Lincolnshire COUNTY COUNCIL
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Executive

Open Report on behalf of Debbie Barnes, Executive Director of Children's Services

Report to:	**Executive**
Date:	**01 November 2016**
Subject:	**Children's Health Services Model and Commissioning Plan**
Decision Reference:	**I011790**
Key decision?	**Yes**

Summary:

Children's Strategic Commissioning Service is reviewing early years and children's health services that are currently outsourced, further details of which can be found in the background section of this report. Expenditure on these services in 2016/17 is £13,998,367.

A decision was taken in July 2016 by the Executive Councillor responsible for Children's Services to agree the final service model and preferred commissioning route for the early years services in scope of the review. Early years services will be procured by means of an open competitive tender and should be operational by 1 July 2017.

The Council's Executive is now asked to approve the final service model and commissioning route for children's health services in scope of the review. The current contractual arrangement with Lincolnshire Community Health Services NHS Trust (LCHS) for these services is due to cease on 31st March 2017 with an option to extend to 31st March 2018. The review of children's health services will support the Council to find savings of £350k in 2017/18 and a further £350k in 2018/19. Additional savings will be sought where possible.

Recommendation(s):

That Executive:

1 Approves the final model for new children's health services set out in the Preferred Children's Health Service Model section of this report.

2 Approves the following commissioning options :
   a) That the children's health service 0-19 (25 SEND) is in-sourced and provided by the Council's Children's Services department.
   b) That the existing online counselling service contract with Xenzone is

varied from 1st April 2017 to 31st March 2018 to include a pilot for the additional elements required under the review.

c) That a single online counselling service is procured through an open competitive tender and services are operational from 1st April 2018.

d) That the additional sexual health service elements required under the review are embedded into Public Health's existing Lincolnshire integrated sexual health service contract by way of a variation to the existing agreement.

e) That the Executive Director of Children's Services in consultation with the Executive Councillor responsible for Children's Services be delegated the authority to approve the final form and content of the emotional wellbeing, including whether the service should be provided by the Council alongside the new children's health service 0-19 (25 SEND) or procured through an open competitive tender process. This will require further discussions with schools and the School Forum to identify if there is a method for achieving joint commissioning, subject to school funding changes. Delegation to include determining the form and content of the service and approving the entering into of all necessary legal documentation.

3 That the Executive Director for Children's Services in consultation with the Executive Councillor responsible for Children's Services be given delegated authority to take all decisions necessary to give effect to the decisions in paragraphs 1 and 2 above to include approving the form and content and the entering into of all necessary legal documentation.

Alternatives Considered:

1. That an alternative model is proposed for children's health services.

2. That alternative commissioning options set out in this report for the new children's health services are agreed.

Reasons for Recommendation:

The recommended model for children's health services was developed taking into account findings from the review. Further model options have already been explored with a variety of boards including Children's Services Directorate Management Team and Corporate Management Board and the final model is deemed to provide the best offer to families within available resources. Not agreeing to the model or changing the model risks altering/removing services where there is a clear rationale for needing them. Further work would be needed to understand the impact of changes which would increase the time required to implement new services and for savings to be realised.

Alternative commissioning options have been given thorough consideration and the recommendations provided to Executive are believed to offer the best approach to securing value for money services that will improve outcomes for children, young people and families. It is believed that to agree alternative commissioning options would result in this not being achieved as successfully.

1. Background

The Council's Children's Services Directorate has the lead commissioning function for the services set out below, all of which are being reviewed:

Services	Service Category
• Health Visiting • Family Nurse Partnership • Antenatal Weight Management • School Nursing	**Health** **£11,279,040 (16/17)**
• Early Years Service for Children's Centre Communities • Locality Services - Participation and Engagement • Locality Services - Crèche • Locality Services - Skills Development • Locality Services - Adult Learning • Locality Services - Bi-lingual support • Locality Services- additional commissioning • Locality Services- Witham Family Centre	**Early Years** **£2,719,327 (16/17)**

These services cover a broad range of health and early childhood based support for children and young people aged 0-19 and their families. Children's Services has only recently become the responsible commissioner for all of these services and now has an opportunity to review current service provision holistically for the first time and to re-shape services as required.

The strategic outcomes the services will support are:

- Joint Health and Well-being Strategy for Lincolnshire 2013-2018:
    - Theme: Improve health and social outcomes for children and reduce inequalities
    - Outcome: Ensure all children get the best possible start in life and achieve their potential
- Lincolnshire Children and Young People's Plan 2013-2016:
    - Children and Young People are healthy and safe.
    - Children and Young People develop their potential in their early years and are ready for school.

On 29th July 2016, the Executive Councillor for Children's Services approved the final model for the early years services in scope of the review and that these services will be re-procured by means of an open competitive tender. In advance of this decision on 15th July 2016 the Children and Young People's Scrutiny Committee considered and supported the recommendations for early years services. These reports are available to the general public.

This report deals with Children's Health Services.

<u>Current Commissioning of Children's Health Services</u>

When Public Health transferred to Local Authorities in 2013, Councils became responsible for commissioning public health services for 5 to 19 year-olds (up to 25

for young people with Special Educational Needs and Disabilities (SEND)). On 1st October 2015, Local Authorities were further delegated commissioning responsibility for public health services for 0 to 5 year olds. In Lincolnshire, Children's Services undertake the commissioning and contract management of all these services which now include:

- Health Visiting
- Family Nurse Partnership (FNP)
- Antenatal Weight Management
- School Nursing

Lincolnshire Community Health Services NHS Trust (LCHS) delivers all of these services. The Council has a contractual agreement with LCHS made under S75 of the NHS Act 2006 for the services. This is due to end 31st March 2017 (a further six months extension is currently being agreed to 30th September 2017 and following this a final further six month extension can be invoked).

Each of the service elements is described below.

Health Visiting

The service leads delivery of the Healthy Child Programme for 0-5 year olds; a prevention and early intervention public health programme that lies at the heart of universal services for children and families and aims to support parents, promote child development, improve child health outcomes and ensure that families at risk are identified at the earliest opportunity.

The Healthy Child Programme in Lincolnshire follows the model below:

- Four levels of service: community, universal checks and advice available to all, universal plus where more intensive support is needed and universal partnership plus where muli-agency intensive support is needed.
- Delivery of five (currently mandated) universal checks: antenatal 28+ weeks pregnancy, new baby (10-14 days), 6-8 weeks, 8-12 months and 2-2 ½.
- Support around six high impact areas: transition to parenthood, maternal mental health, breastfeeding, healthy weight, managing minor illness and accident prevention and healthy 2 years olds and school readiness.

Family Nurse Partnership (FNP)

FNP commenced in Lincolnshire in 2014 and covers Boston and Skegness. FNP is a licensed evidence-based, preventative programme for vulnerable first time young mothers aged 19 or under at time of conception that provides intensive and structured home visiting from a Family Nurse as follows:

- 1 per week during first month of involvement with FNP
- Every other week during pregnancy
- 1 per week first 6 weeks after delivery
- Every other week until 21 months
- Once a month until age 2.

The maximum caseload is 25 per full time equivalent to allow significant time to be spent with families.

In December 2015, the Executive Member for Children's Service within authorised delegation agreed that the FNP programme should not be commissioned across the county and that delivery should continue for the existing client group but that no new referrals should be taken on. The decision was taken due to disappointing findings from the independent randomised control trial in the UK, the Council being unable to afford countywide roll out of FNP leaving an inequity of provision and FNP not being scalable across Lincolnshire under license restrictions. Instead through this review the Council is looking at its offer to vulnerable women in general around pregnancy and early years. The FNP target group of teenage parents is arguably more limited than the group that the Council considers may need an intensive support service. Current service users of FNP will receive continued support to on the programme until they can be transitioned into Health Visiting services which is projected to be by 31st March 2017.

Antenatal Weight Management

The service provides pregnant women with a Body Mass Index (BMI) of 35+ with tailored advice and support throughout pregnancy between 16 and 36 weeks gestation. The service helps women make manageable changes to their lifestyles in order to limit weight gain in pregnancy to between 5 and 9kg, given the increased risk of health complications to them and their child during pregnancy and beyond. The service is available for women who are due to give birth at either Lincoln or Boston Hospitals.

School Nursing

The School Nursing service supports the delivery of the Healthy Child Programme to children aged 5-19 (25 SEND) which offers a schedule of universal health and development reviews, screening tests, immunisations (commissioned by NHS England), height and weight measurement and health promotion guidance. Schools and families are able to opt out of the universal offer.

