

Commissioning and Procurement Sub-Committee

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|---|--|--|---|
| Subject: | Health Visiting and Family Nurse Partnership: Transfer of Commissioning responsibilities from NHS England to Nottingham City Council on 1 st October 2015 | | |
| Corporate Director(s)/ Director(s): | Alison Michalska: Corporate Director for Children and Adults Dr Chris Kenny: Director of Public Health Candida Brudenell: Strategic Director for Early Intervention | | |
| Portfolio Holder(s): | Councillor Alex Norris | | |
| Report author and contact details: | lynne.mcniven@nottinghamcity.gov.uk Steve.Oakley@nottinghamcity.gov.uk Rachel.Doherty@nottinghamcity.gov.uk | | |
| 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 £1,000,000 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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| Total value of the decision: £5,319,000 part year contract value | | | |
| Wards affected: All | Date of consultation with Portfolio Holder(s): December 2014 | | |
| Relevant Council Plan Strategic Priority: | | | |
| Cutting unemployment by a quarter | | | <input type="checkbox"/> |
| Cut crime and anti-social behaviour | | | <input type="checkbox"/> |
| Ensure more school leavers get a job, training or further education than any other City | | | <input type="checkbox"/> |
| Your neighbourhood as clean as the City Centre | | | <input type="checkbox"/> |
| Help keep your energy bills down | | | <input type="checkbox"/> |
| Good access to public transport | | | <input type="checkbox"/> |
| Nottingham has a good mix of housing | | | <input type="checkbox"/> |
| Nottingham is a good place to do business, invest and create jobs | | | <input type="checkbox"/> |
| Nottingham offers a wide range of leisure activities, parks and sporting events | | | <input type="checkbox"/> |
| Support early intervention activities | | | X |
| Deliver effective, value for money services to our citizens | | | X |
| Summary of issues (including benefits to citizens/service users): | | | |
| <p>Nottingham City Council will take on the responsibility for commissioning Childrens Public Health Services 0-5 years: Health Visiting & Family Nurse Partnership with effect from 1st October 2015. Funding will be allocated within the Public Health ring-fenced allocation.</p> <p>Nottingham City Council already commission school nursing services, children's centres and early years provision. The additional commissioning responsibilities for Health Visiting and the Family Nurse Partnership will allow the development of a seamless, universal health and social care pathway for all children within Nottingham from 0 to 19 years. This comprehensive universal offer will underpin prevention & early intervention services across the city; ultimately reducing health inequalities and improving health and social outcomes.</p> | | | |
| Exempt information: None | | | |
| Recommendation(s): | | | |

1. To note the transfer of commissioning responsibilities for Children's Public Health Services 0-5 years with effect from 1st October 2015 and the roles & responsibilities & implications to Nottingham City Council for future service provision in accordance with the mandatory instructions, to be issued by the Department of Health.

2. That the existing contract for the Health Visiting and Family Nurse Partnership Services is novated from NHS England to Nottingham City Council, subject to confirmation from the Chief Finance Officer that the total contract values of both services does not exceed the final value of the transferring budget allocation.

3. That authority to sign the contracts for both the Health Visiting and Family Nurse Partnership services is delegated to the Strategic Director for Early Intervention, subject to consultation with Director of Legal and Democratic Services and the Chief Finance Officer.

1 REASONS FOR RECOMMENDATIONS

1.1 The recommendations ensure that commissioning responsibilities and contractual arrangements for 0-5 Children's public health services are able to transfer from NHS England to the local authority in a safe and efficient manner. They will enable the City Council to work with the both NHS England and the service provider, Nottingham CityCare Partnership, to secure continuity of service delivery during the transition.

1.2 The actions recommended will allow for relevant and necessary commissioning activity to commence, including the agreement of appropriate arrangements for the novation of contractual arrangements. No transfer arrangements will be finalised until the final budget allocation has been confirmed and assurance can be provided regarding the sufficiency of this allocation to fund the commitments proposed in this report.

1.3 The delegation of authority to the Strategic Director for Early Intervention, to sign contracts for both the Health Visiting and Family Nurse Partnership services is recommended to ensure that approval is in place to progress the implementation of new contractual arrangements in a timely way, once final agreement has been reached with the relevant parties.

