

From: Andrew Scott-Clark, Director of Public Health

To: Clair Bell, Cabinet Member for Adult Social Care and Public Health

Subject: **Delivery and Transformation of Public Health Services**

Classification: Unrestricted

Past pathway: Health Reform and Public Health Cabinet Committee – 24 September 2019

Future Pathway: Cabinet Member decision – 19/00064

Electoral Division: All

Summary:

In September 2017, Kent County Council (KCC) took the decision to create an innovative partnership with Kent Community Health NHS Foundation Trust (KCHFT) to maximise the opportunity to improve the health of Kent residents, deliver common objectives and accelerate delivery of the Sustainability and Transformation Plan (STP), which is now known as the Sustainability and Transformation Partnership.

A comprehensive review has been undertaken which has provided substantial evidence that the partnership approach has enabled rapid service transformation, delivery of agreed projects and supported the prevention strand of the STP. Services delivered by the Trust have demonstrated measurable improvements in health, delivered statutory requirements, provided and maintained excellent user satisfaction and given value for money.

The KCC Internal Audit's review of this partnership has given a rating of 'Substantial' and the Care Quality Commission (CQC) have reported significant strength in the organisational delivery, resulting in the Trust being awarded a rating of "Outstanding".

The health governance system continues to evolve in line with NHS Long Term Plan and transformation is needed at pace to deliver required changes. In line with this, it is recommended that the partnership arrangement with KCHFT is extended for at least five years (until March 2025) and improvements are both sustained and built upon. Officers would continue to closely monitor performance finances and quality of services thus continuing to hold KCHFT to account for delivery.

A detailed options appraisal has been developed to inform the proposal shared with the committee today for discussion and endorsement. The arrangement is aligned to the vision set out in the Kent County Council paper (Kent and Medway Integrated Care System update, May 2019) and provides the ability to function as an integrated public health system which supports local care. Health Partners have both been supportive of this approach.

The Public Contract Regulations enable this type of co-operation between contracting authorities such as KCC and KCHFT.

Recommendation:

The Cabinet Member for Adult Social Care and Public Health is asked to authorise the County Council to extend the collaborative arrangement with Kent Community Health NHS Foundation Trust, for the services listed in this report, until March 2025

1. Introduction

- 1.1 Kent County Council (KCC) has a legal duty to improve and protect the health of people in Kent. They receive a ring-fenced grant which is to be used to commission a range of Public Health services delivered in line with NHS principles.
- 1.2 A number of these services funded by the grant have been delivered by Kent Community Health NHS Foundation Trust (KCHFT) for many years, a number have been competitively tendered. KCHFT is a key delivery partner within the Kent and Medway STP and delivers a range of other community-based services across Kent on behalf of KCC and the NHS. The Care Quality Commission (CQC) has recently awarded the Trust with a rating of Outstanding. KCHFT is the only south east community trust and one of only three Trusts in England to have this rating¹.
- 1.3 Kent County Council took the decision to enter into an innovative partnership with Kent Community Health Foundation Trust (KCHFT) in September 2017, with the aim to maximise the opportunity to improve the health of Kent residents, deliver common objectives and accelerate delivery of the Sustainability Transformation Plan (STP), now known as the Sustainability Transformation Partnership. This arrangement was also designed to offer the flexibility to align to new, local care arrangements.
- 1.4 This decision recognised that KCHFT was integral to the delivery of the STP and recognised that both KCC and KCHFT faced significant challenges which could be better managed through a joint open and transparent approach.
- 1.5 The original decision put procurement in “abeyance” until at least March 2020 and a further decision is required on how best to deliver these services in the future. This paper presents the committee with a summary of the findings from a comprehensive review conducted to inform future recommendations and decisions.

2.0 National Context

- 2.1 Since the partnership commenced in October 2017, there have been a number of significant national developments including the launch of the NHS Long Term Plan² (LTP) and Green Paper on prevention, Prevention is Better than Cure³.
- 2.2 These policy documents build on aspirations set out in the Five Year Forward view which aimed to respond to pressures in the Health and Social Care system driven by changing demographics, reducing budgets and a system of commissioning that resulted in too many people ending up in hospital rather than

¹ <https://www.kentcht.nhs.uk/2019/07/24/care-quality-commission-says-we-are-outstanding/>

² <https://www.longtermplan.nhs.uk/>

³ <https://www.gov.uk/government/publications/prevention-is-better-than-cure-our-vision-to-help-you-live-well-for-longer>

being seen in primary care or the community.