Age Group	Activity	Commissioner
Reception (4-5 Years)	• School entry health needs assessment via questionnaire to parents • Height and weight as per the National Child Measurement Programme • Hearing Test	LCC
Year 6 (10-11 years)	• Height and weight as per the National Child Measurement Programme	LCC
Year 7 (11-12 Years)	• Health needs assessment questionnaire completed by the young person • Presentation on transition to secondary school and the introduction of the service	LCC
Year 8 Girls (12-13 years)	• Presentation of HPV programme and delivery of vaccine 1	NHSE
Year 9 Girls (13-14 Years)	• Delivery of Vaccine 2 of HPV programme	NHSE
Year 9-10 (14-15 Years)	• Delivery of PSHE sessions or health promotion activity on sexual health; focusing on delay in sexual activity, sexually transmitted infections and contraception	LCC
Year 7-13 (11-19 years)	• School nurse drop in – minimum of one session every half term • Clinic in a box; comprising of age appropriate sexual health advice, chlamydia testing, pregnancy testing, issue of condoms via c card scheme and emergency hormonal	LCC

	contraception	
Anaphylaxis	• A presentation on the management of anaphylaxis is delivered to every school every academic year	LCC
School based immunisations	• The school nurse can also offer further immunisations e.g. Fluenz; Meningococcal ACWY; school leaver vaccinations.	NHSE

Targeted support is provided for children and families including assessment and care packages on parenting and behaviour; continence/enuresis, healthy weight and emotional health and wellbeing. The service also provides relevant support for complex cases.

Preferred Children's Health Service Model

Appendix A - Section 1 sets out a summary of review findings relating to children's health services including:

- Statutory duties
- Needs summary
- Engagement results
- Evidence
- Equality Impact Assessment (EIA) questionnaire feedback

The findings of the review to date and options for future service models have been presented to a variety of boards and groups (Children's Services Executive Directorate Management Team, Corporate Management Board, Women and Children's Board and a Members working group with representatives invited from both Children and Young People and Health Scrutiny Committees). A preferred model for new services was provisionally agreed. Further public engagement, via an EIA questionnaire, has taken place to understand any positive or negative impacts the preferred model may have and EIA's have been updated accordingly. These can be found at Appendix B. The Council's Executive is asked to agree the preferred service model for children's health services.

The Council will commission four services:

1. Children's health service for 0-19 (25 SEND)
2. Online counselling service
3. Sexual health service
4. Emotional wellbeing service

1. Children's Health Service for 0-19 (SEND)

- Children's health services for those aged 0-19 (25 SEND) will be integrated into a single service and this service will be closely aligned to the Council's Early Help and Social Care teams for children and young people. This mirrors the government's intention in joining up the commissioning powers for 0-19 public health services and will allow a service to be delivered that offers a coherent, effective, life course approach.
- The Health Visiting service workforce will be sustained or enhanced and the School Nursing service workforce will reduce with re-deployment into other services being a key aim.

1a. Children aged 0-6:

- Services will be enhanced for all children aged 0-6 with a significant focus on age 0-2. The evidence base and feedback from professionals supports this approach. This is essential for laying down solid foundations for the rest of children's lives aiming to prevent many issues that ultimately impact on later health and social care services.
- The service will identify women that are pregnant as early as possible and lead delivery of integrated antenatal education alongside midwifery and early years services, for women and their partner/network to help them prepare for parenting.
- The service will deliver universal checks, provide group support sessions, enhance peer support and have a greater presence in children's centres/local community venues to support all families.
- All families will be allocated a specific Health Visitor that they will see antenatally during the early weeks and months. For any vulnerable family this can continue up until their child is at the end of their first school year.
- Children will remain under the care of a Health Visitor until they finish reception year. Health Visitors currently hand over responsibility for children at age 5 to School Nurses. In particular this will have a positive impact for families with more complex needs who will have maintained more regular contact with a consistent Health Visitor. Families will have support over this key transition period from a professional that knows their history and can work from a more informed perspective with the school. For most universal families there will be no increased demand on Health Visitors as a result of this change.
- Health Visitors will be supported to spend more time with vulnerable families to deliver intensive support to them.
- Where children are born with a disability the Early Support Care Coordination (ESCO) team will act as the lead professional working with the family through early childhood and a universal Health Visiting service will be delivered unless there are other exceptional circumstances that require a more targeted approach.
- The Health Visiting workforce will be upskilled to identify emerging mental health concerns and deliver mental health interventions to women and their partners. In Lincolnshire there is a gap in provision between what interventions Health Visitors can currently deliver and the Clinical Commissioning Group (CCG) commissioned Perinatal Community Mental Health Service (for women with a serious mental illness or history of serious mental illness that are either pregnant or up to one year post-partum). The negative impact of poor maternal and paternal mental health on children is well evidenced and NHS England's independent Mental Health Task Force has already put forward recommendations to invest significantly in perinatal mental health services as backed in the National Maternity Review Report 2016. Health Visitors must bridge any gap between universal support and perinatal services as they are best placed to identify and intervene where there are concerns.

1b. Children age 6-19 (25 SEND)

- If parents or professionals have any concerns about a child's health, that doesn't require GP or specialist health involvement; nurses will undertake an assessment of need at any age and will deliver interventions to support families e.g. continence and enuresis, healthy weight. This will include involvement on

early help, child in need and child protection cases and the delivery of health intervention packages as relevant.

- Vaccinations and immunisations will continue to be provided through NHS England commissioning arrangements.

2. Online Counselling Service

- There will be an increased online counselling service for children and young people where they can access advice about health/lifestyle issues and can speak to qualified counsellors about specific concerns they have. The service will be able to directly refer to the 0-19 health service so that children can receive face to face interventions from qualified nurses.

3. Sexual Health Service

- Countywide sexual health services that are currently available to children aged 13+ will be enhanced to cover a younger age range to provide information and intervention.

4. Emotional Wellbeing Service

- A new emotional wellbeing service will be available to work with schools to promote emotionally healthy environments and to deliver direct interventions to children and families that are struggling with issues that are impacting on their lives but who are not eligible for other services such as Child and Adolescent Mental Health Services (CAMHS).

Age	Universal	Targeted	Specialist	Changes	Gaps	Key Risks
Antenatal	Mandated antenatal 28+ week review (named Health Visitor) in the home.	Antenatal review and intervention based over a number of visits as required.	Antenatal review and intervention based over a number of visits as required.	Named Health Visitor for all families up to 6-8 weeks. More intensive antenatal involvement from Health Visitors for families that need extra support.		
	Antenatal education from 30 weeks pregnant- integrated delivery (Health Visiting/Midwifery/Early Years).	Antenatal Education delivered by Health Visitor/Midwife if families that need additional support don't engage in universal offer.	Antenatal Education delivered by Health Visitor/Midwife if families that need additional support don't engage in universal offer.	Introduction of universal antenatal education classes.		50% of women deliver with ULHT. Possibly less under LHAC. Midwifery involvement from multiple trusts challenging.
	Emerging mental health concerns assessment.	Mental health intervention by Health Visitor.	Mental health intervention by Health Visitor.	Health Visitor delivering mental health intervention- training need.	Potentially still a gap between intervention a Health Visitor can deliver and CCG commissioned Community Perinatal service.	
0-3	Mandated reviews (10-14 days (home) and 6-8 weeks) by named Health Visitor. 3-4 month group sessions by skill mix. Mandated review (8-12 months) Health Visitor led. 18 month group sessions by skill mix. Integrated review 2-2/12 Health Visitor led for children not in childcare or Setting led for children in childcare Bookable health clinics, drop-in health clinics and telephone/online advice sessions. Peer support programme (breastfeeding/feeding, delayed weaning, mental health, CWD).	Named Health Visitor to deliver time limited interventions as needed alongside universal offer.	Named Health Visitor to deliver interventions as required alongside universal offer.	Named Health Visitor for all families up to 6-8 weeks and longer if targeted or specialist. Use of skill mix to deliver some mandated reviews for universal families. 3-4 month and 18 month groups. Change to 2-2/12 review by Health Visitor (mandated currently). Review led by professional with most involvement with child. If setting has health concern they can refer to Health Visiting and visa versa. Health visiting lead on registration to children's centres. Improved peer support programme.		Current mandate around 2-2 ½ review restricts ability to deliver fully integrated review. If mandate lifts proposed to change review timescales and documentation used.
Age 3-end Reception	Bookable health clinics, drop-in health clinics and telephone/online advice sessions. Peer support programme (communication, toileting, behaviour, sleep, mental health, CWD). National Child Measurement Programme (NCMP) Reception. Health Visitor led. Advice to parents on vision and hearing screening, low level continence issues and other areas of school readiness.	Targeted time limited interventions for children up to end of Reception. Health assessment at school entry where needed and liaison with school as appropriate relating to specific health needs of the child. Joint working with school as needed.	Health assessment at school entry where needed and liaison with school as appropriate relating to specific health needs of the child. Joint working with school as needed.	Health Visiting is responsible service to end of Reception. No universal health needs assessment at school entry, no hearing screening in Reception. NCMP delivered by Health Visiting Service. More intensive support for more vulnerable families.		
	Vaccinations and Immunisations (NHSE funded)					Contract relies on School Nursing staff to provide enough volume of people to deliver programme.

