

Commissioning and Procurement Executive Committee – 11 January 2022

Subject:	Arrangements for the joint commissioning of Child and Adolescent Mental Health Services (2022/23 – 2024/25)		
Corporate Director/ Director:	Catherine Underwood, Corporate Director for People Lucy Hubber, Director of Public Health		
Portfolio Holders:	Cllr Adele Williams (Adults and Health) Cllr Cheryl Barnard (Children and Young People)		
Report author and contact details:	Helen Johnston, Consultant in Public Health helen.johnston@nottinghamcity.gov.uk		
Other colleagues who have provided input:	Nancy Cordy, Executive Officer – Public Health Steve Oakley, Head of Contracting and Procurement		
Key Decision	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	Subject to call-in <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Reasons: <input checked="" type="checkbox"/> Expenditure <input type="checkbox"/> Income <input type="checkbox"/> Savings of £750,000 or more taking account of the overall impact of the decision			<input checked="" type="checkbox"/> Revenue <input type="checkbox"/> Capital
Significant impact on communities living or working in two or more wards in the City			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Type of expenditure:	<input checked="" type="checkbox"/> Revenue <input type="checkbox"/> Capital		
Total value of the decision: £1,345,074			
Wards affected: City wide			
Date of consultation with Portfolio Holders: 20 December 2021			
Relevant Council Plan Key Outcome:			
Clean and Connected Communities	<input type="checkbox"/>		
Keeping Nottingham Working	<input type="checkbox"/>		
Carbon Neutral by 2028	<input type="checkbox"/>		
Safer Nottingham	<input type="checkbox"/>		
Child-Friendly Nottingham	<input checked="" type="checkbox"/>		
Healthy and Inclusive	<input checked="" type="checkbox"/>		
Keeping Nottingham Moving	<input type="checkbox"/>		
Improve the City Centre	<input type="checkbox"/>		
Better Housing	<input type="checkbox"/>		
Financial Stability	<input type="checkbox"/>		
Serving People Well	<input checked="" type="checkbox"/>		
Summary of issues (including benefits to citizens/service users):			
<p>Across the health and education sector, services in Nottingham have reported seeing an increasing number of children and young people who are experiencing emotional and mental health problems. The impact of COVID-19 on children and young people’s mental health is still emerging and is known to have exacerbated existing inequalities.</p> <p>Nottingham Targeted Children and Adolescent Mental Health Service (CAMHS) is a well established and high quality service, delivered by Nottingham City Council (NCC). The service has been jointly funded by mainstream NCC funding and Nottingham and Nottinghamshire Clinical Commissioning Group (CCG) for a number of years. Due to increased pressures and the challenging financial position for NCC, the Targeted CAMHS service has been placed in scope for NCC savings 2022/23 onwards, placing the service at risk.</p> <p>This reports sets out the proposed arrangements for maintaining the current Targeted CAMHS provision until March 2025. The service would be jointly funded by Public Health Grant contributions tapering with increased CCG contributions over a three-year period. The</p>			

establishment of a Section 75 agreement between NCC and the CCG is proposed as a robust mechanism for funding and managing the service.

Exempt information: None

Recommendations:

- 1** Approve the use of the Public Health Grant for a funding contribution to Targeted CAMHS 2022/23-2024/25.
- 2** Approve the development of a Section 75 Agreement between NCC Public Health and the CCG for the commissioning of Targeted CAMHS from 1st April 2022 to 31st March 2025.
- 3** Delegate authority to the Director of Public Health to agree the final value and scope of the service, and sign the Section 75 Agreement for Targeted CAMHS.
- 4** Approve the oversight and management of the Targeted CAMHS Section 75 Agreement to be held by Nottingham Health and Wellbeing Board Commissioning Sub-committee.

