

County Offices
Newland
Lincoln
LN1 1YL

28 March 2022

Executive

A meeting of the Executive will be held on **Tuesday, 5 April 2022** in the **Council Chamber, County Offices, Newland, Lincoln LN1 1YL** at **10.30 am** for the transaction of business set out on the attached Agenda.

Yours sincerely



Debbie Barnes OBE
Chief Executive

Membership of the Executive
(9 Members of the Council)

Councillor M J Hill OBE, Executive Councillor for Resources, Communications and Commissioning (Leader of the Council)

Councillor Mrs P A Bradwell OBE, Executive Councillor for Children's Services, Community Safety and Procurement (Deputy Leader)

Councillor Mrs W Bowkett, Executive Councillor for Adult Care and Public Health

Councillor R D Butroid, Executive Councillor for People Management, Legal and Corporate Property

Councillor L A Cawrey, Executive Councillor for Fire & Rescue and Cultural Services

Councillor C J Davie, Executive Councillor for Economic Development, Environment and Planning

Councillor R G Davies, Executive Councillor for Highways, Transport and IT

Councillor D McNally, Executive Councillor for Waste and Trading Standards

Councillor Mrs S Woolley, Executive Councillor for NHS Liaison, Community Engagement, Registration and Coroners

**EXECUTIVE AGENDA
TUESDAY, 5 APRIL 2022**

Item	Title	Forward Plan Decision Reference	Pages
1	Apologies for Absence		
2	Declarations of Councillors' Interests		
3	Announcements by the Leader, Executive Councillors and Executive Directors		
4	Minutes of the Meeting of the Executive held on 1 March 2022		5 - 12

KEY DECISIONS - ITEMS TO BE RESOLVED BY THE EXECUTIVE

5	North Hykeham Relief Road (NHRR) <i>(To receive a report from the Executive Director – Place which provides an update on the progress of the North Hykeham Relief Road (NHRR) project and seeks approval from the Executive to enter into a two-stage design and build contract for the purpose of delivering the NHRR)</i>	I025137	13 - 28
6	Single Section 75 Agreement for Children and Young People's Mental Health Services and Council Funding <i>(To receive a report from the Executive Director – Children's Services which invites the Executive to establish a new single Section 75 agreement for Children and Young People's Mental Health Services)</i>	I025505	29 - 52

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Please Note: for more information about any of the following please contact the Democratic Services Officer responsible for servicing this meeting

- Business of the meeting
- Any special arrangements
- Copies of reports

Contact details set out above.

Please note: This meeting will be broadcast live on the internet and access can be sought by accessing [Agenda for Executive on Tuesday, 5th April, 2022, 10.30 am \(moderngov.co.uk\)](#)

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**EXECUTIVE
1 MARCH 2022**

PRESENT: COUNCILLOR M J HILL OBE (LEADER OF THE COUNCIL)

Councillors Mrs P A Bradwell OBE (Executive Councillor for Children's Services, Community Safety and Procurement) (Deputy Leader), L A Cawrey (Executive Councillor for Fire & Rescue and Cultural Services), C J Davie (Executive Councillor for Economic Development, Environment and Planning), R G Davies (Executive Councillor for Highways, Transport and IT), D McNally (Executive Councillor for Waste and Trading Standards) and Mrs S Woolley (Executive Councillor for NHS Liaison, Community Engagement, Registration and Coroners)

Councillors: C E H Marfleet (Chairman of the Adults and Community Wellbeing Scrutiny Committee) and T J N Smith (Vice-Chairman of the Overview and Scrutiny Management Board) attended the meeting as observers

Officers in attendance:-

Debbie Barnes OBE (Chief Executive), Pam Clipson (Head of Finance, Adult Care and Community Wellbeing), Andrew Crookham (Executive Director Resources), James Drury (Executive Director Commercial), Glen Garrod (Executive Director - Adult Care and Community Wellbeing), Michelle Grady (Assistant Director – Finance), Andy Gutherson (Executive Director Place), Alina Hackney (Senior Strategic Commercial and Procurement Manager - People Services), Justin Hackney (Assistant Director, Specialist Adult Services), Caroline Jackson (Head of Corporate Performance), Andrew McLean (Assistant Director - Transformation), Heather Sandy (Executive Director of Children's Services), Nigel West (Head of Democratic Services and Statutory Scrutiny Officer) and Rachel Wilson (Democratic Services Officer)

65 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Mrs W Bowkett and R D Butroid.

