Ha**rrow Children and Young People's Executive Commissioning Board(C&YPECB) 15 January 2015**

Update on the Transfer of 0 to 5 Commissioning Responsibilities for Health Visiting

Report by Public Health, Harrow Council

Purpose of the Report

1. The purpose of this report is to update the C&YPECB on the progress regarding the transfer of 0-5 commissioning responsibilities for health visiting to local government.

2. Since 1 April 2013, NHS England has been responsible for commissioning the Healthy Child Programme (HCP) for 0-5 year olds, which is delivered by health visitors in Harrow. As of 1 October 2015, the commissioning responsibility for this service area will transfer to public health teams in local government. This transition marks the final part of the overall public health transfer to local authorities from the NHS following implementation of the Health and Social Care Act 2012.

3. Nationally a '0-5 Healthy Child Programme task and finish group' is leading the process. The national group includes representation from NHS England, Public Health England, the Local Government Association (LGA), the Society of Local Authority Chief Executives (SOLACE), the Association of Directors of Public Health (ADPH), the Association of Directors of Children's Services (ADCS), and the central government department for Communities and Local Government.

4. Six work streams support the national group. These are: finance, mandation, local authority and NHS preparedness, communication, information and IT.

5. To aid in the transfer process, the 0-5 Healthy Child Programme task and finish group has issued a timetable with key dates for the transition process.

Date	Action	Update
June 2014	NHS England Area Teams were requested to share information on existing	NHS England notified us that the overall contract value (2014/15) for Harrow

	contracts and funding, and seek engagement from local authorities and providers to help establish funding baselines.	(£1,913K) and Barnet (£4,221K.
July - August 2014	Local authorities and area teams were asked to submit joint information on funding ahead of indicative funding baselines for 2015/16 being identified and shared with local authorities for a period of local authority engagement in the autumn.	Received request 1 August. Held 8 Meetings with NHS England (London Region) and Providers up to late Summer 2014 discuss return. Responded with several queries and asked for further clarification Agreed with provider and NHSE that the 2015/16 baseline would also include 11 additional health visitors in Harrow bringing the contract baseline and cost to increase by £473k totalling £2,385,000. Issue of overhead funding (3%) highlighted.
September-October 2014	Final preparations for agreeing sign off for providers staffing and finances data. September: Regional preparation events.	DPH & DCS in both boroughs did not sign off contract allocation and submitted written report to area team to highlight points of concern and put forward the case for additional resources on the baseline amounting to an extra £1.85m. Public Health Consultant and

		Commissioning lead attended Nothing new shared at this stage but case for London (25) boroughs had not signed of NHSE staffing and finance returns was highlighted.
October 2014	Local authority consultation on funding allocations.	Asked by London Region to assist with capacity and putting the case for London. Provided comment and ideas to SOLACE and through the ADPH bodies Fed into a number of analyses and financial modelling for London. DH/NHSE delay in draft allocations.
December 2014	Local government funding settlement published including 0 to 5 part year funding (i.e. from October 2015).	Draft allocations eventually published 11th December 2014. Internal meetings within LBH including Finance and Legal Provider meetings commence (following IGF approval) with CLCH Initial response is favourable to Harrow with a £850k+ growth (just over half of what was asked plus baseline (£2.385m). Explore the basis for methodology and rationale for funding.
January 2015	Light touch self-assessment to be completed by each	Jan 16 deadline for submission to raise areas of

	area to highlight any remaining areas of concern and barriers which need to be resolved at national / local level to enable a safe transfer.	concern Contract negotiations with existing providers commence Jan 20
March 2015	Target date for expansion of Health Visitor numbers and Family Nurse Partnerships.	Providers target. PH will be holding meetings with providers as part of the monitoring process to achieve Call to Action numbers. Shadow meetings with NHSE and providers to agree contract and terms of legacy to continue up to September 2015.
1 October 2015	Transfer of commissioning responsibility from NHS England to local authorities.	PH steering the delivery and legacy arrangements.