						Any changes are risk for NHSE as commissioner.
Years 1-6	NCMP Year 6. Public Health Nurse led.	Health assessment and interventions for school aged children around public health issues. Liaison with school as appropriate relating to specific health needs of the child. Joint working with school as needed.	Attendance at Safeguarding meetings, health assessment and specific interventions with children and young people around public health issues. Liaison with school as appropriate relating to specific health needs of the child. Joint working with school as needed.	No universal anaphylaxis presentation, no health and wellbeing clinics as access to service through Early Help.		There will be no regular presence of a single professional in school overseeing all Public Health issues.
	Support with low level continence issues.	Tiered continence service	Tiered continence service	Currently no specialist continence service commissioned. School Nurses pick up some of this work and manage the CCGs continence budget.		CCG may say they will not fund service. All children using service are CWD and the service is needed. This may need to be included and funded by Council if CCG do not agree to fund.
	Vaccinations and Immunisations (NHSE funded)					Contract relies on School Nursing staff to provide enough volume of people to deliver programme. Any changes are risk for NHSE as commissioner.
	Mental Health promotion to schools.	Emotional wellbeing service for school aged children. Family therapies, group and individual work in school or home. Accessed via Early Help route or GP referral.	Emotional wellbeing service for school aged children. Family therapies, group and individual work in school or home. Accessed via Early Help route or GP referral.	New service to bridge current gap between universal services and CAMHS.		Needs to deliver specific interventions and have clear criteria or there may be a risk of service becoming a catch all for children where professionals don't know what to do.
Year 7-age 19		Health assessment and interventions for school aged children around public health issues. Liaison with school as appropriate relating to specific health needs of the child. Joint working with school as needed.	Attendance at Safeguarding meetings, health assessment and specific interventions with children and young people around public health issues.	No universal transition presentation at year 7, no universal health assessment at year 7, no universal anaphylaxis presentation, no drop in sessions in secondary schools, no health and well-being clinics as access to service through Early Help.		There will be no regular presence of a single professional in school overseeing all Public Health issues.
	Support with low level continence issues.	Tiered continence service	Tiered continence service	Currently no specialist continence service commissioned. School Nurses pick up some of this work and manage the CCGs continence budget.		CCG may say they will not fund service. All children using service are CWD and the service is needed. This may need to be included and funded by Council if CCG do not agree to fund.
	Vaccinations and Immunisations (NHSE funded)					Contract relies on School Nursing staff to provide enough volume of people to deliver programme. Any changes are risk for NHSE as commissioner.
	Sexual Health Services delivered through Lincolnshire Integrated Sexual Health Service age 13+ (Public Health funded). Children's Services to fund enhancement of provision for school aged children.			School Nurses currently deliver some work to schools (chlamydia screening, contraception and STI health promotion, pregnancy testing, c-card and EHC) but this is not consistent across the county. Integrate with countywide contract for		

				economies of scale and to ensure integrated approach to sexual health.		
	Online advice service linked to online counselling service offering out of hours, bookable and drop-in appointments. Issues addressed include sexual health, healthy relationships, domestic abuse, substance misuse, bullying, puberty etc. Service can make direct referrals to more specialist services e.g. Phoenix smoking cessation, substance misuse services, sexual health service, emotional wellbeing service and CAMHS.			New service.		
	Mental health promotion to schools.	Emotional wellbeing service for school aged children. Family therapies, group and individual work in school or home. Accessed via Early Help route or GP referral.	Emotional wellbeing service for school aged children. Family therapies, group and individual work in school or home. Accessed via Early Help route or GP referral.	New service to bridge current gap between universal services and CAMHS.		Needs to deliver specific interventions and have clear criteria or there may be a risk of service becoming a catch all for children where professionals don't know what to do.

Key	
	Children's Health Service 0-6
	Children's Health Service 6-19
	Externally commissioned service
	Emotional Wellbeing Service
	Online Counselling Service

Budget implications

Funding for the preferred model is set out below:

	Services	16/17	17/18	18/19
Pre-review Health	Health Visiting & Antenatal Weight Management	£8,300,000	£8,300,000	£0
	Family Nurse Partnership	£350,000	£0	£0
	School Nursing	£2,629,040	2,629,040	£0
Post-review Health	Children's Health Service 0-19	£0	£0	£9,229,040*
	Online Support Services	£0	£0	£100,000
	Emotional Wellbeing Service	£0	£0	£1,000,000
	Sexual Health Service	£0	£0	£250,000
Total		£11,279,040	£10,929,040	£10,579,040
Savings		£0	-£350,000	-£350,000

In 2017/18, £350,000 of savings from children's health services will made. A further £350,000 of savings will be made in 2018/19 assuming new children's health services are in place by 1st April 2018.

*A costs analysis has been undertaken on the preferred model for the children's health service 0-19 (25 SEND) and a budget of c£9.2m P/A is deemed sufficient to cover all commissioning options. If a partnership or re-procurement is agreed there would be enough tolerance in this budget to allow for an organisation to cover overheads and allow an appropriate amount of profit/surplus. For the in-house option some contingency funding has been added into the budget given some unknown costs, some of which are likely to be one off as part of set up, but it is anticipated that further savings should be achievable. The Councils intention to co-locate services regardless of the preferred commissioning option should mean that less money needs to be spent of estates than under current contract arrangements, although the Council will need to retain some funding towards property costs.

Commissioning Options

The options considered for each of the children's health services were:

a) Do nothing- this means continuing with current contractual arrangements and not altering services or funding.
b) Decommissioning- this means not commissioning any services beyond existing contracts and that services would effectively cease.
c) Influencing- this means not commissioning any services beyond existing contracts but working with other agencies to try secure the continuation of services through them acting either as a commissioner/co-commissioner or provider/co-provider.
d) Partnership- this means establishing a partnership agreement for the delivery of services such as an agreement made under Section 75 of the NHS Act 2006.
e) Insourcing- this means bringing the services within the Council with staff potentially being subject to TUPE rights and then being employed and managed by the Council.
f) Local Authority Traded Company (LATC) - This means establishing a company to deliver these services, which is owned by the Council yet, has an

autonomous structure. This option is only considered for children's health service 0-19 (25 SEND)

g) Re-procurement- by means of an open competitive tender- this means going out to the market, by means of a competitive tender process, with the intention of continuing to outsource the service to meet the requirements of service users.

Children's Health Service 0-19 (25 SEND)

The children's health service 0-19 (25 SEND) accounts for the largest and arguably most complex of the new services to be commissioned. The commissioning option agreed for this service will have ramifications for the commissioning options for the online counselling service, sexual health service and emotional wellbeing service. Below is a high level options appraisal and further detailed information is also contained in this report. In summary the commissioning option recommended to Executive is to insource this service to be provided by the Council.

The options to do nothing, decommission and influence services are not legitimate options for consideration and so they are not contained in the high level options appraisal but explained in more detail in the report.