2 BACKGROUND (INCLUDING OUTCOMES OF CONSULTATION)

2.1 A health visitor (HV) is a qualified nurse or midwife with post-registration experience who has undertaken further training and education in child health, health promotion, public health and education. Health visitors work as part of a multidisciplinary primary healthcare team, assessing the health, educational and social needs of children, families and the wider community. They aim to promote good health, improve educational and social outcomes and prevent illness by offering practical help and advice; ultimately reducing health inequalities.

2.2 NHS England were charged under the Section 7a agreement of the National Health Service Act 2006 as amended under the Health and Social Care Bill 2012, an agreement between the Secretary of State and NHS England to commission

Children's Public Health Services for 0-5 years. The Government has now stated an expectation for these responsibilities to transfer to local authorities from October 2015.

2.3 Through the 7a agreement NHS England has committed to improve health and wellbeing outcomes for children and families which included, meeting the Government's commitment to increase the number of health visitors (HVs) nationally by 4,200 against a May baseline of 8,092, to transform health visiting services through the implementation of the Healthy Child Programme, and increase the number of Family Nurse places nationally by 16,000 by April 2015.

2.4 The 'Health Visitor Implementation Plan (HVIP) 2011-15 A call to Action (Department of Health 2011)' sets out this shift in resources to increase the number of health visitors in order to enhance early identification and intervention by increasing contact and support to families, monitoring child development and health promotion.

2.5 **Mandated Services**

The "Transfer of 0-5 children's public health commissioning to Local Authorities" document published by the Department of Health in December 2014, sets out that subject to Parliamentary approval, the Government intends to mandate certain key universal elements of the 0-5 Healthy Child Programme. The specific regulations are currently being drawn up but it is likely these will include: antenatal health promoting visits; new baby reviews; 6-8 week & 1 year assessments and 2-2½ year reviews.

2.6 **Local Context**

2.6.1 Nottingham City has one provider of Children's Health Services for 0-5 years: Nottingham CityCare Partnership who provides the Health Visiting service and Family Nurse Partnership (FNP) across the city.

2.6.2 **Increasing Health Visitor Numbers in Nottingham City:** The May 2010 baseline for Nottingham City was 69.4 whole time equivalent (WTE) health visitors against a final target set at 154.7 WTE to be reached by March 2015 equating to an increase of 123% in the workforce the third highest increase nationally behind London & Luton.

2.6.3 **Current Health Visitor Numbers in Jan 2015:** was 99.8 WTE and it is anticipated that there will be an additional 33.6 recruited by the end of February making a total of: 133.4, (21.3 short of target). NHS England have agreed that providers not yet meeting their target will continue recruitment from April 2015 until Sept 2015 to help them get close to their target. NHS England have reported that Nottingham has been extremely proactive in terms of service transformation. The workforce in Nottingham will have almost doubled by the time we reach March 2015.

2.7 **Transition of Health Visitors and Family Nurse Partnership into the local Authority**

2.7.1 Commissioning responsibilities for health visiting and family nurse partnership will transfer to local authorities from October 2015. Throughout the transition period NHS England will work closely with Public Health and the Early Intervention Directorate of Nottingham City Council to develop a robust transition plan which will ensure the safe transfer of commissioning responsibilities which includes the achievement of the Department of Health target for health visitor numbers and a transformed health visiting service. Discussions and regular meetings are underway locally between NHS England and Nottingham City Council and nationally between the Local Government Association & the Department of Health (DH) to ensure a smooth, robust transition of responsibilities and funding.

2.7.2 Half Year Allocation to be transferred to NCC on 1ST Oct 2015 was agreed provisionally by DH in Dec 2014 (final allocation announced end Jan 2015):

| Area Team | LA | 12/9 | CQUIN | Net Inflation | Min Floor Adjustments | Commissioning costs | Proposed allocation |
|--------------------|------------|-------|-------|---------------|-----------------------|---------------------|---------------------|
| Derbyshire & Notts | Nottingham | 5,304 | | | | 15 | 5,319 |

2.8 **Service Continuity**

2.8.1 Appropriate contractual arrangements are currently being developed to ensure continuity of service provision during the transfer of commissioning responsibilities from NHS England to Nottingham City Council. Both the Health Visiting and Family Nurse Partnership services currently sit within the multi-lateral CityCare contract, led by Nottingham City CCG on behalf of a range of public sector agencies. The contracts will be reviewed as part of the due diligence work and actions taken to ensure continuity of provision during the initial transition and as a minimum for 18 months after the transition of commissioning responsibility.

