

**Report of: Health Improvement Manager Children and Families Team Public Health Directorate**

**Report to: Director of Public Health**

**Date: 11<sup>th</sup> October 2016**

**Subject: Request to approve contract extensions and variations to the Leeds Early Start Service and Healthy Child Pathway contracts with Leeds Community Healthcare NHS Trust in accordance with Contracts Procedure Rules 21.1 and 21.7.**

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Are there implications for equality and diversity and cohesion and integration?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Is the decision eligible for Call-In?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number:	<input type="checkbox"/>	<input checked="" type="checkbox"/>

**Summary of main issues**

1. In April 2013, local authorities took the lead from the NHS for improving the health of their local communities. In order to ensure service continuity and compliance with the Council's Contract Procedure Rules (CPRs), Public Health worked with Projects, Programmes and Procurement Unit (PPPU) to ensure all contracts were reviewed and providers were formally awarded contracts based on Local Authority/Department of Health terms and conditions.
2. A new 2 year contract (with 2 year extension provision) was awarded to Leeds Community Healthcare NHS Trust (LCH) on 1<sup>st</sup> April 2015. This Healthy Child Pathway Contract (incorporating the Specialist Community Public Health Nursing Services 5-19 and Dental Public Health Services) ensured stability and continuity of the delivery of the Healthy Child Pathway services following this organisational restructure.
3. In 2015 Public Health took over the commissioning responsibility for Healthy Child Programme (HCP) 0-5 year olds (incorporating Health Visiting (HV) and Family Nurse Partnership (FNP) programmes) from NHS England. As part of this transfer to the Council, a new Leeds Early Start Service contract (which includes Health Visiting and FNP services) was reviewed, developed and awarded to LCH based on Department of Health terms and conditions. This contract began on 1<sup>st</sup> October 2015 and currently expires on 31<sup>st</sup> March 2017 and has the provision to extend for further 2 x 12 months. The contract for the Healthy Child Pathway (incorporating

the Specialist Community Public Health Nursing Services 5-19 and Dental Public Health Services) has the same contract dates.

4. As a direct result of both the Public Health Grant cuts announced by the Government and given the findings of a recent evaluation study indicating that the FNP is not the most cost effective way to commission 0-5 services, this report is seeking approval for a contract variation to remove the Family Nurse Partnership element from the Early Start Service contract from the 31st March 2017 and to make a reduction in the value of this contract and the value of the Healthy Child Pathway Contract (incorporating the Specialist Community Public Health Nursing Services 5-19 and Dental Public Health Services) in both 2016- 17 and 2017-18 Full details are provided in Appendix 1.
5. The Council is proposing to keep all other contractual terms and conditions unchanged for the remainder of the Leeds Early Start Service contract and the Healthy Child Pathway. There is the intention for the contract manager to work in partnership with LCH to develop both an exit strategy for FNP to ensure service users are not adversely affected and service delivery plans for all three contracts taking account the reduction in funding.
6. The proposed 1 year contract extensions provide service continuity, whilst Public Health continues to work with the PPPU to implement the Directorate's strategic commissioning priorities. This includes undertaking a structured and staged approach to re-commissioning the 0-19 Healthy child pathway services. This means it can be resourced effectively in order to obtain the best quality and value for money solution for the Council and the citizens of Leeds.

## **Recommendations**

The Director of Public Health is recommended to approve:

- a 12 month extension and 2 variations to the value of the Healthy Child Pathway contract (9TVG-RGPSVB) held with Leeds Community Healthcare NHS trust as defined in Appendix 1 in accordance with Contract Procedure Rules (CPRs) 21.1 and 21.7.
- a 12 month extension, and a variation to reduce the value of the Early Start Service contract (9RLG-STKYJH) as defined in Appendix 1 in accordance with CPRs 21.1 and 21.7 and to expire the Family Nurse Partnership service on 31<sup>st</sup> March 2017

## **1 Purpose of this report**

1.1 The purpose of this report is to seek approval from the Director of Public Health to vary and extend the following contracts held with the existing NHS provider Leeds Community Healthcare NHS Trust (LCH).