- 2.3 They emphasise the importance of prevention and the need for system wide collaboration to enable a sustainable Health and Social Care system. The industrialisation of digital services and new technologies is clearly articulated. To date, good progress has been made in Kent services including online Sexually Transmitted Infection (STI) testing, improved websites and targeted social media campaigns.
- 2.4 The NHS LTP sets out ambitious targets for the NHS including preventing over 150,000 heart attacks, strokes and dementia cases over the next 10 years. These aspirations will result in a need to increase uptake of programmes such as NHS Health Checks in the future.
- 2.5 A review of Public Health commissioning arrangements took place following the publication of the Long Term Plan and concluded that Local Authorities should continue to commission services such as sexual health and Health Visiting. Mr Hancock, Secretary of State for Health and Social Care praised collaborative models that make the best use of shared resources between Local Authorities and the NHS. This type of model is being adapted for delivery of sexual health services in Kent.

3.0 Local Context

- 3.1 The Kent and Medway Sustainability and Transformation structures are more advanced than in 2017 and local leaders are working to deliver the local plan, Case for Change⁴. This includes a series of commitments which have been supported by KCHFT such as the implementation of a Kent wide smoking in pregnancy service as part of the prevention strategy.
- 3.2 Kent and Medway STP is developing a five-year plan in response to the NHS LTP and is required to become an Integrated Care System (ICS) in the coming months. This change will see a move away from the seven Clinical Commissioning Groups to the proposed four Integrated Care Partnerships (ICPs), 42 Primary Care Networks (PCNs) and one CCG across Kent and Medway. Services and health providers will need to align to these changes and work with commissioners to determine how they can best integrate and support acceleration of local care.
- 3.3 The County Council paper⁵ endorsed by Cabinet Members in May 2019, describes KCC's relationship with the emerging Integrated Care System. The paper asked County Council to agree that:
 - a) KCC describes its relationship with the emerging Integrated Care System (ICS) as being partners to the ICS supporting the vision and direction of travel and not partners in the ICS.
 - b) KCC is not bound to any system wide decisions made through STP/ICS Governance but continues to influence, support and align to the vision for the ICS where it makes sense for the County Council to do so."

⁴ <https://kentandmedway.nhs.uk/stp/caseforchange/>

⁵ <https://democracy.kent.gov.uk/documents/s90388/Item%209%20-%20Kent%20and%20Medway%20Integrated%20Care%20System%20update.pdf>

- 3.4 The partnership approach taken with KCHFT aligned to this vision set out in the Council paper supports the ability to function as an integrated Public Health system which supports local care.
- 3.5 Kent continues to face a series of significant demographic pressures alongside budget constraints. Kent's population is forecast to increase by a further 19.2% between 2017 and 2037⁶ and data illustrates that despite best efforts, deprivation differences in life expectancy and premature mortality have remained broadly similar over the last five years (health inequalities).
- 3.6 The Public Health grant (65.8M) which funds the majority of the spend on Public Health, has been subject to annual reductions totalling £11.0M (or 14.3% of the total grant in 2015/16) since 2015/16. In addition to the nationally applied cuts, the grant continues to face a series of additional pressures including a lack of long-term clarity on national NHS pay and how pension increases will be met, review of mandation of Public Health Services and uncertainty on future funding arrangements for the Public Health grant.

4.0 KCC and KCHFT Partnership

- 4.1 Public Health is due to invest around £37.5M into services delivered by the Trust in 2019/20 which includes mandated programmes (e.g. NHS Health Checks, National Childhood Measurement Programme) or clinical elements delivered by specialist staff (e.g. smoking or sexual health). The majority of services have been provided by the Trust for many years. School Public Health and Sexual Health services were procured through competitive processes and awarded to KCHFT. Others were novated to KCC when Public Health transferred to the Local Authority in 2013.
- 4.2 Delivery is supported by enablers such as IT systems, payroll services and premises. KCC and KCHFT have collaborated on these to support best value. It is worth noting that KCC funds other services with KCHFT which are not currently incorporated into the partnership. Appendix 1 provides a summary of services currently delivered by the Trust which are funded by KCC.
- 4.3 The rules that govern public sector procurements allow for contracts which establish or implement co-operation between contracting authorities such as KCC and KCHFT to ensure certain conditions are met. Independent legal advice has supported the legality of the approach in relation to the public health functions which are the subject of the partnership.

In 2017 it was felt that both KCC and KCHFT operate in the public interest and share common objectives in relation to:

- Improvement and protection of the public's health
- Prevention of ill-health among the population of Kent
- Sustainability and transformation of local care and health services in Kent
- Provision of integrated, cost effective and high-quality services to the residents of Kent
- Prevention and reduction of unnecessary or avoidable demand on the health and social care system in Kent.