66 DECLARATIONS OF COUNCILLORS' INTERESTS

There were no declarations of interest at this point in the meeting.

67 ANNOUNCEMENTS BY THE LEADER, EXECUTIVE COUNCILLORS AND EXECUTIVE DIRECTORSCouncillor M J Hill OBE, Leader of the Council and Executive Councillor for Resources, Communications and Commissioning

The Leader of the Council acknowledged the current terrible situation in Ukraine and read out a statement in support of the people of Ukraine.

“The thoughts of this Council are with the people of Ukraine at this terrible and deeply worrying time. We also send our best wishes to all Ukrainians who are currently living and working in Lincolnshire who will be so worried for the welfare of their family and friends in their mother country. We hope to be able to offer support to families and individuals suffering at the hands of the Russian invasion and we will participate with any government actions which are decided upon.”

Councillor CJ Davie, Executive Councillor for Economy, Environment and Planning

The Executive Councillor for Economy, Environment and Planning provided some further background in terms of the economic side of what was happening in Ukraine. Lincolnshire exported around £8 million of goods to the Ukrainian/Russian Markets and imported around £13 million of goods. 150 local businesses exported to the region and around 60 imported. The economic development team would work with any of these businesses experiencing difficulties and provide support.

It was also reported that the Government had been looking for the past few months, for locations for the Great British Railway HQ. The Executive Councillor advised that he had considered whether there was a suitable location in the county before submitting an expression of interest. Working alongside officers at South Kesteven District Council, Grantham had been identified as a possible location, and an expression of interest would be submitted as a joint bid with South Kesteven District Council.

The Executive Councillor reminded members that some money had been set aside to support the visitor sector economy, and the Visit Lincolnshire website. Members were also advised that it had been reported that the UK was set to overtake Hollywood as the centre for film and TV production, an industry worth over \$7billion per year, and it was highlighted that there were a number of films due to be using Lincolnshire as a location in the near future, as well as a TV series which had recently been filming in Skegness. There was a rich history of Lincolnshire being used as a film and TV destination and the Executive Councillor would enable the Visit Lincolnshire website and business Lincolnshire to be a central point for people searching for film and TV locations in the future.

Councillor Mrs P A Bradwell OBE, Executive Councillor for Children’s Services, Community Safety and Procurement

The Executive Councillor for Children’s Services, Community Safety and Procurement advised that on 4 March 2022, the Chief Inspector of Ofsted would be visiting as a result of the innovation in SEND and regional work that had been done over the previous year. The Executive Councillor was pleased that Lincolnshire had been recognised for this work.

Executive Director – Resources

The Executive was advised that the final part of the Highways funding from Government had been announced, and it was confirmed that the funding would be frozen at the 2021/22 levels up to 2024/25.

68 MINUTES OF THE MEETING OF THE EXECUTIVE HELD ON 8 FEBRUARY 2022

RESOLVED

That the minutes of the Executive held on 8 February 2022 be agreed and signed by the Chairman as a correct record.

69 RESIDENTIAL AND NURSING CARE FEE LEVELS WITHIN ADULT SOCIAL CARE

The Executive Director – Adult Care and Community Wellbeing introduced a report which outlined the requirement for the Council to set a framework for Usual Costs for three levels of service: residential, nursing and high dependency across all types of need (older people, physical disability, learning disability and mental health).

The Executive was advised that Residential and Nursing services represented one of the Council’s highest spend and highest risk areas with an annual total of approximately £125m gross spend. The Head of Commercial Services – People Services detailed a number of elements of the report to the Executive including an outline of the key activities which had been undertaken by officers, the Council’s Usual Cost model process, Fee Setting Methodology, the collection and analysis of Lincolnshire data by Care Analytics, the Actual Cost Modelling Process, the Council’s Proposed Rates, Market Consultation, the Council’s Response to the Feedback and Recent Developments and Contractual Updates.