- Leeds Early Start Service (incorporating the Family Nurse Partnership (FNP) and (0-5) Health Visitor Service (HV) contract (9RLG-STKYJH)
- Leeds Healthy Child Pathway (incorporating the Specialist Community Public Health Nursing Services 5-19 and Dental Public Health Services (9TVG-RGPSVB)

## **2 Background information**

2.1 On 1<sup>st</sup> April 2013, the Leeds Primary Care Trust (PCT) ceased to exist and the Public Health function transferred to Leeds City Council as set out in the Health and Social Care Act 2012. Through a Statutory Instrument under the Act functions, resources, ring-fenced budget and assets and liabilities, including contracts, transferred to the Council via two Transfer Schemes.

2.2 In order to ensure service continuity and compliance with the Council's Contract Procedure Rules (CPRs), Public Health worked with Projects, Programmes and Procurement Unit (PPPU) to ensure all contracts were reviewed and providers were formally awarded contracts based on Leeds City Council or Department of Health terms and conditions.

2.3 A new 2 year contract (with 2 year extension provision) was awarded to LCH on 1<sup>st</sup> April 2015 for the Healthy Child Pathway Services, which deliver Specialist Community Public Health Nursing 5-19 and the Dental Public Health programme. This new contract ensured stability and continuity of School Nursing and Dental services.

2.4 Public Health took over the commissioning responsibility for Healthy Child Programme (HCP) 0-5 year olds (incorporating Health Visiting and FNP programmes) from NHS England on 1<sup>st</sup> October 2015.

2.5 The Early Start Service (Health Visiting) provides the Healthy Child Programme for 0-5 year olds and consists of a universal programme of 5 statutory contacts and a progressive universal offer delivered by health visitors in accordance with family's needs.

2.6 The Family Nurse Partnership (FNP) programme provides a more targeted approach to deliver the HCP to young first time parents under the age of 20 years, with additional funding available to enable around 20% of those eligible to be provided with FNP support.

2.7 In order to ensure service continuity and compliance with the Council's CPRs, Public Health worked with PPPU to develop Leeds Early Start contract, which incorporates both the universal and targeted elements of the 0-5 HCP programme (Health Visiting and FNP Programmes). LCH was formally awarded a new contract based on Department of Health terms and conditions on 1<sup>st</sup> October 2015.

- 2.8 Both contracts have aligned the contract end dates (currently 31<sup>st</sup> March 2017) to enable a full service review and reprocurement of the Healthy Child Pathway (0 to 19 years) to be undertaken if required. This review is expected to take 2 years due to the complex nature of the services, the large number of partners involved and the need for comprehensive stakeholder engagement.
- 2.9 Following the transfer, the cost of these services (see Appendix 1) is met within the Public Health ring fenced grant, which has been subject to recent cuts by central Government.

### **3 Main issues**

- 3.1 As a direct result of the Public Health Grant cuts announced by the Government, this report is seeking approval for contract variations and extensions to both the Healthy Child Pathway Contract (incorporating the Specialist Community Public Health Nursing Services 5-19 and Dental Public Health Services) and the Leeds Early Start service contracts. The variation will reduce the annual contract value of these contracts in 2016/17 and 2017/18, and will remove the FNP element from the contract on 31<sup>st</sup> March 2017. Appendix 1 provides full details. These cuts are required as part of the Public Health Directorate's wider contracts strategy to meet the required budget cuts in 2016-17 and onwards.
- 3.2 The decision not to extend the FNP element of the contract is proposed on the basis that it is not the most cost effective way to use the reduced resources available in Leeds. The Leeds FNP programme has been part of a national randomised control trial study to determine the programme's clinical and cost effectiveness in the UK context, and this has included the most recent Building Blocks trial.<sup>1</sup>
- 3.3 The results of the building blocks trial were published in January 2016 and concluded that FNP 'is no more effective than the routine available health care alone in relation to reducing smoking in pregnancy, improving birth weight, reducing rates of second pregnancies by two years post-partum or reducing rates of emergency attendances or hospital admissions for any child for any treatment by the child's second birthday. One of the main reasons why the UK may not have seen the additional benefits of FNP is likely to be due to the high quality of the mandated universal health visiting offer which provides core contacts and more intensive support according to need.
- 4 The FNP service reaches only 20% of eligible young families and currently provides intensive perinatal support to 181 clients. Each Family Nurse has a maximum caseload of 25 families. The health visiting service provides a universal programme of 5 statutory contacts and a progressive universal offer delivered by health visitors in accordance with family's needs. The average caseload in Health Visiting is approximately 350 families. The approximate cost of providing the FNP programme to a family is £1,885 per annum, while the approximate cost of providing the HV programme to a family is £113 per annum.