	Overview of Options	Partnership (current provider)	In-sourcing	Local Authority Traded Company	Re-procurement
	Criteria	**Rating**	**Rating**	**Rating**	**Rating**
Financial Impact	Short term financial impact to LCC	3: No additional set up costs	2: Some set up costs but within allocated budget so no additional cost pressure, some potential redundancy costs if staff TUPE and restructure	2: Council may loan company funds for set up	3: No additional set up costs
	Medium term financial impact to LCC	4: Limited ability for further savings without another review	6: Likelihood of further savings being achieved without staffing reduction	6: Likelihood of further savings being achieved without staffing reduction	4: Limited ability for further savings without another review
	Income generation potential	1: Not part of commissioning plan	1: Not part of commissioning plan	3: Up to 20% from other contracts	1: Not part of commissioning plan
Implementation	*Implantation timescales*	6: Estimated 1 October 2017	4: Estimated 1 April 2018	2: Estimated 1 April 2018 but higher risk of slippage due to work required to set up company	4: Estimated 1 April 2018
	Clinical governance arrangements	3: In place already	2: Need establishing but allocated within budget	2: Need establishing but allocated within budget	3: Part of tender requirement
	Legal implications	2: Council must delegate functions to provider and drafting of new Section 75 Agreement	3: Council has legal power to deliver services some legal work to support TUPE	1: Significant work to support establishment of new company	3: None some support on drafting of contract
	Commissioning costs	3: Writing of new Section 75 Agreement	2: Management of in-sourcing and contract exit	2: Management of in-sourcing and contract exit	1: Procurement activity, market engagement and new service implementation.
	CQC registration and inspection requirements	6: In place already	4: Likely to achieve registration and requirement to prepare for inspection compliance but structures in place to manage this	2: Likely to achieve registration but without full Council infrastructure greater preparation needed for inspections	6: Part of tender requirement
	IT system implementation	3: In place already	2: Needs to arrange access to SystemOne or method to share information across systems	2: Needs to arrange access to SystemOne or method to share information across systems	2: Risk of another provider working from different systems and needing to identify way to share/integrate systems
	Premises arrangements	1: Harder to negotiate changes as provider has existing premises arrangements	3: In place already and work underway to look at any further premises requirements. Budget identified to support this	3: In place already and work underway to look at any further premises requirements. Budget identified to support this	2: Ability to stipulate in specification around premises requirements but this may make limit market interest for any provider with existing bases
	HR policies and procedures	3: In place already	2: Many Council policies and procedures will be suitable for use and good enough skill set within organisation to develop new required one	1: New organisation will need to develop all new policies and procedures	3: Part of tender requirement
	Wider stakeholders/market	1: No testing of market and could work against wider Lincolnshire Health and Community plans	2: No testing of market but legally sound	2: No testing of market but legally sound	3: Low risk as testing market
	Risk of challenge by public	3: Low as no change	2: Medium risk around public perception of social care service	2: Medium risk around public perception of social care service	3: Low as would be awarded to highest bidder and evidenced
Workforce	*Retention of staff*	6: Likely as no change	4: Staff nearing or at retirement age may leave service and chance of staff seeking re-employment within NHS organisation in first 12 months	4: Staff nearing or at retirement age may leave service and chance of staff seeking re-employment within NHS organisation in first 12 months	4: Some potential for loss of staff who do not want to change employer in provider was to change
	Pension issues for TUPE'd staff	3: No change	2: Look to offer NHS pension scheme or obtain GAD	2: Could offer NHS pension scheme	2: Part of tender requirement to offer NHS pension scheme

Performance and Outcomes	*LCC ability to manage performance*	2: Less ability to enforce around poor performance as Section 75 is more of a negotiated agreement and so harsh penalties will not be agreed to. Message in establishing Section 75 is that market is limited which weakens commissioning power base	6: Council will manage performance directly	4: Provider will be held to account through contract for performance	4: Provider will be held to account through contract for performance
	LCC ability to manage finances	2: Less ability to manage finances. Council will require financial reporting but will not control.	6: Council will manage budgets directly	4: Provider will be held to account through contract for open book accounting and use of funds	4: Provider will be held to account through contract for open book accounting and use of funds
	Improved outcomes for service users	4: New structure should help improve outcomes but less direct access to other professionals to deliver joined up working and improve outcomes	6: Council will be responsible for outcome delivery directly and has good access to a range of professionals to work with families in a coordinated way to improve outcomes	4: New structure should help improve outcomes but less direct access to other professionals to deliver joined up working and improve outcomes	4: New structure should help improve outcomes but less direct access to other professionals to deliver joined up working and improve outcomes
	Integration of services	2: Less ability to enforce around integration as Section 75 is more of a negotiated agreement. Message in establishing Section 75 with current provider is that market is limited which weakens commissioning power base to enforce joint case allocation	6: Council has ability to fully integrate with processes such as Early Help	6: Company has ability to integrate with processes such as Early Help and Council could make other services part of traded company.	4: Part of tender requirement to integrate services but this may result in loss of new market entrants who may feel this doesn't allow for as much surplus or management control of case allocation
Score	**Red= 1, Amber=2, Green= 3, *italicised* weighted= x2**	**58**	**65**	**54**	**60**

a) Do nothing

An extension to the current Section 75 Agreement would need to be approved. This would be on the same terms and conditions and would not realise any savings or make service improvements that the review has identified are needed. This is not a viable option for consideration and for this reason no further detailed options analysis has been conducted.

b) Decommission

Some of the services commissioned support the Council in fulfilling statutory duties. Decommissioning would be likely to result in the Council facing significant legal challenge and would certainly face public challenge if these services were no longer available. There are no benefits to children and families of totally de-commissioning these services and the likely result would mean that our most vulnerable families are not identified quickly and supported with problems; further increasing pressure on social care and other services. This is not a viable option for consideration and for this reason no further detailed options analysis has been conducted.

c) Influence

There is no requirement for any organisation, other that the Council, to commission or provide these services. The responsibility for commissioning clearly lies with the Council. This is not a viable option for consideration and for this reason no further detailed options analysis has been conducted.

d) Partnership

The Council has an option to establish a partnership agreement made under Section 75 of the National Health Service Act 2006 as an alternative mechanism for securing the provision of the services. A Section 75 Agreement is not a contract for services and therefore not covered by the EU procurement regime. The main difference between a contract for services and a Section 75 Agreement is that a provider would exercise the Council's function rather than simply delivering a service. This gives a provider a greater degree of flexibility in determining what services to deliver within the overall duty to comply with the Council's legal obligations. It also involves, formally at least, less control on the part of the Council. This can be addressed however in the governance arrangements for the Section 75 which will include appropriate performance management and reporting mechanisms.

Certain statutory pre-conditions must be met before a Section 75 Agreement can be entered into:
(1) The partnership arrangements must be likely to lead to an improvement in the way in which the functions are exercised.
(2) The Partners must have consulted jointly such persons as appear to them to be affected by the arrangements.

The Council could seek to establish a Section 75 Agreement with a value up to £9.2m P/A with LCHS or another health trust, but in order to do this the Council must ensure that there is another NHS provider interested in delivering the service in Lincolnshire that can deliver services to the required quality, at the right price.

Given the extent of changes proposed testing the market would be more advisable over directly entering into a Section 75 Agreement. This would afford the Council the opportunity to assure itself that any provider was able to offer a high quality and affordable service against a new service specification.

It is not recommended to enter into a S75 Agreement with an unknown provider as this would be high risk given the Council would not have experience of working with them, nor have the assurance that services would be of a higher quality as a result.

If LCHS do not continue to deliver these services they may consider the delivery of other contracts for Children's Services, Public Health and Adult Care as untenable.

Benefits:

- Timescales for service implementation would be reduced as a procurement exercise would not be required and instead time could be spent negotiating changes with the provider.
- Supports a partnership approach across health and social care.
- If an agreement was made with the existing provider, there would be less disruption to staff working in the service and there would be no requirement to transfer data and records to another provider.
- Higher likelihood of staffing retention (especially those nearing retirement).

Dis-benefits:

- The Council's control in significantly altering services is reduced. It is more likely that the Council will enter into drawn out negotiations on changes to services and that compromises will have to be reached. This approach does not support the level of radical change that the review recommends in order to improve services within available resources.
- The wider provider market will not be tested to understand if there are potentially better service delivery options available.

High Level Timeline

Activity	Forecast start date	Forecast end date	2017									
			J	F	M	A	M	J	J	A	S	O
Draft new agreement	**01/01/17**	**31/03/17**										
Transition and transformation to new services	**01/04/17**	**30/09/17**										
New agreement commences	**01/10/17**	**01/10/17**										

e) Insourcing

The Council could directly insource and deliver the children's health service 0-19 (25 SEND) as an integrated service within the existing organisational structure as either:

a) A new service within Children's Services, with its own organisational structure, line management and supervision arrangements.
b) Integrated into an existing service within Children's Services, extending responsibility of current Heads of Service to include line management and supervision of new staff.

CQC registration and NHS Provider Licence:

The Council would need to register as an 'Organisation' with Care Quality Commission (CQC) as a provider of regulated activities, including a thorough assessment of requirements and suitability to deliver these services, and would need to jointly apply for an NHS Provider Licence. The Council's 'registered manager' must qualify as a 'Fit and Proper Person' and apply for a CQC countersigned DBS certificate. A nominated individual, who is responsible for the day-to-day operations of the regulated activities, should also be identified as part of the registration. The Council would need to consider undertaking new DBS checks for all employees. The estimated time to complete the CQC registration process is 12-16 weeks.