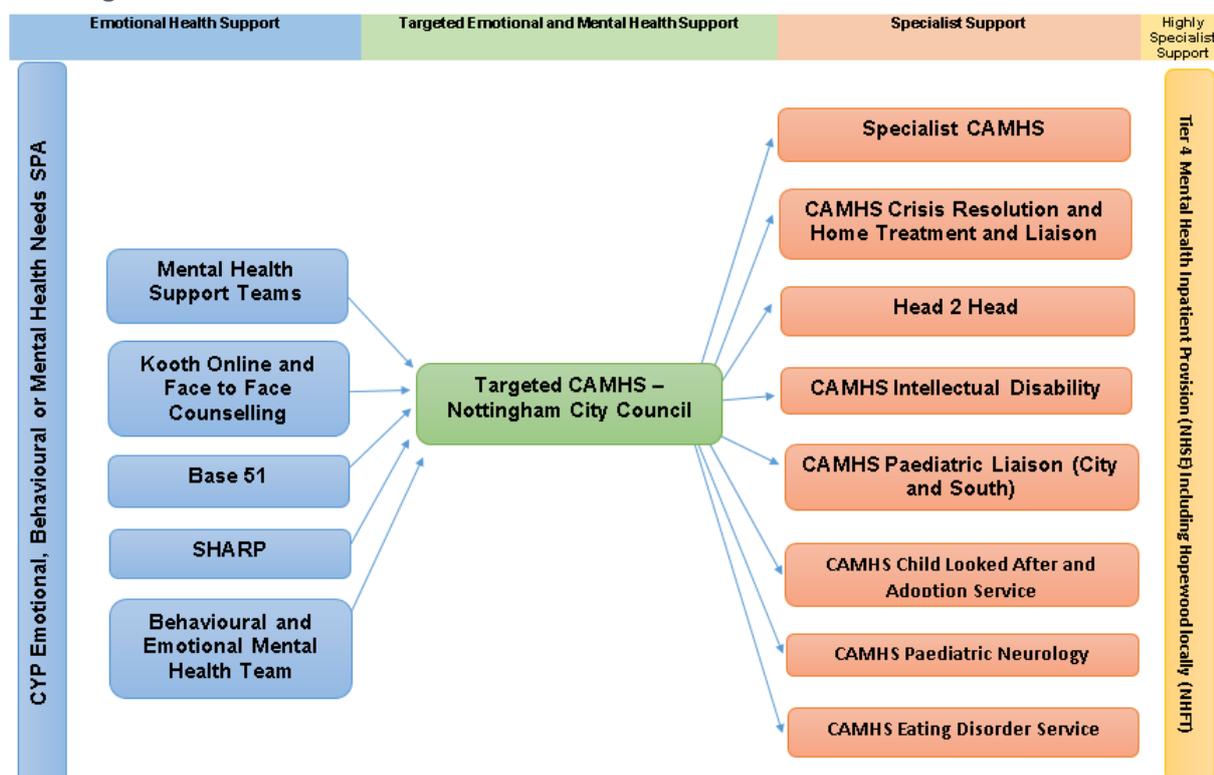
1. Reasons for recommendations

- 1.1 The time-limited use of the Public Health Grant will enable ongoing provision of Targeted CAMHS in Nottingham through to 2024/25 to ensure continued access and support for children and young people to mental health support. Over the period of the agreement, there will be an increasing proportion of CCG funding for the service consistent with the CCG role in coordinating a system-wide transformation programme.
- 1.2 A Section 75 agreement between NCC and CCG for Targeted CAMHS will provide a robust foundation for commissioning the service.

2. Background

- 2.1 Based on the national Mental Health of Children and Young People survey in 2017 and ONS population data, 8,067 (12.7%) of the 64,419 five to nineteen year olds in Nottingham City are thought to be dealing with a mental disorder.
- 2.2 The Nottingham City Targeted Children and Adolescent Mental Health Service (CAMHS) works with children and young people aged 0-18 who are experiencing emotional and mental health problems, and their families and carers. Specialist Targeted CAMHS staff use evidence-based interventions to support children and young people and to treat mild to severe mental health and emotional health needs. These needs include problems such as depression, anxiety, anger, trauma, self-harm and low mood. This provision is a key part of the pathway for Emotional Health and Mental Health provision in Nottingham (see Figure 1). The provider of Targeted CAMHS in Nottingham is a well-established and fully integrated specialist team within Nottingham City Council.