⁶ KCC Housing Led Forecast

- 4.4 This type of approach differs from a traditional commissioner provider relationship by empowering both organisations to work in a solution focused way to tackle key challenges. It fosters innovation, efficiency, a drive for continuous improvement and sharing of skills and expertise to provide greater public benefit. It still enables the Council to hold the Trust to account for delivery of services through close monitoring against KPIs, service specifications and regular meetings.
- 4.5 Key reasons for taking this approach was flexibility to fit with the evolving health structures, accelerated STP implementation - especially in relation to workforce and infrastructure work streams. This will minimise disruption to users of services, the workforce and implementation of a new model to deliver efficiencies.

5.0 The Review – Progress to Date

- 5.1 Despite only being in place for a short period of time (two years) the partnership has made significant progress. The pioneering arrangement has facilitated collaborative discussions in a way that differs from a traditional commissioner/provider split and enabled continuous improvement and wider opportunities to be taken forward.
- 5.2 Since 2017, a number of significant programme changes have been successfully delivered or are on track for delivery including:
- A new model for delivering infant feeding services
 - A Kent wide targeted family service which works with identified parents for up to a year and replaces a more rigid programme of support which was only offered previously in five areas of Kent to teenage mums
 - Remodelling of sexual health services to embrace digital technologies and support the management of demand pressures
 - Implementation of an integrated lifestyle model and a Kent wide Smoking in Pregnancy Home Visit service. (The latter forms part of the STP prevention plan).
- 5.3 Services have delivered statutory requirements, perform within expected levels and made good progress in areas where improvement was required. For example, waiting times have been significantly reduced for children and young people accessing mental health support through the School Health service. Services can also demonstrate a positive impact on health inequalities and good reach to those most in need.
- 5.4 The arrangement has successfully managed shared challenges described earlier in this paper, maintaining high user and staff satisfaction. Delivery of over £5.8M worth of savings and management of growing service pressures through service transformation e.g. increased use of digital technology? in sexual health services. The Trust has worked proactively to address these pressures for example, KCHFT has in place a bespoke training academy through Canterbury Christ Church University to grow the future workforce of nursing staff and also offers retention payments, and relocation fees for those attracted to work in Kent.
- 5.5 External perspectives considered as part of the review include:

- The Care Quality Commission (CQC) who rated the Trust as Outstanding⁷ overall and praised the way it delivers safe and effective care for its patients and service users. A particular focus of the inspection was sexual health services which achieved a rated of Outstanding across four domains and good in the fifth domain.
- KCC Internal Audit who highlighted many benefits to the collaboration giving a rating of “Substantial with Good Prospects for Improvement”.
- Feedback from the Special Educational Needs and Disability (SEND) inspection which highlighted significant strength and only a few areas for development
- Feedback from health partners who were very supportive of the approach and benefits it has and could continue to bring to health transformation.

6.0 Resulting Recommendations

- 6.1 The comprehensive review provides strong evidence to underpin the extension of the partnership for five years. Continuation of the arrangement is within the public interest and will provide the right mechanism to maximise resources, opportunities and improve the health of the local population.
- 6.2 The benefits and drivers for first entering into this partnership are still relevant today and there is clear evidence that both organisations continue to share common aims. For example, the values and aims articulated in KCHFT’s annual statement make reference to delivering sustainable services, close to the home, in an integrated way that prevent ill health. Both organisations are also committed to delivery of the NHS 10-year and local STP plan.
- 6.3 It is felt that continuation of this approach will enable KCC to implement fully the findings from the review which includes those listed below:
- A refinement of service models for Start Well and One You Kent so as to support integration and delivery of strategic objectives including alignment to Primary Care Networks and multi-disciplinary teams
 - Explore opportunities to outsource or insource services which cannot be delivered within the current capacity of the children’s workforce and do not need to be delivered by specialist nursing staff
 - Develop a coordinated offer to schools for School Public Health and related services
 - Explore how the model can support improvements with partners in relation to SEND
 - Continued transformation at pace of services for smoking and sexual health to respond to the needs assessments, improve outcomes and meet demand pressures.
- 6.4 An options appraisal has been developed and presented through internal governance. This considered a range of options including procurement. This analysis set out a strong case that the continuation of the collaborative working would support the vision set out in the NHS Long Term Plan, enable the findings of the partnership review to be fully realised and support delivery of the STP. It would continue work to remodel services to manage demand pressures or target services more effectively to those in need and maintain the ability to manage financial risk through use of an open book approach.