<sup>1</sup> [Effectiveness of a nurse-led intensive home-visitation programme for first-time teenage mothers \(Building Blocks\): a pragmatic randomised controlled trial](#)

Michael Robling, Marie-Jet Bekkers, Kerry Bell, Christopher C Butler, Rebecca Cannings-John, Sue Channon, and others

The Lancet, Vol. 387, No. 10014, p146–155.

- 4.1 Therefore, it is considered to be preferential and more efficient to protect the funding of universal Health Visiting services.
- 4.2 The FNP service currently employs 12 Family Nurses, 2 team leader/supervisor roles and an administrator. The team have been made aware of the proposed decision not to extend the FNP contract and Leeds Community Healthcare has started an informal redeployment process working under the Agenda for Change policy.
- 4.3 Existing clients of the FNP programme will continue to receive the intensive service up until March 2017, at this date, it is intended to transfer them to a local Health Visitor who will provide support appropriate to their needs. Clients are being given the option of transferring earlier if they wish to do so. Leeds Community Healthcare in discussion with commissioners decided that the FNP service would not recruit any new families after 1<sup>st</sup> April 2016.
- 4.4 The proposed extensions are for a further 12 months, which mean that the contract will expire on 31st March 2018. This will be the first period of extension, and there is a second period available subject to satisfactory demonstration of value for money and quality against performance targets within the service specification.
- 4.5 The Council is proposing to keep all other contractual terms and conditions unchanged for the remainder of the contracts. There is the intention for the contract manager to work in partnership with LCH to develop an exit strategy for FNP to ensure service users are not adversely affected and develop and monitor the service delivery plans for the final years of contracts taking account the reduction in funding.

## **5 Corporate Considerations**

### **5.1 Consultation and Engagement**

- 5.1.1 Current service users were informed of the proposed decision to close the service by letter handed to clients by their Family Nurse, allowing the opportunity for 1 to 1 discussion. These letters included a name and email address for comments and concerns. To date no comments or concerns have been raised via this route. The FNP service has collected service user feedback on hearing of the intended decision not to commission the service after 1st April 2017. Key themes that emerge are sadness at the loss of the service which most found helpful and useful. Many comment on the loss of the relationship they have gained with their family nurse.
- 5.1.2 Referrers were informed via letter by Leeds Community Healthcare. Letters were sent out to Children's Social Care, Children's Services, Early Help, GPs, Midwifery, Health Visitors, and the Teenage Pregnancy and Parenting Team. These letters included a name and email address for comments and concerns. To date only one letter of concern has been received via the Chief Executive Office from a local MP on behalf of a constituent from Adel who raised that closing the service is likely to increase the costs to the local authority given more children will need to be taken into care. The letter also highlighted that the clients themselves were unlikely to raise concerns given their own level of vulnerability. Following this Cllr Barry Anderson and Cllr Caroline Anderson (Adel ward) have also met with the DPH to discuss the proposed service change.

