arrangement between KCC and the local NHS organised via a Section 76 agreement - a funding mechanism that enables Local Authorities to invest into an NHS contract.
- 1.2 At CYPE Cabinet Committee on 29th November 2018, Members discussed the contract monitoring arrangements for the KCC investment into this contract and the challenges with delivery of the contract. Further to this discussion, a follow up Member Briefing took place on 3rd January 2019 and work has been undertaken with NHS commissioner colleagues and NELFT on the options available.
- 1.3 This paper recommends a change to the commissioning arrangements for this contract (in relation to the part of the service which KCC funds) to address the objectives highlighted at the last committee and the member briefing.

2. Background

- 2.1 The service model for mental health support for children and young people in Kent was developed and procured based on feedback from children and young people, consultation with partners and in line with the government strategy "Future in Mind". KCC agreed in 2017 to invest £2.65m per year into a new contract for an integrated service via the Section 76 funding mechanism. The integrated service was agreed through both KCC and NHS governance and the procurement was undertaken as a collaborative process.
- 2.2 The new model has delivered a significant increase in universal provision and a new clinical model has been designed and implemented. However, there have been several challenges in delivery of the parts of the model funded by KCC. These challenges included significant underperformance in relation to numbers of young people receiving a service through the Early Help pathway, a change in the structure of the workforce to that planned, without sufficient sign off from the Local Authority, a lack of available performance data and a dispute in relation to payment for the contract.
- 2.3 A number of discussions took place with West Kent Clinical Commissioning Group (CCG) and representatives from the CCG and NELFT attended the Cabinet Committee in November. There is a collective agreement across KCC and West Kent CCG commissioners that the contracting arrangements to date have not provided appropriate monitoring and there has not been enough focus on the Early Help aspect of the service.
- 2.4 The debate at the committee in November and the member briefing in January 2019, along with the consultation, highlighted the need to urgently address

these challenges and the underperformance. Feedback from Members and other stakeholders, highlight that any new arrangement to address these issues will need to deliver three key objectives:

- To provide more focused assurance of the value and effectiveness of KCC investment through the dedicated Early Help provision and enhanced support for Looked After Children within the mental health service provided by NELFT.
- To avoid fragmentation of the integrated model that has been mobilised in Kent during the last year and to sustain one point of access for children and young people
- To comply with relevant legal and contractual obligations and procurement legislation

2.5 It is important to note that the requirements of a Section 76 arrangement mean that KCC has to ensure that the contribution it makes to the contracts in place are delivering the expected outcomes that the Local Authority is responsible for. The National Health Service guidance on S76 (Conditions Relating to Payments by Local Authorities to NHS Bodies) states that *'Before making a payment under section 76, a local authority must be satisfied that the payment is likely to secure a more effective use of public funds than the deployment of an equivalent amount on the provision of local authority services'*.

2.6 A change in the contract monitoring approach will need to clearly focus on the following:

- Delivery of the outcomes intended for this investment as described in the service specification (see 2.7 below).
- The workforce deployed to meet the specification.
- Improved interface between the RIO information management system used by NELFT and the KCC management information system.
- Monitoring of young person's journey, outcomes and feedback.

2.7 The services that are specified for KCC investment include:

- Delivery of evidence-based interventions to support emotional wellbeing, recognising including Cognitive Behavioural Therapy, Systemic Family work and Counselling for children with the early help pathway.
- A single phone number, e-mail address and referral form for consistency and visibility.
- Screening to triage Children and Young People to the appropriate point in the service system.
- Real time information about the provision delivered.

- Consultation, supervision, support and training on mental health needs of a child/young person on both a regular and ad hoc basis to those working in multi-agency teams who support LAC, including Kent foster carers.
- Support specialist or 'contract' fostering placement schemes (for Kent LAC placed in Kent and Medway), to maintain and support the child/young person within a family placement and within area where possible and to achieve better outcomes for those children and young people.
- Treatment for children and young people and their families and carers to address the impact of sexual abuse who demonstrate mental ill health as a result. There is a particular focus on children and young people with an acute mental health condition that is disrupting the young person's/child's ability to attend school and a child/young person that has been discharged from tier 4.
- Work with children and young people attending Kent Health Needs Pupil Referral Units to provide intensive intervention through the Kent Health Needs Education Service. Placements are made with the specific aim of supporting the pupil returning to their mainstream school.

3. Options

3.1 The options presented to CYPE Cabinet Committee in November 2018 included the following:

- Retain the Section 76 with West Kent CCG as the commissioning lead and establish a formal working group and associated contract management meetings.
- Work with the CCG to vary the existing contract with NELFT and allow the Council to manage NELFT directly.
- End the existing Section 76 Agreement and establish a new model of provision.

4. Recommendation

4.1 Following the discussion at Cabinet Committee in November 2018 and the Member Briefing, the following actions are recommended to achieve the objectives set in 2.3.

- To end the existing Section 76 agreement and establish a new agreement which reflects KCC as the commissioning lead for the KCC elements of the service.
- Establish these new contract monitoring arrangements, with immediate effect.

- Monitor for a period of 6 months, the improvement in delivery against the requirements of the specification.
 - Report back to Cabinet Committee in July 2019. If performance has not improved significantly the option to terminate the contract and retender a new model of provision will be considered.
- 4.2 Following a change to the arrangements as outlined above, the delivery of the service would be monitored through a new KCC led contract monitoring process.
- 4.3 In addition, the partnership arrangements would be monitored through the 0-25 Health and Wellbeing Board (chaired by KCC) and the Mental Health sub-group, that reports to the Board, which is chaired by the NHS.
- 5. Conclusion**
- 5.1 KCC remains committed to working in partnership with the NHS to manage the mental health challenges that are faced by children and young people. KCC must ensure that the investment it makes into the contract for mental health services delivers those services and outcomes for which the funding is intended.
- 5.2 Changing the contract monitoring arrangements, as outlined in the recommendations of this report, will allow a clear assessment of the performance by NELFT against the outcomes specified by KCC within a 6-month period whilst allowing us to continue to work with NHS commissioners and the service provider.

Recommendation(s):

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