Figure 1: Emotional Health and Mental Health Provision



- 2.3 Between 2017 and 2021, Targeted CAMHS (previously described as Tier 2 CAMHS) has been funded by the Clinical Commissioning Group (CCG) for Nottingham (originally Nottingham City CCG, now Nottingham and Nottinghamshire CCG) and Nottingham City Council mainstream funding. Nottingham City Council commissioned the service on behalf of NCC and the CCG.
- 2.4 Nottingham City Council has been developing a Medium Term Financial Plan for 2022/23 to 2025/26 which has identified opportunities and options to deliver savings in the context of increased demand for services and a challenging financial position. The savings proposals 2022/23 onwards include the CAMHS City Wide Service in their scope and therefore place the service at risk, with the intention stated in the narrative: ‘working with Clinical Commissioning Group and Public Health to transform Child and Adolescent Mental Health Services’.
- 2.5 The proposed arrangements in this paper comprise a funding model to enable ongoing Targeted CAMHS provision for children and young people in Nottingham. The service will be unchanged, and the MTFP savings can still be delivered. As an interim arrangement, it is proposed that Targeted CAMHS will have joint funding from the Public Health Grant and the CCG through to March 2025. Approval for the proposal has already been sought and granted through the CCG Executive.
- 2.6 As per the proposed contributions set out in Table 1, the Public Health Grant contribution is tapered under this arrangement. The primary purpose of the Public Health Grant is for preventative services and interventions, as set out in the Grant conditions. The transitional use of funding outlined here is justified by the potential public health impact of loss of this targeted support for children and young people. The CCG are leading a system-wide transformation programme, to develop a longer term clinical and service

model for implementation. Public health colleagues will work as advisors with the CCG on the transformation of these services.

Table 1: Funding risk and proposed contribution

	2022/23	2023/24	2024/25	Totals
Recurrent financial risk	£834,440	£834,440	£834,440	£2,503,320
Public Health grant contribution	£677,522	£445,035	£222,517	£1,345,074
CCG contribution	£156,918	£389,405	£611,923	£1,158,246

2.7 A formal agreement is required to allow the pooling of this resource, which will be ring-fenced for the Nottingham City population for the lifetime of the agreement. The NHS and Local Authority can delegate responsibility for commissioning services through a Section 75 Agreement. The Section 75 Agreement will include appropriate risk sharing arrangements. As the CCG contribution will be increasing over the period, and consistent with the ambitions on transformation and responsibility for targeted support, the CCG will be the lead commissioner.

2.8 This proposal marks a substantial change in the commissioning arrangements for Targeted CAMHS. During the period from 2022/23 to 2024/25 NCC Public Health will be a joint commissioner and the CCG the lead commissioner of the service. The CCG will establish a formal contractual agreement with Nottingham City Council's Children's Services department for the provision of the Targeted CAMHS, with the commissioned resource fully utilised for the sole purpose of the delivery of the commissioned service.

3. Other options considered in making recommendations

3.1 Under a 'do nothing' option there would be no agreed use of the Public Health Grant for co-funding this service. The savings against the NCC Mainstream funding for consultation in the Medium Term Financial Plan place the service at risk. A reduction or removal in the Targeted CAMHS offer would leave a substantial gap in the emotional wellbeing and mental health pathway for children and young people in Nottingham, which is why this option has been rejected, and an interim funding arrangement during the transformation programme has been proposed.

3.2 Not using a formal Section 75 Agreement between NCC and the CCG carries a risk of not having an appropriate and robust arrangement for pooling the budget and managing the service. Further, a lack of joint arrangements would risk that this key provision is not sufficiently visible and considered within the wider Mental Health Transformation Programme with governance through the Children and Young Peoples' Mental Health Executive, and the Nottingham and Nottinghamshire Integrated Care System Mental Health and Social Care Partnership Board.

4. Consideration of Risk

4.1 Under these arrangements the use of the Public Health Grant will be guaranteed over 3 years from April 2022 to March 2025. The ringfenced Public Health Grant for Local Authorities is allocated by the Department of Health and Social Care on an annual basis. The highest contribution for Targeted CAMHS (£834,440 in 2022/23) has a value of less than 2% of the total most recent Public Health Grant value for 2021/22 (£34,170,850).

4.2 The CCG intend to formally contract with NCC Children's Services to deliver Targeted CAMHS through to the end of March 2025. It is anticipated that the CCG will be the sole commissioner from April 2025 onwards, with possible changes to services or providers.

5. Finance colleague comments

5.1 As outlined above, due to increasing number of children and young people who are experiencing emotional and mental health problems, one area of focus is joint commissioning of Child and Adolescent Mental Health Services. As such, utilisation of Public Health Grant funds, has been earmarked to replace the current funding model with a planned decreasing contribution to ensure the continuation of the service.

5.2 The total planned Public Health Grant to be provided for use across 2022/23 to 2024/25 is £1.345m, which is based upon a decreasing contribution each year, as outlined in the table above.

5.3 When considering the planned use of this grant in this way it is important to ensure that the ring-fenced grant is being used appropriately and to adhere to grant conditions. Additionally, as the Nottingham City Council contribution from Public Health Grant, is decreasing over time until the CCG becomes the sole commissioner in April 2025, consideration as to any potential shortfalls or delays to this process and the impact these would have to Public Health Grant in future years.