It should be noted that the service would be subject to CQC inspection. Children's Services is used to being part of a rigorous inspection framework under Ofsted and so is arguably in a good position to take on this additional requirement.

Clinical governance:

The Council will need an appropriate level of clinical governance in respect of supervision and support for the qualified workforce, CQC requirements and to sanction Patient Group Directions (PGDs). As part of their code of practice, nurses must have access to appropriate senior clinicians in respect of safeguarding or care delivery concerns. Clinical governance also provides routes of incidences for nurses and is accountable for investigating routine, serious (untoward) incidences and never events. Clinical supervision, mentoring and coaching is also required as part of a supportive nursing structure, to deal with capability concerns and revalidation. It would therefore be recommended to employ a senior clinician.

Insurances:

The Council would need to ensure existing insurances were to the sufficient level. In addition the Council would need medical malpractice cover. This type of insurance is costly and work is being undertaken to obtain quotations.

TUPE:

TUPE would apply to the employees whose main function was the provision of the public health services outsourced to the NHS under the Section 75 Agreement with the effect of transferring them to the employment of the Council. Transferring NHS employees are generally on favourable terms and conditions, which would be protected. They may be able to choose any more beneficial terms and conditions offered to employees of the Council to create a gold standard set of terms and conditions.

Pension:
The law provides for a pension scheme on transfer which is broadly comparable. The Council would seek to offer the NHS pension scheme (as it currently does where compulsory transfer applies) as without doubt this will be a more attractive prospect for employees and will support staff recruitment and retention. Both York and Suffolk County Council have insourced their 0-19 children's health services and offer the NHS pension scheme and so there is a clear precedent. If this is not possible (given this is not a compulsory transfer) employees will need to transfer onto the LGPS and an application to the Government Actuaries Department (GAD) for a Certificate of Comparability will be needed. These involve a great deal of work and take between 6-18 months to obtain.

Re-validation of nursing registration:
Qualified nurses are required to undertake revalidation to retain their right to practice. From April 2016 they are no longer able to sign a self-registration form to satisfy revalidation requirements. The Council will need to support nurses to meet their requirements for revalidation to the National Midwifery Council (NMC).

Information governance:
The Council will be responsible for ensuring the appropriateness, security and retention of information collected and stored by the employees delivering these services. Cultural differences exist across local government and the NHS, particularly regarding consent and the need to record all patient-related information to safeguard not only the patient, but the nurse providing treatment or advice. A Privacy Impact Assessment (PIA) will need to be undertaken to fully understand and document what personal data is being gathered, the data flows and what data is being used for, and any legislative requirements of these services. This will allow the Council to apply appropriate governance, in terms of Data Protection requirements, information security levels etc.

IT:
The transferring workforce currently uses the NHS's SystmOne case management system, which is also used by many GPs in Lincolnshire. The Council will need to decide how the transferring services will continue to manage their cases and record information. It is understood that there is a possible means of integrating/sharing information across SystemOne and other systems such as Mosaic but if this is not possible it will involve:

- Investigating moving the case management of these services to Mosaic, which would require transfer of existing data from SystmOne
- Buying into SystmOne and continue its use, however if any issues occur as a result of information not being shared between systems it would be difficult for the organisation to justify using both systems, it would also need to meet any network security requirements
- Stipulating dual management of caseload files in both systems, for example recording medical information in SystmOne and family information, child development updates in Mosaic

Premises
The proposed model of delivery recommends greater integration of health services with the Council's Early Help Teams. Co-location is at the heart of this model and is

recommended even if services are re-procured. Currently health service staffs work from four main bases and then deliver clinics in a variety of places including GP, health clinics, children's centres and schools. Work has begun with Children's Services Team Managers to identify existing capacity for co-location. It should be noted staff will spend the majority of their time (50%+) out of the office engaging with families. Agile working arrangements are being brought in under the current provider that mean staff will have better access to their system away from bases and therefore desk requirements will be reduced further.

It is likely that current Early Help bases will not provide sufficient capacity across the county to co-locate health services staff. Given this is viewed as a priority for integrated services then there is a potential that further investment in properties may be needed or else on a case by case basis. To this end c£170k P/A has been identified in the budget towards premises costs alongside recurrent property costs.

Legal advice has been sought on whether the Council has any contractual obligations around NHS property as part of the current S75 Agreement or other contracts. There are no current known contractual obligations that need consideration and further work is being done with Corporate Property to ensure that they too concur with this.

High Level Timeline

Activity	Forecast start date	Forecast end date	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A
Agree service structure	07/11/16	31/12/16																	
Clarify pension scheme arrangements and potentially apply for GAD certificate	01/12/16	31/03/18																	
Meet current provider staff to explain vision	01/12/16	01/02/17																	
Recruit Chief Nurse/registered manager (for CQC)	01/12/16	28/02/17																	
Obtain CQC countersigned DBS check	01/02/17	31/03/17																	
Register with CQC and apply for NHS Provider License	01/04/17	31/07/17																	
Establish governance/management arrangements	01/01/17	31/03/17																	
Set up insurances	01/01/17	31/01/17																	
Establish HR management processes and policies	01/08/17	31/10/17																	
Manage TUPE and associated consultation process	01/05/17	31/03/18																	
DBS checks for transferring workforce	01/04/18	30/04/18																	
Arrange contracts for IT supplier/support	01/06/17	31/07/17																	
Establish info governance and IT management processes and policies	01/08/17	31/12/17																	
Establish data protection processes and policies	01/08/17	31/12/17																	
Implementation of IT software/hardware required	01/10/17	31/03/18																	
Make necessary property arrangements	01/10/17	31/03/18																	
New service commences	01/04/18	01/04/18																	

Benefits

- More scope to integrate health service delivery with other relevant children's services.
- Indications are that further savings could be made by insourcing services compared to other commissioning options, particularly around estate, management and overhead costs.
- Clearer understanding about where funding is being used and greater budget control as a result.
- The Council would have more control and flexibility regarding delivery and performance of the service.

Dis-benefits:

- The Council would be subject to CQC registration and an intensive inspection regime.
- Employees who TUPE from the existing provider would do so on favourable terms and conditions.
- Negative media attention caused by the public perception that the service is a social care service, which may impact on families' engagement.
- Timescales for implementation may be impacted if the Council needs to obtain a GAD certificate for pensions.
- Higher likelihood of existing staff not wanting to transfer to a Local Authority and changing jobs or seeking retirement (the Health Visiting workforce is recognised as an ageing workforce with many nearing retirement age (55)). Recruiting new nursing staff will need greater investment to encourage them to seek employment with a non-NHS employer.

f) Local Authority Traded Company

The Council could establish a company to deliver these services, which is owned by the Council but has an autonomous structure. The company would be (limited by shares or guarantee) established under regulation 12 of the Public Contracts Regulations 2015. Under that regulation, the company must be such that:

- the Council exercises over the company a control which is similar to that which it exercises over its own departments;
- more than 80% of the activities of the company must be carried out in performance of tasks entrusted to it by the Council; and
- there is no direct private capital participation in the company.

Distinctions from the Council

- Commissioning and delivery must be completely separate.
- The company would be legally exempt from EU procurement regulations, but a Council procurement regulations exemption would be required to award business directly to the company without a competitive tender.
- Set up costs for the company could either be loaned by the Council, obtained privately or funding sought to support the enterprise. The company would have to generate enough surpluses to be able to pay this loan back.
- The company could only carry out 20% of its activities for anyone other than the Council which could limit the scope for surplus generation.
- Governance of the company would need to include as a minimum:
    - Managing Director of the new company

- Council senior officer representation

- The company would require a suitable management structure, providing the necessary clinical lines of management and supervision required to deliver these health services.
- The company would also need to make arrangements for provision of support services, such as HR/people management, business support, financial services and contract and performance management.
- The new company would be required to comply with the Council's contractual requirements against delivery of these services in the same way as any other provider.
- The company would be required to provide membership to the NHS Pension Scheme or access to a broadly comparable pension scheme.
- TUPE would apply to the employees whose main function was the provision of the public health services outsourced to the NHS under the Section 75 Agreement with the effect of transferring them to the employment of the new company. Terms and conditions of those transferring would be protected, and they would be able to 'cherry pick' the most beneficial from the existing provider or the new company. A memorandum and articles of association would be required to establish the new company before work on TUPE could commence.
- The company would need to register with CQC, including a thorough assessment of requirements and suitability to deliver these services, and would need to jointly apply for an NHS provider licence.