- 5.1.3 Key stakeholders were informed by letter from the Director of Public Health and the Executive Lead member to; Elected Members including Scrutiny Chairs, Leeds MPs, and Chief Officers of CCGs, Director of Children Services and the Chair of Young Lives Leeds.
- 5.1.4 An Extraordinary FNP Advisory Board meeting was held to discuss the proposed decision and consider its wider implications for the whole system of services provided to young families to be. The FNP Advisory Board will continue to meet for the lifetime of the programme to continue to monitor and manage any wider issues that may arise as a result of a decision to close the FNP service.
- 5.1.5 A commissioner provider group is in place in order to discuss and agree the approach to managing the service changes due to these variations with providers and clients. Key colleagues within the council are advising at appropriate stages of this decision making process, for example: finance; projects programmes and procurement unit, communities' team and policy and performance
- 5.1.6 A formal notification letter of the intended decision was sent to the FNP National Unit and the FNP Advisory Board by the Chair of the Leeds FNP Advisory Board. The FNP National Unit is currently supporting and advising both Leeds commissioners and providers to ensure the safe transfer of clients to Health Visiting services.
- 5.1.7 In accordance with CPRs, the variation to reduce the contract value and extend the contracts for a further year has already been agreed with the provider and the variation agreements will be finalised once approval has been obtained.

## **5.2 Equality and Diversity / Cohesion and Integration**

An Equality Impact Assessment has been undertaken in respect to the strategy to close the FNP service and reduce the Health Visiting contract value as a direct result of the Public Health Grant cuts announced by the Government. Key actions identified from this assessment are:

- The need to differentially protect HV services from central government cuts and ensure the Health Visiting service manages the allocation of staff to enable those teams affected to manage the increase in caseload that closing the FNP service will bring.
- The delivery of operational and individual transfer plans to ensure clients are safely and effectively transferred from FNP to HV services and to ensure young families continue to choose to engage with health visiting and other relevant support services. These include supporting families to engage with other relevant support services ,for example the Teen pregnancy and parenting team , Include, Baby Steps and YUMS programmes
- The FNP team to share learning regarding successful engagement of young people with FNP with the Health Visiting and other relevant services that will provide services to first time parents aged 19 and under.

- Leeds Community Healthcare to deliver redeployment support under Agenda for Change policies so colleagues currently employed within the FNP service can access alternative employment, training and development or leavers support.
- Leeds Community Healthcare to prioritise development of the Electronic Patient Record system to enhance the collection and reporting of data for routine equality monitoring, and to enable a fuller understanding of the demographic and equality characteristics of Health Visiting service users, with an initial focus on better understand and tracking the use of HV services by young families.
- Commissioners to undertake further consultation work with FNP clients and practitioners to inform the planned reprocurement of 0-19 services.
- Commissioners to include the need for robust demographic and equality monitoring data that can be used to track whole family and use of services as part of the planned reprocurement of 0-19 services.
- The Provider and Commissioner group to continue to meet until April 2018 to oversee the transfer and to review the impact of this change in service on young family engagement and use of services and to oversee the development and delivery of an action plan to manage any unforeseen consequences.
- The Family Nurse Partnership Advisory Board to continue to meet quarterly until April 2017 to ensure key stakeholders are updated and the impact of the closure of the FNP service on the wider Health and social care system can be monitored.
- A Public Health contract manager will work in partnership with providers to develop service delivery plans / action plans for 2016/17 and 2017/18 taking into account the reduced funding available. This partnership working is ongoing and will continue throughout 2016-18.
- There are limited impacts in respect to the cut in funding to the Healthy Child Pathway Services as these are being made by the provider achieving service efficiencies including removing vacant posts from the services establishment.

### **5.3 Council policies and City priorities**

- 5.3.1 Continuity of the Health Visiting service supports the delivery of the outcomes of the Leeds Health and Wellbeing Strategy (for example Giving every child the best start in life).