Graeme Black, Commercial Business Partner (Education and Public Health),
14th December 2021.

6. Legal colleague comments

6.1 The Public Health funding referred to in this report is provided to the Council from the Department of Health & Social Care by annual allocations. The money can only be used for public health functions and there are conditions imposed upon the use of the grant for these functions. The Council must ensure compliance with those conditions.

6.2 It is understood that using the money to support the CAMHS Services in the City as proposed in this report, will assist in addressing the impact that the loss of these services would have on public health.

6.3 The Council's contribution for these services is depleting and so the proposal is for a 3-year agreement only, whilst the services transition over to the CCG under a longer term model.

6.4 A section 75 agreement (under the National Health Service Act 2006, as amended) should be established place between the Council and the CCG to detail the partnership with respect to the funding and retrospective roles in accordance with the powers permitted to them.

6.5 Legal services will work with procurement colleagues to assist in implementing the appropriate partnership arrangements between the parties.

Dionne Sreaton, Senior Solicitor, Commercial Education and Employment
13th December 2021.

7. Other relevant comments

Procurement Comments

- 7.1 A section 75 agreement needs to be put in place for Nottingham Council to jointly commission with the CCG the CAMH Services. The section 75 agreement should be only put in place for the three years with a clear exit strategy for Nottingham City Council included.
- 7.2 There are no procurement issues with this process provided the section 75 agreement is arranged.

Steve Oakley, Head of Contracting and Procurement, 13th December 2021

Human Resources Comments

- 7.3 The key recommendation in this report with Human Resources implications is the approval of the development of a Section 75 Agreement between NCC Public Health and the CCG for the commissioning of Targeted CAMHS from 1st April 2022 to 31st March 2025.
- 7.4 This recommendation of formally contracting Nottingham City Council's Children's Services to deliver Targeted CAMHS through to the end of March 2025 supports the ongoing tenure of employees working in CAMHS, providing workforce stability and ongoing stability to the children and young people the service works with.
- 7.5 Employees in some of the services and teams identified in this report are on Nottingham City Council Terms & Conditions but there are some employees on different Terms & Conditions due to the nature of the way these services have been previously contracted, via the Transfer of Undertakings (Protection of Employment) Regulations (TUPE).
- 7.6 The CCG intend to formally contract Nottingham City Council's Children's Services to deliver Targeted CAMHS through to the end of March 2025. It is anticipated beyond this point that the CCG will be the sole commissioner from April 2025 onwards, with possible changes to services or providers.
- 7.7 If the CCG were to re-commission or de-commission some services this will need to be undertaken in full consultation with Nottingham City Council, as early as possible.
- 7.8 A clear exit strategy would need to be considered as part of the Section 75 Agreement, and should services be re-commissioned by the CCG, the appropriate workforce change through the Transfer of Undertakings (Protection of Employment) Regulations (TUPE) could apply.
- 7.9 If services were to be de-commissioned by the CCG, the appropriate Employee exit costs would need to be understood by the CCG and Nottingham City Council as part of the exit strategy.

Rachael Morris, HR Business Lead (People) – 15 December 2021

8. Social value considerations

8.1 This paper proposes three-year funding arrangements to protect the delivery of Targeted CAMHS in Nottingham, to improve the health and wellbeing of children and young people and their carers and families.

9. Regard to the NHS Constitution

9.1 The arrangements set out here have been developed in collaboration with NHS Nottingham and Nottinghamshire Clinical Commissioning Group.

10. Equality Impact Assessment (EIA)

10.1 An EIA is not required because this paper refers to the funding arrangements for Targeted CAMHS; there is no change for the service being delivered across Nottingham and therefore no change in the Equalities considerations.

11. Data Protection Impact Assessment (DPIA)

11.1 A DPIA is not required because under the proposed arrangements the CCG will be the lead commissioner, and will accordingly assess and advise on how data is managed.

12. Carbon Impact Assessment (CIA)

12.1 A CIA is not required because this paper refers to the funding arrangements for Targeted CAMHS; there is no change for the service being delivered across Nottingham and therefore no change in the Carbon considerations

13. List of background papers relied upon in writing this report (not including published documents or confidential or exempt information)

13.1 None

14. Published documents referred to in this report

14.1 Executive Board 16 November 2021, Medium Term Financial Plan 2022/23 to 2025/26
<https://committee.nottinghamcity.gov.uk/documents/s128499/Medium%20Term%20Financial%20Plan%20MFTP%20202223%20to%20202526.pdf>