High Level Timeline

Activity	Forecast start date	Forecast end date	2016		2017												2018			
			N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A
Secure set-up funds	07/11/16	31/12/16																		
Establish LCC director	07/11/16	31/12/16																		
Recruit company director/registered manager (for CQC)	01/12/16	28/02/17																		
Prepare vision, mission and Statement of Purpose for company	01/12/16	31/01/17																		
Complete Articles of Association	01/12/16	31/01/17																		
Register the company	01/12/16	31/01/17																		
Set up company bank account (including online)	07/11/16	28/02/17																		
Obtain CQC countersigned DBS check	01/02/17	31/03/17																		
Register with CQC and apply for NHS Provider License	01/04/17	31/07/17																		
Establish LCC and company governance/management arrangements	01/01/17	31/03/17																		
Produce members agreement	01/01/17	31/03/17																		
Arrange contract for company finance/accountancy/payroll delivery	01/01/17	28/02/17																		
Establish financial management processes and policies	01/03/17	30/04/17																		
Establish procurement processes	01/01/17	28/02/17																		
Set up company insurances	01/01/17	31/01/17																		
Arrange contract for TUPE delivery for set-up	01/04/17	30/04/17																		
Arrange contract for company HR support	01/06/17	31/07/17																		

Establish HR management processes and policies	01/08/17	30/09/17																			
Manage TUPE and associated consultation process	01/05/17	31/03/18																			
Establish pension scheme arrangements	01/01/18	30/04/18																			
DBS checks for transferring workforce	01/04/18	30/04/18																			
Arrange contracts for IT supplier/support	01/06/17	31/07/17																			
Establish info governance and IT management processes and policies	01/08/17	31/12/17																			
Establish data protection processes and policies	01/08/17	31/12/17																			
Implementation of IT software/hardware required	01/10/17	31/03/18																			
Make necessary property arrangements	01/10/17	31/03/18																			
New service commences	01/04/18	01/04/18																			

Benefits

- Indications are that further savings could be made after set up, than by re-procuring services.
- Greater ability for the Council to have oversight of services.
- More scope to integrate health service delivery with other relevant children's services. Potential for other Council services to become part of the company.
- Public perception may be more favourable

Dis-benefits:

- Employees who TUPE from the existing provider would do so on favourable terms and conditions.
- Significant amount of work required in setting up a company and the level of benefits is not deemed to outweigh the option to in-source directly into the Council.
- The company needs to generate enough surplus to pay back loans and can only deliver up to 20% of activities for anyone other than the Council which limits the scope for expansion.

g) Re-procurement

Under the Public Contracts Regulation 2015, contracts for health and social care services above a threshold of £625,000 have to be advertised on the Official Journal of the European Journal. If this commissioning option is agreed, it is recommended that a minimum five year contract should be advertised with an option to extend the contract by a further two years subject to performance. The total value of this contract would then be up to £64m, based on the £9.2m annual budget allocated to the preferred model, and a full open competitive tender process would be required.

This market has not previously been tested when commissioned by the NHS and therefore it is not possible to evidence historic competition. Given the high value of the contract and the complexity of the service, it would be recommended that market stimulation is undertaken for three months to determine the extent of real interest; three months is allowed from point of advertisement to contract award and that an absolute minimum of 9 months is allowed for new service implementation.

It is considered likely that LCHS, the current provider, would bid to deliver services going forward. The Council would only be advised to re-procure services if there is other realistic market interest so competitive testing of the quality and price of bids can be done. If there is not a realistic market, the Council would be advised to consider either entering into a Section 75 Agreement with LCHS or deliver services themselves.

Market Information
Lincolnshire's existing health trust market consists of three providers; LCHS, Lincolnshire Partnership NHS Foundation Trust (LPFT) and United Lincolnshire Hospitals Trust (ULHT). The three trusts currently provide distinctly different services although there are some interfaces e.g. ULHT deliver Midwifery services which have a significant interface with Health Visiting and LPFT deliver Child and Adolescent Mental Health Services which have a significant interface with School Nursing. It may therefore be possible that another local trust bids to deliver this contract, although historically the trusts tend not to bid on each other's existing contracts.

Given the high value of any future contract, the service may be of interest to providers delivering in neighbouring authorities. At an initial market engagement event, attendance was noted from one bordering authority's health provider. Other non-NHS providers would be able to bid on any procurement exercise but would be expected to be able to offer a broadly comparable pension scheme or NHS pension, employ staff on NHS Terms and Conditions and be registered with the Care Quality Commission.

Research with other authorities that have procured their 0-19 health service demonstrates that some areas already had multiple providers delivering the previous service meaning they had some existing competition locally, cross border interest is possible but ultimately numbers bidding on contracts are still reasonably low:

- Derbyshire County Council had three providers delivering previous services. Eight organisations engaged in an initial market event and there were two tender responses. The new provider is an NHS Community Trust.
- Norfolk County Council entered into competitive dialogue with three providers. The new provider is an NHS community trust.
- Derby City Council had cross border interest to deliver services and contracts have been awarded to two NHS community trusts to deliver services.
- North Lincolnshire Council has two separate providers delivering current services. Four initial requests for information on the new tender have been received and a market engagement event is to be held in September 2016.

In summary, there is likely to be a limited market from which to re-procure services in Lincolnshire.

Benefits:
- Clearer understanding about how funding is being used on the service as a result of providers being required to submit a detailed budget breakdown during

the tender process and also required to provide regular detailed financial reporting.

- Higher likelihood of staffing retention (especially those nearing retirement) than if the service is in-sourced.
- The successful provider will already be registered with the CQC and be able to demonstrate that they have appropriate experience and management structures in place to operate health services. New services will be operational more quickly than if the in-sourcing commissioning option is approved.
- The Council will procure services based on a new, far more robust service specification which will increase its control over the type of services to be provided and the interfaces with Children's Services.
- The Council is less likely to receive any challenge than either establishing a Section 75 Agreement or in-sourcing although both of these options are legally allowed and as a result less likely to cause reputational damage.
- The transfer of records and data should be easier if a new health provider was awarded the contract as they would already have to be compliant with health regulations for data protection.

Dis-benefits:

- The level of integration with Children's Services that can be achieved is more limited.
- The provider market is untested and limited responses may result in the Council not being presented with the level of high quality bids that it wants to receive to be assured of the services value for money.
- Timescales for operating procurement and implementation mean that services will not be running until April 2018.

High Level Timeline:

Activity	Forecast start date	Forecast end date	2017												2018			
			J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A
Market engagement	**01/01/17**	**31/03/17**																
Tender and evaluation	**01/04/17**	**16/06/17**																
Contract award and stand-still	**19/06/17**	**30/06/17**																
Transition and TUPE	**01/07/17**	**31/03/18**																
New contract commences	**01/04/18**	**01/04/18**																

Online Counselling Service

a) Do nothing

The Council commissions an online counselling service for young people already called KOOTH, with a value of £100k P/A which is currently delivering above its originally commissioned volume due to high demand. The funding identified for an online counselling service through the review would be used to enhance the existing service to create a single contract. If the Council does nothing there will be no enhancement to the contract which is already under increasing demand and

there will not be enough support available for young people online to deliver the additional elements needed for the new model.

b) Decommissioning
This is not an option as this is new funding. The decommissioning of the existing online counselling service is not within scope of this review. This is not a legitimate option for consideration and for this reason no further detailed options analysis has been conducted.

c) Influencing
There is no requirement for any other organisation to commission or provide these services. There are national organisations that provide free online advice to young people but the key to the success of this service will be the connection and referral to local services which cannot be provided by general national support. Commercial aspects of the service cannot be delivered without funding and it is not feasible to think that these services could be delivered through influence alone. The Council could seek to influence Clinical Commissioning Groups to commission the service but given this covers public health issues which are the Council's responsibility and not explicitly physical health issues or diagnosed mental health issues, they are unlikely to invest resources in the service. This is not a legitimate option for consideration and for this reason no further detailed options analysis has been conducted.

d) Partnership
The same considerations apply to partnership and for influencing. This is not a legitimate option for consideration and for this reason no further detailed options analysis has been conducted.

e) Insourcing
The Council does not currently operate any similar online services and so this would be new business which the Council are not best placed to deliver from a technology or staffing perspective. The working practices of online counsellors; out of hours from home, would mean policies and procedures would need updating and investment into secure and suitable working from home arrangements. Staff would be employed on Council terms and conditions which would result in less staff being able to be employed for the available budget. The level of investment required for the Council to provide this service would outweigh the value of the funding available £100,000 p/a which does not seem a sensible option when there is an established market of providers offering value for money services. This is not a legitimate option for consideration and for this reason no further detailed options analysis has been conducted.

f) Local Authority Traded Company
N/A.

g) Procurement
The Council has tested the online counselling service market previously and evidence demonstrates there is a competitive market for these services. Children's Services already has a contract in place for online counselling (separate to the requirements of this service) which is performing well. There will be economies of

scale if this new additional service can be merged with the existing contract and re-procured as a single agreement from 1st April 2018 onwards. There will also be huge benefits to service users who will have a single online counselling service covering a broader range of needs instead of two separate services. In the interim it is proposed that the existing contract is modified from 1st April 2017.