### **5.4 Resources and value for money**

- 5.4.1 The cost of these services is met from the Public Health ring fenced grant.
- 5.4.2 As a direct result of the Public Health Grant cuts announced by the Government, this report is seeking approval for contract variations to reduce the annual value of these contracts in 2017/18. Please see Appendix 1 for full details.
- 5.4.3 Closing the FNP programme will enable the Public Health Directorate to target resources to protect the Health Visiting services from the Public Health grant cuts, as this service is seen to be a more cost effective approach to delivering the 0-5 HCP. The proposed variation will maintain service provision and provide a sound

basis for the planned strategic review and recommissioning to progress. This will allow the time required to develop high quality services, which deliver value for the Council and the citizens of Leeds in the long term. This approach is also supportive of the Public Health strategic commissioning priority plan.

## **5.5 Legal Implications, Access to Information and Call In**

- 5.5.1 CPR 21.1 allows a contract to be extended before the expiry date in accordance with its contract terms provided the contract continues to deliver value for money to the Council.
- 5.5.2 CPR 21.7 states that all contract variations must be in writing and signed by the Council and the provider. Public Health has already consulted and agreed the reduced contract value and any required amendments to the service specifications with the providers. Once this report has been approved, formal contract documentation will be updated and published by PPPU.
- 5.5.3 Although there is no overriding legal obstacle preventing the variation of these contracts, the contents of this report should be noted. In making the final decision, the Director of Public Health should be satisfied that the course of action chosen represents best value for money.
- 5.5.4 This is a key decision and is subject to Call In, there are no grounds for treating the contents of this report as confidential under the Council's Access to Information Rules.

## **5.6 Risk Management**

- 5.6.1 The main driver to extend these new contracts with LCH is to ensure stability and continuity of these services whilst providing a sufficient period to undertake strategic review and competitive procurement if required of the 0-19 Healthy Child Pathway. These new contracts will prevent significant disruption to families and help achieve the delivery of the Council's Public Health responsibilities and the outcomes of the Leeds Health and Wellbeing Strategy.

## **6 Conclusions**

- 6.1 This report is seeking approval to extend the contracts delivering the Healthy Child Pathway and the Leeds Early Start Service with the existing provider (LCH) for one year from the 1<sup>st</sup> April 2017 to ensure stability and continuity of services whilst providing a sufficient period for Public Health to work with Children's Services to undertake a strategic review and potentially a competitive procurement of 0-19 years Healthy Child Pathway. This approach is also supportive of the Public Health strategic commissioning priority plan.
- 6.2 As a direct consequence of the cuts to public health grant announced by Government in November 2016, and the findings of the Building Blocks Randomised Control Trial evaluation study indicating that the FNP is not the most cost effective way to commission 0-5 services, this report is also seeking approval to reduce the annual value of these contracts and expire the FNP service by a contract variation. Full details are provided in Appendix 1.



- 6.3 All of the other contract terms and conditions will remain the same to ensure continued service delivery. Public Health intends to work in partnership with LCH to develop service delivery plans / action plans for 2017/18 taking into account the reduced funding available and the expiry of the FNP programme.
- 6.4 The routine contract quarterly monitoring against the performance measures will continue throughout the extension period to ensure value for money is achieved for the Council.

## **7 Recommendations**

- 7.1 The Director of Public Health is recommended to approve:
- 7.2 a 12 month extension and 2 variations to the value of the Healthy Child Pathway contract (9TVG-RGPSVB) held with Leeds Community Healthcare NHS trust as defined in Appendix 1 in accordance with Contract Procedure Rules (CPRs) 21.1 and 21.7.
- 7.3 a 12 month extension, and a variation to reduce the value of the Early Start Service contract (9RLG-STKYJH) as defined in Appendix 1 in accordance with CPRs 21.1 and 21.7 and to expire the Family Nurse Partnership service on 31<sup>st</sup> March 2017

## **8 Background documents<sup>2</sup>**

Appendix 1: Contract Details

Appendix 2: Equality, Diversity, Cohesion and Integration Impact Assessment – Leeds Early Start Service Contract Variation

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<sup>2</sup> The background documents listed in this section are available for inspection on request for a period of four years following the date of the relevant meeting. Accordingly this list does not include documents containing exempt or confidential information, or any published works. Requests to inspect any background documents should be submitted to the report author.