

## **Children's Services: Re-procurement of Integrated Childrens Services**

### **Report of the Chief Officer for Children's Services**

It is recommended that:

- 1.1. The Local Authority continues to commission jointly with the CCG's, CAMHS and community health and care services for children with additional needs. The delivery of services will be monitored through the commissioning governance arrangements of the Children Young People and Families Alliance and jointly funded through a pooled budget for the period of one year 2018/19 via a Section 75<sup>1</sup>.
- 1.2. NEW Devon CCG as lead commissioner awards a one year contract for 2018/19 to Virgin Care Ltd.
- 1.3. The Local Authority work jointly with the CCG's through the next year to determine the strategy to shape service delivery. For services to be tendered during 2018 for award of longer term contracts from 2019 onwards.

### **2. Background context**

2.1. In March 2013, Devon County Council and NHS Devon, awarded a three year contract with the option to extend to a five year maximum for the delivery of Integrated Children's Services. The contract term is 1st April 2013 to 31st March 2018. The contract was awarded to Virgin Care Limited and funded via a pooled budget arrangement with the total value of £35m.

2.2. The Services delivered under the contract include:-

- Public health nursing services, health visitors and school nurses.
- Specialised Child and Adolescent Mental Health services (CAMHS).
- Community Health and Care Support Services for Children with Additional Needs, such as physical and learning disability.

### **3. Strategic and Partnership Considerations**

3.1. The delivery plan for the Childrens Young People and Families Alliance sets the key priorities and describe the five key shifts that need to happen to ensure the priorities are achieved. Key aspects of this are to create community based integrated services focused on delivering personalised services.

3.2. The development of the SEND strategy and the Sustainability Transformation Plan ( STP) for the CCG's set the direction of travel for services which impact on children with additional needs and gives the priority to improve choice and control for children and families in the support they receive. The Local CAMHS Transformation plans set the direction for mental

---

<sup>1</sup> Section 75 of the NHS Act 2006 (as amended), the Secretary of State can make provision for local authorities and National Health Service (NHS) bodies to enter into partnership arrangements in relation to certain functions, where these arrangements are likely to lead to an improvement in the way in which those functions are exercised. The specific provision for these arrangements is set out in the NHS Bodies and Local Authorities Partnership Arrangements Regulations 2000.

health services. The services within this contract are pivotal to the delivery of these strategies over the next three years.

#### **4. Performance and review**

- 4.1. As part of the Contract Review process the delivery of services within ICS have been evaluated, this has resulted in recommendations for the shape of future delivery of services, identified areas of good performance and areas for improvement.
- 4.2. There have been concerns about the waiting times for CAMHS this has improved significantly and there is confidence that the provider will continue to improve delivery against the priorities in the Local Transformation Plan.
- 4.3. The review focused on the delivery of the Local Offer and considered the provision of short breaks in the context of the priority for choice and control for families and the key shift to personalised and tailored services. This has found there is less need for residential Short Breaks and therefore resources need to be released to spend on more flexible packages of support for families. There are children for whom ongoing support through this service will be essential and continuity of care will be prioritised in these circumstances.
- 4.4. Priority areas for improvement are the service offer for children with Autism and the delivery of services to improve communication.
- 4.5. As part of improving our information and advice to parents through the local offer we have reviewed our arrangements and will no longer be purchasing this offer ( DISC Plus) via this contract but continue to improve this through other mechanisms.
- 4.6. Whilst it will take some time to improve the performance of the service in some areas this process has begun and the change process underway will need the next two year period to be achieved. Therefore it is our recommendation that the continuation of the service via a one year contract provides the greatest opportunity to integrate service delivery, deliver change and therefore improve outcomes for children.

#### **5. Engagement**

- 5.1. Parents of disabled children have been leading the development of the SEND Strategy priorities over the last twelve months. This has led to the draft strategy document currently out for public consultation. The CCG's have led a public consultation on the health and care support services within ICS through Healthwatch. The outcomes of this engagement have informed the decisions outlined in this paper.

#### **6. Legal Considerations**

- 6.1. The requirements of the Children and Families Act 2014 have been considered and taken into account in the formulation of the recommendations set out in report. The services contracted within ICS make a significant contribution to the Local Offer for children with SEND. The Local Authority and the Partnership in compliance with the Code of Practice must ensure sufficient delivery of short breaks and community health and care

services. Through Education, Health and Care Plans children are able to access these coordinated, integrated and personalised services.

- 6.2. There is a procurement risk by the award of a one year contract. This is however mitigated both by the intended tender during 2018 and the lead contracting being undertaken by the NEW Devon CCG with the LA no longer a party to the contract but continuing oversight via the funding agreement of a S75.

## **7. Risk Management Considerations**

- 7.1. The continuity of care through the services in the ICS Contract has been highlighted as a risk for the Corporate Risk Register. With mitigations as set out in this paper.

## **8. Financial Considerations**

- 8.1. Devon County Council's current financial contribution to the pooled budget includes a Children's Services contribution of approximately £3.5 million and Public Health approximately £11.9 million in 0-19 Public Health Nursing services. The Public Health Nursing services within this contract will be the subject of a separate report to Cabinet.

- 8.2. Childrens Services spends in addition £1.5m with Virgin Care on associated services. This includes £750k for Community Support for children under 5 with complex needs (Portage) which is funded from the DSG along with enabling services and education funded provision to meet Education Health and Care Plan outcomes for children.

- 8.3. It is proposed that the current contract value for the Children's Services requirement within the contract of approximately £3.5m will be amended to reflect the reduced level of service requirement. The one year contract will no longer include DISC Plus and will reflect the reduced need for the short breaks service. The saving to be achieved from the one year contract award will be £240k with an additional £300k top sliced to develop innovation in the use of personal budgets. This will further support the delivery of the priorities of the strategy established through the engagement with families.

- 8.4. The mechanism of pooled funding via a Section 75 is recommended due to the integrated nature of the delivery of services and the cost that would be incurred to both partners to commission these services separately. For both a financial and service delivery perspective the joint funding provides value for money in the size of the service offered but also the management of delivery can be streamlined.

## **9. Equality and Sustainability**

- 9.1. This Report has no specific equality, public health or sustainability implications that are not already covered by or subsumed within the detailed policies or actions referred to therein.

**Jo Olsson**  
**CHIEF OFFICER FOR CHILDREN'S SERVICES**

**Electoral Divisions: All**

Cabinet Member for Children's Services: Councillor James McInnes

**Contact for enquiries:**

Jo Olsson, County Hall, Topsham Road, Exeter. EX2 4QD, Tel No: (01392) 383000

**Background Papers**

Cabinet Paper of the 11th January 2017

SEND Strategy

SEND Consultation

Delivery Plan for Children Young people and Families Alliance

NEW Devon CCG and South Devon and Torbay CCG Local Transformation Plans

Healthwatch Consultation