Although it will be affected through a variation to the existing contract, the awarding of the work to the existing contractor amounts to the award of a new contract for the purposes of the procurement regime.

The value of the works to be awarded would be £100,000 which is below the threshold for a services contract. It is not therefore covered by the pre-contract advertising requirements of the Public Contracts Regulations 2015. However, EU Treaty principles require a contract to be advertised even if it is below the threshold unless in the view of the Council it would not be of interest to a contractor from another member state (known as "cross-border interest").

In determining its view as to whether a contract would be of cross-border interest the Council must take into account the nature of the services, the industry and market and the value and duration of the contract.
Although it is not considered that there is any practical reason why the contract would not be of cross-border interest given that the services are online, the contract is of limited value and duration and it is considered reasonable to conclude that a one year contract worth £100,000 would not be of cross-border interest

The Council's Contract Regulations would normally require a contract of the proposed value to be subject to competition. Where a Chief Officer proposes an alternative route such as direct award of contract approval must be given by the Executive Councillor or the Executive. For a contract of £100,000 the Executive Councillor would normally give approval but approval is sought from the Executive in this case as it forms part of the overall commissioning approach which Executive is being asked to consider. Recommendation 2(b) therefore seeks approval to the variation of the online counselling contract.

Benefits:

- An interim moderation to the existing contract will enable the Council to pilot the volume and type of additional support needed through online counselling.
- Evidence from previous procurement suggests there is a strong market for services which when procured will result in a good level of competition between providers. The quality and value for money of bids should reflect this.
- Service users will have a single service for online counselling support.

Dis-benefits:

- No dis-benefits have been identified.

Sexual Health Service

a) Do nothing

Changes to the children's health service 0-19 (25 SEND) will create a gap in provision around sexual health services for young people if this service isn't commissioned. Sexual health advice was identified by the public and professionals as a key area that school aged children need support with. This decision will effectively mean not commissioning this service. This is not a legitimate option for consideration and for this reason no further detailed options analysis has been conducted.

b) Decommissioning

This is not an option as there is no current contract in place covering the service requirements. This decision will effectively mean not commissioning this service. This is not a legitimate option for consideration and for this reason no further detailed options analysis has been conducted.

c) Influencing

There is no requirement for any other organisation to commission or provide these services. The Council's Public Health directorate have recently re-procured a countywide sexual health service, and although there is some provision for young people aged 13+, the service will not consider expanding the reach of the service without any funding. Commercial aspects of the service cannot be delivered without funding and it is not feasible to think that these services could be delivered through influence alone. This is not a legitimate option for consideration and for this reason no further detailed options analysis has been conducted.

d) Partnership

Children's Services and Public Health could co-commission countywide sexual health services that also include those younger than age 13 and focus on prevention and healthy relationships. There are significant benefits to having a single service- provision would be extremely disjointed if young people aged under 13 received support from a different service than those over age 13. Legal advice is that a modification to the existing contract would be appropriate as it satisfies the criteria set out below. Public Contracts Regulations 2015 allow for existing contracts to be modified without a new procurement procedure but only if they meet the criteria set out in Regulation 72.

Reg 72 (1) (b) provides that a modification may be made without a new procurement:

"for additional works, services or supplies by the original contractor that have become necessary and were not included in the initial procurement, where a change of contractor-

(i) cannot be made for economic or technical reasons such as requirements of interchangeability or interoperability with existing equipment, services or installations procured under the initial procurement; and

(ii) would cause significant inconvenience or substantial duplication of costs for the contracting authority,

provided that any increase in price does not exceed 50% of the value of the original contract;"

In this case the provider of sexual health services to young people below the age of 13 would need to operate the same systems and record their data on the same record as that operated by the provider of general sexual health services so as to allow smooth handovers with robust information governance arrangements. The alternative would cause significant inconvenience and substantial duplication of costs in maintaining separate systems and putting in place robust data transfer arrangements between systems.

The Council would be required to publish an OJEU Notice in accordance with regulation 51 confirming that such a modification has been made.

The Council's Contract Regulations would normally require a contract of the proposed value (£250,000 per annum for a potential period of 5 years) to be subject to competition. Where a Chief Officer proposes an alternative route such as direct award of contract approval must be given by the Executive. Recommendation 2(d) therefore seeks approval to the variation of the sexual health services contract.

Benefits:

- Economies of scale are likely if a single service is provided instead of having separate providers with their own management costs, HR functions and other overheads therefore the investment into front line delivery would be greater.
- A single service would be commissioned for all children and young people that would offer seamless access to support regardless of age.

Dis-benefits:

- Children's Services and Public Health may have different views on the performance of their respective services and there would need to be mechanisms in place to manage this.

e) Insourcing

There is no legitimate business benefit to the Council providing these services. The interface with the countywide sexual health service is paramount to delivery and could not be successfully achieved if the Council delivered part of the offer. This is not a legitimate option for consideration and for this reason no further detailed options analysis has been conducted.

f) Local Authority Traded Company

N/A.

g) Procurement

The integration with the already established countywide sexual health service is paramount to delivery and could not be successfully achieved if there was a different service provider for those aged less than 13. If the Council was in a position that it needed to procure services there is evidence from Public Health's procurement of the countywide service that there is a local market of providers that may be interested in bidding. Efforts would need to be made to work as closely with LCHS (the current provider of countywide sexual health service) as possible to

ensure services integrate where they can and are seamless for service users and do not duplicate each other.

Benefits:

- Clear understanding about how funding is being used on the service as a result of providers being required to submit a detailed budget breakdown during the tender process and also required to provide regular detailed financial reporting.
- Children's Services would have full oversight of provider performance as the single commissioner.
- Local provider market would be tested and reduced risk of challenge.

Dis-benefits:

- Children and young people would not have access to an integrated countywide sexual health service offer as they would need to access different services depending on their age.
- No economies of scale would be achieved if services were not combined.

Emotional Wellbeing Service

a) Do nothing

The review has highlighted how important families and professionals think emotional wellbeing support is to school aged children. There is currently a gap in support available locally which will not be addressed if this service isn't commissioned. There is no current contract that covers these services and so this decision will effectively mean not commissioning this service. This is not a legitimate option for consideration and for this reason no further detailed options analysis has been conducted.

b) Decommissioning

This is not an option as this is a new service and no contract is in place. This decision will effectively mean not commissioning this service. This is not a legitimate option for consideration and for this reason no further detailed options analysis has been conducted.

c) Influencing

Commercial aspects of the service cannot be delivered without funding and it is not feasible to think that these services could be delivered through influence alone. The Council could seek to influence Clinical Commissioning Groups to commission the service linked to Child and Adolescent Mental Health Services (CAMHS), however, this is unrealistic given the CCG's have recently worked with the Council to remodel CAMHS in Lincolnshire and will consider that this covers their commissioning duties. It is clear that even with the new model of CAMHS in place, there is a gap in provision for children that do not have emerging or diagnosable mental health concerns but are still struggling to cope with emotional wellbeing problems. Schools are deeply impacted by this gap with many schools directly funding counselling support. It is unrealistic that schools will view this solely as their responsibility and centrally commission a service. This is not a legitimate option for consideration and for this reason no further detailed options analysis has been conducted.

d) Partnership

There is strong evidence to show that whilst children are dealing with emotional wellbeing concerns they are not able to learn and engage in school effectively. Schools see children every day and are at the front line in trying to support families, particularly where those families do not seem to meet the requirements to access existing services. Many schools now directly fund counsellors but this is not consistent across the county. Given the impact to schools on the gap in support for children and young people's emotional wellbeing concerns, schools may consider entering into a commissioning partnership with the council to co-fund a service. This would increase the volume of service that could be commissioned and would mean that there was a coordinated countywide approach to supporting children and young people. Children's services is working with schools to understand specific needs and will look to submit a paper to Schools Forum to seek additional funding for this service. This would be a commissioning partnership and would not a partnership for service provision.

Benefits:

- Increased funding to invest in the service resulting in an increased volume of support available.
- Consistent countywide approach to supporting children and young people's emotional wellbeing, reducing inequity in provision.
- Improved relationship between the Council and schools in managing support to young people that do not meet existing criteria for services.