2.8.2 Negotiations regarding transfer arrangements are underway with both NHS England and the City CCG. The possibility of NCC becoming a signatory to the 2015/16 CityCare contract is currently being explored and, if agreed, will enable the transfer to progress within the existing contractual arrangements.

2.8.3 The novation of contractual arrangements for both services will be subject to the completion of a satisfactory due diligence process. A detailed due diligence process will be undertaken to ensure that the levels of financial and legal risk transferring to the Council is understood, appropriate and in line with budget expectations. Legal services will lead this work and the novation of contractual arrangements will ultimately be conditional upon the Director of Legal and Democratic Services and the Chief Finance Officer confirming that the outcome of due diligence process is acceptable.

2.9 **Workforce Implications**

No staff will transfer to the City Council from either NHS England or CityCare, the current service provider. A provision of £15,000 has been included in the half year allocation proposed for 2015/16 (£30,000 full year effect) as a contribution towards the authority's commissioning costs. It is intended that this will offset a proportion of the additional costs associated with commissioning and contract managing the transferring services.

2.10 **Integration of 0-5 Services**

A strategic review of all children and young people's 0-19 services is currently taking place within Nottingham, identifying how Nottingham City Council, NHS Nottingham City Clinical Commissioning Group and NHS England currently utilise resources and jointly develop Nottingham's core standard offer for children and young people growing up in the city. This strategic review will define and promote outcomes at key life stages including; pregnancy and a better start for babies, school readiness, secondary school readiness and readiness for independence. This will be supported through the refresh of the Children and Young People's Plan and integration of key services across the partnership.

2.11 The changes in the commissioning responsibilities for children and young people's health services which have occurred through the implementation of the Health and Social Care Act (2012) are extensive and it is vitally important that all strategic partners are aware of these complexities. A focus on prevention and early intervention has a vital role to play in breaking the cycle of health inequalities within families. There are clear benefits to Nottingham's children and young people, who are the future adults of Nottingham City, through the commissioning of equitable, robust, evidence based, coordinated services across the city.

2.12 **Conclusion**

Reducing health inequalities and improving health and social outcomes for children and young people is not easily achieved. The evidence clearly shows that any one agency on its own will not have sufficient impact to guarantee a reduction in the gap currently observed between populations. As a Nottingham 'Early Intervention Community' we must make sure we utilise this commissioning opportunity to highlight areas where we could improve performance and be confident that we are working together to guarantee sustainable gains in health and social outcomes for children and young people. This requires a high level strategic understanding and commitment from everyone to secure a coordinated approach.

3 OTHER OPTIONS CONSIDERED IN MAKING RECOMMENDATIONS

3.1 Options to ensure the smooth transfer of contractual arrangements are currently being explored with NHS England and the City CCG. The recommendation to delegate authority to sign contracts for both services to the Director of Public Health is intended to allow these discussions to be completed and implemented in a timely way, with the aim of minimising any potential disruption to the delivery of services.

3.2 In order to minimise risk, the transfer of services, including the signature of the relevant contract, is subject to both the completion of a satisfactory due diligence

process and final confirmation that the contract values do not exceed the value of the transferring budget allocation.

4 FINANCIAL IMPLICATIONS (INCLUDING VALUE FOR MONEY/VAT)

- 4.1 Coordinated commissioning, utilising an evidence-based approach including prevention and early intervention will reduce costs within health, social care and education services along with overarching societal costs in the long term.
- 4.2 The transfer of commissioning responsibilities is set out in the government paper *Healthy Lives, Healthy People: Update and Way forward*.