Current position – national perspective

6. There has been extensive communication with the local task and finish group regarding mandated functions and contract transfer.

Key points are:

7. For 2015/16 the transfer of commissioning responsibilities is to be effectively a 'lift and shift'. NHSE has indicated that it prefers a novation of the contracts, with the main priority being stability of service. Guidance is expected shortly on the government's preferred approach to contracting and novation. With legal input, we have notified NHSE of the intention to roll over the existing contract for the full year and will be involved in the negotiation process January – September 2015.

8. NHSE has issued guidance regarding its plans for mandation. It is proposing (subject to parliamentary approval) to mandate five 'universal touch points':

- Antenatal health promoting visits
- New baby review
- 6-8 week assessments
- 1-year assessment
- 2-2 1⁄2 year old review.

9. Government is planning to undertake a review at 12 months of the impact of the mandation, and has a 'sunset clause' at 18 months to enable Parliament to discuss the impact of the changes. The government believes that mandation will help ensure that the recent increases in health visitor capacity will be secured and will continue, as well as ensuring the best outcomes for children and families.

10. Government has indicated that it expects the regulations to be in place by May 2015. There is an understanding that the draft regulations will be made available for comment in advance of parliamentary approval.

11. As Government intends a stable service for 2015/16, there is no change in its commitment to deliver 4,200 additional health visitors. There will also be limited changes to the section 7a agreement, which outlines the functions that are delivered by health visitors.

12.From 2016/17 onwards the 0-5 baselines will be added to the existing public health grant allocation to local government.

13.The Government has stated that it expects contracts to be broken down in line with how providers allocate their staff between local authority areas. Government believes that by splitting the contracts in this way it should ensure that local authorities get sufficient resources behind any contracts to meet their mandation obligations (which will be communicated when agreed).

Funding allocation - £160 per child

14. Ministers have decided to provide a floor to the amount of resource transferred such that no local authority is funded to a level below an adjusted spend per head (0-5) of £160. Government believes it is a first

step to support affected local authorities to work towards a needs-based solution for the public health grant from 2016-17. The DH recognizes that this will not address all needs based issues, nor is it a full funding formula. An Advisory Committee on Resource Allocation (ACRA) will be developing the funding formula to better reflect needs in the future.

15. From 2016-17 the allocations are expected to move towards a distribution based on population needs. The fair shares formula will be based on advice from the ACRA. The ACRA was established in September 1997 as the successor body to the Resource Allocation Group (RAG) and the Resources Allocations Working Group established in 1976. It is an independent committee consisting of GPs, public health experts, NHS managers and academics who make recommendations on the preferred relative distribution of resources to the Secretary of State for Health.

Current position – Local perspective

16. Public Health Harrow & Barnet used the findings from its School Nursing and Health Visiting research as the basis of a robust business case for both boroughs. This has been widely acknowledged by NHSE as a good approach and led to increased draft allocations for both Barnet and Harrow as two of the twelve areas nationally with increases in health visitor funding.

17. The Harrow draft allocation is £3,123m, which is an increase of £909k for 2015/16 (we had asked for £1.85m extra). The 2014/15 baseline provided by DH is not correct as it missed out 4 new HVs ; when this is corrected, it will reduce Harrow's allocation by about £33k. The growth suggests that £472k is to meet the 20- 25% - London average for overheads. The remainder would be required to fund about 9 additional health visitors that would help bring up the frontline HV number to meet the challenges with an increased 0-4 population.

18. The current provider is London North West Healthcare Trust. A total of 42.03 health visiting workforce - 28.63 are qualified Health Visitors (includes Call to Action Growth of 5.18). The current 0-5s population is 19,700. In addition the current exercise of moving from GP registrations to borough provision suggest Harrow will be a net importer of 3,899 0-5s from other boroughs/providers.