Dis-benefits:

- No dis-benefits have been identified.

e) Insourcing

If a partnership commissioning arrangement was to be agreed with schools, their views on insourcing would need to be understood. If a decision is taken to insource the children's health service 0-19 (25 SEND) then the Council may be in a strong position to also deliver this service. The Council would have two options:

- Increase staffing volume (likely to be in Early Help Teams due to the synergy of the role) and invest in training all staff to provide interventions and support around emotional wellbeing.
- Establish a new separate service within Children's Services and employ staff directly that are qualified to provide intervention and support around emotional wellbeing. Retraining and redeployment could also be support to appropriate staff that may be displaced from the children's health service 0-19 (25 SEND).

Benefits:

- Greater control over service expenditure.
- Greater integration with other Children's Services and Early Help processes.
- Increase the skills of the Council's workforce.
- Bridge current gap in services and support schools.

Dis-benefits:

- Staff will be employed on Council terms and conditions and are likely to cost more to employ than equivalents in other organisations. If it was decided that an external organisation was best placed to provide the service at a later point, providers are unlikely to be interested given the expensive staffing group they could inherit through TUPE and the requirement to offer a broadly comparable pension scheme.
- The Council is not an expert in delivering these services.

f) Local Authority Traded Company

N/A

g) Procurement

This is a new service and so the provider market is largely untested and would require some specific engagement to encourage bidders. Given the potential value of any contract (c£1m p/a not including any investment that schools may agree), if the service was not going to be provided by the Council it would need to go through a competitive tender process to comply with both the Council's and UK/EU procurement regulations.

Benefits:

- Staffing is expected to be more cost effective.
- The service would be provided by an organisation that can demonstrate they are already experienced in delivering services.
- There is a potential to broaden the provider market place in Lincolnshire by either attracting new entrants or giving more opportunities to existing providers.

Dis-benefits:

- Unknown provider market that has not been tested previously.
- Full integration with other Children's Services will be harder to achieve.

Recommended Options

Children's health service 0-19 (25 SEND):
It is recommended that the Council insources this service.

Online Counselling Service:
It is recommended that the Council varies the existing contract until 31st March 2018 and procures a single service through an open competitive tender to be operational from 1st April 2018.

Sexual Health Service:
It is recommended that Children's Services and Public Health co-commission this service by varying the existing Lincolnshire integrated sexual health service to include services for children less than 13 years of age.

Emotional Wellbeing Service:
It is recommended that the Executive Director for Children's Services in consultation with the Executive Councillor for Adults, Health and Children's

Services and the Director of Children's Services, be delegated the authority to agree the final form of the emotional wellbeing, including whether the service should be provided by the Council alongside the new children's health service 0-19 (25 SEND) or procured through an open competitive tender process. This will require further discussions with schools and the School Forum to identify if there is a method for achieving joint commissioning, subject to school funding changes. Delegation to include determining the form and content of the service and approving the entering into of all necessary legal documentation.

Equality Act 2010

The Council must comply with the public sector equality duty set out in S149 Equality Act 2010 when coming to a decision on the proposals. In doing so, the Executive Councillor as decision-maker must have due regard to the needs to:

- Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;
- Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it: Equality Act 2010 section 149(1). The relevant protected characteristics are age; disability; gender reassignment; pregnancy and maternity; race; religion or belief; sex; sexual orientation: section 149(7).

Having due regard to the need to advance equality of opportunity involves having due regard, in particular, to the need to:

- Remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic;
- Take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it;
- Encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.

Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to tackle prejudice, and promote understanding.

Compliance with the duties in this section may involve treating some persons more favourably than others.

A reference to conduct that is prohibited by or under this Act includes a reference to:

(a) A breach of an equality clause or rule
(b) A breach of a non-discrimination rule

It is important that the Executive Councillor is aware of the special duties the Council owes to persons who have a protected characteristic as the duty cannot be delegated and must be discharged by the Executive. The duty applies to all decisions taken by public bodies including policy decisions and decisions on individual cases and includes this decision.

To discharge the statutory duty the Executive Councillor must analyse all the relevant material with the specific statutory obligations in mind. If a risk of adverse impact is identified consideration must be given to measures to avoid that impact as part of the decision making process.

An Equality Impact Assessment has been completed and is attached at Appendix B; this is a live document and continues to be updated. The general public have been engaged via a questionnaire to identify if there are any positive or negative impacts of changes to services that have not been identified. This assessment identifies any specific impacts on those with protected characteristics and the mitigating actions that will be taken. Overall it is considered that the potential adverse impacts can be mitigated such that having due regard to the equality duty the Executive could properly approve the recommendations.

Child Poverty Strategy

The Council is under a duty in the exercise of its functions to have regard to its Child Poverty Strategy. Child poverty is one of the key risk factors that can negatively influence a child's life chances. Children that live in poverty are at greater risk of social exclusion which, in turn, can lead to poor outcomes for the individual and for society as a whole.

In Lincolnshire we consider that poverty is not only a matter of having limited financial resources but that it is also about the ability of families to access the means of lifting themselves out of poverty and of having the aspiration to do so. The following four key strategic themes form the basis of Lincolnshire's Child Poverty strategy: Economic Poverty, Poverty of Access, Poverty of Aspiration and Best Use of Resources.

Consideration has been given to this Strategy. The evidence in Appendix A-Section 1 shows that a child's health, development and achievement of their potential are critically impacted by the support and help they receive during their early years and childhood. The purpose of children's health services is to help give children the very best start in life thus addressing both poverty of access and poverty of aspiration in particular.

Joint Strategic Needs Assessment (JSNA) and Joint Health and Wellbeing Strategy (JHWS)

The Council in exercising its functions must have regard to both the JSNA and the JHWS. The proposals contribute to the theme: Improve health and social outcomes for children and reduce inequalities and the outcome: Ensure all children get the best possible start in life and achieve their potential.

Crime and Disorder

Under section 17 of the Crime and Disorder Act 1998, the Council must exercise its various functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent crime and disorder in its area (including anti-social and other behaviour adversely affecting the local environment), the misuse of drugs, alcohol and other substances in its area and re-offending in its area.

The service may from time to time be in contact with families who may be experiencing or partaking in crime and disorder and consideration has been given in the model to support those most at risk and indirectly prevent crime and disorder.

2. Conclusion

The Council's Executive is recommended to agree the final service model for children's health services which reflects the findings of the review.

Approval is also sought that the new:

- Children's health service 0-19 (25 SEND) is insourced and provided by the Council from 1st April 2018.
- Online counselling service requirements are combined with the existing online counselling service contract by way of a variation until 31st March 2018 in order to pilot the amendments and that a single service is then procured through an open competitive tender to be operational from 1st April 2018.
- Sexual health service is combined with Public Health's existing Lincolnshire integrated sexual health service contract by way of a variation to include services for children less than 13 years of age.

Executive is requested to delegate the Executive Councillor responsible for Children's Services and the Director of Children's Services, the authority to agree the final form of the emotional wellbeing, including whether the service should be provided by the Council alongside the new children's health service 0-19 (25 SEND) or procured through an open competitive tender process. This will enable the Schools Forum to identify any additional funding to be allocated to the service and will offer the Forum the opportunity to provide a view on their commissioning preference. Delegation would include determining the form and content of the service and approving the entering into of all necessary legal documentation.

The above recommendations and requests are made because they are viewed as the best commissioning options for securing high quality children's health services that deliver improved outcomes for children, young people and families in Lincolnshire.

3. Legal Comments:

The Council has the power to adopt the recommendations. The matters to be taken into consideration are set out and addressed in the Report.

The decision is consistent with the Policy Framework and within the remit of the Executive if it is within the budget.

4. Resource Comments:

The main recommendation outlined in the report to provide an insourced children's health service 0-19 (25 for SEND) by the Council's Children's Services area will ensure the savings targets identified for 2017/18 (£0.350m) and 2018/19 (£0.350m) will be achieved in full. The recommendations will provide an effective joined up offer to the public whilst achieving effective use of resources.

5. Consultation

a) Has Local Member Been Consulted?

n/a

b) Has Executive Councillor Been Consulted?

Yes

c) Scrutiny Comments

The Children and Young People Scrutiny Committee considered this report at its meeting on 21 October 2016. Comments from the Committee will be reported to the Executive at its meeting on 1 November 2016.

d) Policy Proofing Actions Required

n/a

6. Appendices

These are listed below and attached at the back of the report.	
Appendix A	Current Service Performance, Review Findings and Preferred Model for Children's Health Services
Appendix B	Equality Impact Assessments

7. Background Papers

No background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

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