<https://www.gov.uk/government/publications/healthy-lives-healthy-people-update-and-way-forward>

- 4.3 The “Transfer of 0-5 children’s public health commissioning to Local Authorities: Baseline Agreement Exercise” (Dept of Health, December 2014), outlines the financial aspects of the transfer of commissioning of children’s 0-5 public health services from 1 October 2015-31 March 2016. The document, which is attached as Appendix 1 of this report, sets out the proposed funding allocation for each local authority for the 6 month period. Funding for Nottingham City Council is proposed to be £5.319m. This allocation provides £5.12m to fund the existing contract plus £0.005m to fund CQUIN. The Department of Health have allocated a further £0.015m in recognition of the additional commissioning responsibilities of the authority.
- 4.4 As with the previous Public Health budget that transferred to the authority, the Health Visiting and Family Nurse Partnership is a ring fenced grant. To date we have not received any indication from the Department of Health as to what budget will be allocated for 2016/17. A review of the budget will be undertaken by the Advisory Council of Resource Allocation (ACRA) who will make recommendations on the budget distribution to the Secretary of State for Health. The allocations are expected to move towards a distribution based on population needs.

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5 RISK MANAGEMENT ISSUES (INCLUDING LEGAL IMPLICATIONS AND CRIME AND DISORDER ACT IMPLICATIONS)

- 5.1 The transfer of commissioning responsibilities for 0-5 Children’s Public Health Services is the final element of the public health functions’ transfer from the NHS to local authorities in accordance with the Health and Social Care Act 2012. The Department of Health (DH) has confirmed that the commissioning responsibility will transfer but not the workforce – some specific commissioning responsibilities will be retained by NHS England. It has also stated that it will introduce regulations to mandate certain minimum services as set out in this report. The City Council has agreed that to deliver this commissioning role it will take a novation of the contract which NHS England will enter into with Citycare. The City Council will have limited opportunity to renegotiate the terms of the contract and will need

to ensure its scope includes the services mandated by the DH. As part of that novation agreement the City Council should seek to include indemnities from NHS England for past liabilities. The Legal Services team will assist the Public Health and Commissioning teams to undertake a due diligence exercise on the contract and transfer arrangements with the aim of identifying and mitigating, where possible, the risks to the City Council involved in the transfer

6 SOCIAL VALUE CONSIDERATIONS

- 6.1 The 0-5 Children's Public Health services transferring to Nottingham City Council specifically seek to improve the health and well-being of children and young people in Nottingham. Commissioners within Public Health have carried out extensive research and consultation to consider how children's health improvement commissioning will best impact on reducing health inequalities, achieving outcomes and improving social, economic and environmental well-being. By virtue of the type of services being commissioned the health of local children and young people will be improved, generating other related social improvements. Such considerations indicate a compliance with the Public Services (Social Value) Act 2012.

7 REGARD TO THE NHS CONSTITUTION

- 7.1 Local authorities have a statutory duty to have regard to the NHS Constitution when exercising their public health functions under the NHS Act 2006. In making this decision relating to public health functions, we have properly considered the NHS Constitution where applicable and have taken into account how it can be applied in order to commission services to improve the health of the local community.

8 EQUALITY IMPACT ASSESSMENT (EIA)

- 8.1 Has the equality impact been assessed?

(a) not needed (report does not contain proposals for new or changing policies, services or functions, financial decisions or decisions about implementation of policies development outside the Council)

(b) No

(c) Yes – Equality Impact Assessment attached

Due regard should be given to the equality implications identified in any attached EIA.

9 LIST OF BACKGROUND PAPERS RELIED UPON IN WRITING THIS REPORT (NOT INCLUDING PUBLISHED DOCUMENTS OR CONFIDENTIAL OR EXEMPT INFORMATION)

- 9.1 None

10 PUBLISHED DOCUMENTS REFERRED TO IN THIS REPORT

- 10.1 'Health Visitor Implementation Plan (HVIP) 2011-15 A call to Action (Department of Health 2011)
- 10.2 Healthy Lives, Healthy People: Update and Way forward. (HM Government, July 2011)
- 10.3 Transfer of 0-5 children's public health commissioning to Local Authorities" (Department of Health, December 2014)

11 OTHER COLLEAGUES WHO HAVE PROVIDED INPUT

- 11.1 Dee Fretwell, Finance Analyst – Children's & Adults'
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