19. In it's September 30th return the borough asked for a conservative figure of 39 extra WTE to allow it to meet the growing needs of predicted population and this did not take account of the move to borough boundary provision (the extra 3,899 above).

20. Workforce analysis has shown an ageing workforce with recruitment and retention issues. The provider needs to deliver the HCP including meeting Safeguarding concerns in full and at the moment, this is not happening. There is also concern that the current service is not resourced to detect all cases of postnatal depression. This is indicative of staffing levels for Health Visitors at less than recommended levels.

21. Whilst Harrow could benefit from a Family Nurse Partnership with increased delivery and effectiveness of the HCP, The full cost of a FNP programme is in the range of £250k - £350k the expectation is the costs would be met by the borough.

22. The Risks for Harrow are:

- Financial allocations: The national financial allocation will not necessarily be the final amount the Council receives. The Government is indicating that if there are any changes in the assumptions made regarding the allocations or if the contracts differ post December 2014, then further local negotiations will be required. It will be part of the Council's due diligence process to ensure that any assumptions made in the returns or in negotiations are as accurate as possible, to ensure minimisation of the possibility of any late amendments to the final contract value which may impact on the ability of the authority delivering the contract. The Council will also want to re-negotiate the corporate overheads figure.

- Mandation: At this point in time, although we have received general information on mandation, we have limited clarity over the specific detail. Without the detail of the mandation, it limits our ability to plan effectively. Over the longer term it could impact on our ability to integrate and align services. We have only commenced monitoring of the existing contract through an IGF.

- Contracting split: The current contract held by NHS England covers Harrow, Ealing and Brent. Guidance has indicated the split of the contract is determined on the staffing levels currently working in each locality. The current staffing levels on the ground do not reflect the population need and leave Harrow in a slightly disadvantaged position. The Call to Action number of additional Health Visitors is 11 before the growth in 2015/16.

- Timescale for agreeing the new contract: Although a high-level timetable for the transfer of commissioning responsibilities has been provided by the national task and finish group the timetable is already slipping and the commissioning lead is in regular communication with NHSE with the intention to influence the 2015/16 contract.

Next steps

23. A letter of response on the draft allocation will be sent to the NHSE regarding Harrow's challenges to the financial allocation currently being proposed. If no national directive is received on some of these issues, there will be local discussions to try and resolve them. Information from the national team regarding the financial consultation period and the self-assessment is also awaited.

24. In the interim, the council continues to make progress on the transfer with the current provider to ensure a seamless transition and that services are protected. A key focus will be progressing the local communications plan to reassure Health Visiting staff and key stakeholders.

Recommendations

23. The C&YPECB is requested to:

Note the updated position in relation to the transfer of 0-5 commissioning responsibilities.

Appendix 1: Implications

Finance

The proposed allocation for Harrow in 2015/16 is £3,123,000. This represents an increase of £909,000. £472,000 is earmarked for corporate costs, which was 20% below the London average for delivering the 2014/15 contract.

Staffing

Current staff will not be affected by the transfer of the commissioning responsibilities, however there are more general concerns regarding the recruitment and retention of health visitors in the county. Harrow had asked for an additional 39 health visitors and the proposed allocation will only allow for about 9 additional health visitors.

Risk

A Public Health project board is managing the transfer.

Equality and Diversity / Public Sector Equality Duty

Not applicable

Accommodation

It is anticipated that there will be no accommodation implications from the transfer and that staff will continue to be based within their existing locations. Given the changes in Early Years Provision LNWHT is being made aware.

Crime and Disorder

Not applicable

Human Rights

Not applicable

Consultation

There is a project board in place to enable consultation across the key partner organisations. A communications plan is already in place.

Procurement

The commissioning responsibilities will be transferring to the authority. It is anticipated that this will be a process of novation.

Disability Issues

Not applicable

Legal Implications

The project board is receiving legal advice as required.