⁷ <https://www.kentcht.nhs.uk/wp-content/uploads/2019/07/Kent-Community-Provider-FINAL.pdf>

7.0 Financial Implications and Extension Terms

- 7.1 The investment of the Public Health grant will continue to be in the region of £37.5M. Open book accounting and activity-based contracting will support value for money. Both parties will remain committed to delivering an efficiency programme which will see a further reduction in corporate overheads across the five years. These saving could be found by reducing costs associated with functions such as HR, premises or employment services.
- 7.2 It is recommended that all Public Health funded services are included within the partnership and as such School Public Health will move into the arrangement by April 2020.
- 7.3 The review highlighted a number of service priorities and opportunities to learn from other areas such as Hertfordshire or Essex who are more advanced in the integration of children models. The partnership will oversee a delivery plan that drives forward this work to benefit local residents. There will be a principle of co-production which underpins this work and a collaboration with the workforce to minimise any disruption to services.
- 7.4 As part of the extension there will be regular review points to ensure the arrangement still provides the expected benefits. This will include review of service performance including quality, financial benchmarking, user feedback and analysis of offer compared to need. Commissioners will continue to monitor the arrangements and expect performance and statutory obligations to be maintained. Termination of the arrangement is an option for both sides.
- 7.5 There is the potential to expand the scope of the partnership during the lifetime of this extension, if deemed beneficial to local residents. Work in relation to this will be developed by the relevant Corporate Director(s) and subject to appropriate Cabinet Committee endorsement. KCC currently invests in other services of the Trust including Paediatric Therapy Services to Schools, Community based services for Adults, Short Breaks and Learning Disabilities.

8. Conclusions and Next Steps

- 8.1 KCHFT are fundamental partners for KCC and are uniquely placed to continue to deliver these services. KCHFT have already delivered significant transformation whilst working with KCC and as a result, KCC is confident that they can deliver improved outcomes for local people and can offer the flexibility needed to align to the strategic landscape and meet future needs.
- 8.2 The Trust's recent CQC rating of Outstanding gives increased confidence that service quality will remain high and support recruitment and retention of skilled workforce despite national shortages in nursing staff.
- 8.3 There is clear evidence that KCHFT have supported the Public Health agenda through the whole work of the Trust and both organisations have worked towards shared aims such as delivery of the STP. There is also clear evidence that local residents have benefitted from the approach which has seen millions of pounds reinvested to improve services.
- 8.4 The effective investment of the funding provides a significant opportunity to

improve outcomes for local residents, support our ambitions for integration with health and help realise the vision set out in the NHS Long Term Plan and KCC Strategic Statement. It also builds on the NHS investment through the STP prevention workstream led by Public Health.

- 8.5 It is therefore recommended that the partnership is extended for five years until March 2025 and improvements are both sustained and built upon. This timeframe will align with the local five-year plan which is currently in development in response to the NHS Long Term Plan.

9.0 Recommendation

The Cabinet Member for Adult Social Care and Public Health is asked to authorise the County Council to extend the collaborative arrangement with Kent Community Health NHS Foundation Trust, for the services listed in this report, until March 2025

10.0 Contact Details

Report Authors:

Vicky Tovey
Public Health Senior Commissioning Manager
03000416779
victoria.tovey@kent.gov.uk

Karen Sharp
Head of Public Health Commissioning
03000 416668
karen.sharp@kent.gov.uk

Relevant Director
Andrew Scott-Clark, Director of Public Health
03000 416659
Andrew.scott-clark@kent.gov.uk

11.0 Background documents

Kent and Medway Sustainability Transformation plan:
<https://kentandmedway.nhs.uk/stp/>

The NHS Long Term Plan - <https://www.longtermplan.nhs.uk/>

Public Health Green Paper – Prevention is Better than Cure:
<https://www.gov.uk/government/publications/prevention-is-better-than-cure-our-vision-to-help-you-live-well-for-longer>

Kent and Medway Integrated Care System update presented to County Council, 23 May 2019
<https://democracy.kent.gov.uk/documents/s90388/Item%209%20-%20Kent%20and%20Medway%20Integrated%20Care%20System%20update.pdf>

Appendix 1: KCC spend with KCHFT

The below values are assumed levels of contracted spend and will be depend on activity delivered within services and presenting demand for open access services.

A. Public Health Services

Contract Title	Contract Values 2019/20
Health Visiting Service	£22,120,202
School Public Health Services	£4,858,259
Lifestyle services including NHS Health Checks	£5,177,435
Sexual Health Services (GUM)	£5,062,287
Postural Stability services	£63,724
Kent Dental Epidemiology Survey and Oral Health Promotion	£140,000
Total spend	£37,421,907