The Chairman of the Adults and Community Wellbeing Scrutiny Committee presented the comments of the Scrutiny Committee following its consideration of this item at its meeting on 23 February 2022. The Executive was advised that the Committee had supported the recommendations and the rates proposed, and were satisfied that extensive research had taken place, and the Council had engaged with the Care sector. Issues raised included the rate of inflation at 4% used in the calculation of the rates, and whether this was a fair reflection. The Committee also questioned whether the level of funding in the hardship fund would be sufficient. However, LinCA was supportive of the fund, and felt that the funding level was appropriate. It was also highlighted that there was a belief that new build care

homes seemed to be larger and more focused on self-funders, and there was a need to be aware that some of these homes may need help to diversify.

During discussion by the Executive, the following points were noted:

- There was a hope that as much of the sector as possible would adopt this, however the majority of the market would be sufficient to satisfy the legal requirements.
- In relation to the Hardship Fund, assurance was sought that risks to the Council would be minimised in terms of putting money into businesses which may be failing, and it was queried what protections were being put in place to counteract this. The Executive was advised that one of the key elements in this proposal was the length of relationship that Lincolnshire had with the care sector. Meetings were held weekly, which was very important in making the right decisions and supporting those homes to improve quality. This ensured the Council was investing in sustainable businesses and giving people a choice of home within a reasonable distance of their home.
- It was confirmed that there were criteria in place for the allocation of funds from the Hardship Fund, and there would be an oversight programme for those homes which wished to apply. Evidence would also need to be provided on how the funding had been used. It was noted there were a number of processes in place which monitored compliance in terms of quality and finances. There were a number of triggers which would indicate that there were concerns about the financial stability of a provider.
- It was noted that the Hardship Fund would be managed in a similar way to the sustainability fund set up to assist providers during the pandemic.
- Clarity was sought regarding the open book accounting, and it was confirmed that the Council would have access to the provider's full accounts. Requests for usage of cash reserves were also made.
- It was noted that residential homes could fail very quickly, but Executive members confirmed that officers were monitoring homes that were experiencing problems and were working with them and the CQC.
- As infrastructure was already set up through LinCA, the Council was able to have a single strategic conversation. This made it much easier to collaborate with the sector.

RESOLVED

1. That the rates set out in the table at paragraph 5.6.1 of the report be approved as the Council's Usual Costs for both new and existing Learning Disability service users in respect of residential and nursing care with effect from 1 April 2022 for the financial year 2022/23
2. That the rates set out in the table at paragraph 5.6.2 of the report be approved as the Council's Usual Costs for both new and existing Older People service users in respect of residential, nursing and high dependency care with effect from 1 April 2022 for the year 2022/23

3. That the rates set out in the table at paragraph 5.6.3 of the report be approved as the Council's Usual Costs for both new and existing Physical Disability service users in respect of residential and nursing care with effect from 1 April 2022 for the year 2022/23
4. That the rates set out the table at paragraph 5.6.4 of the report be approved as the Council's Usual Costs for both new and existing Mental Health service users (aged 18 – 65) in respect of residential and nursing care with effect from 1 April 2022 for the year 2022/23
5. That the proposed contractual updates set out in section 6 of the report be noted
6. That the use of £1m from the Adult Care Grant Reserve to establish a fund for the making of payments to providers of residential care and residential with nursing care in Lincolnshire suffering hardship as a result of cost volatility relating to utilities costs and insurances be approved
7. That authority be delegated to the Executive Director – Adult Care and Community Wellbeing in consultation with the Executive Councillor for Adult Care and Public Health to determine the detailed conditions governing the fund including the criteria for the making of payments.

70 LEARNING DISABILITY - SECTION 75 AGREEMENT

The Assistant Director – Adult Care and Community Wellbeing presented a report which outlined the plans for the establishment of a Section 75 Agreement between LCC and Lincolnshire Clinical Commissioning for Adult Learning Disability Services. It was reported that the existing Learning Disabilities Section 75 Agreement would formally end on 31 March 2022 with no provision to extend the existing agreement past this date, and so a new agreement would need to be developed and agreed for 1 April 2022 in order for the benefits gained through these arrangements to be continued.

The Chairman of the Adults and Community Wellbeing Scrutiny Committee was in attendance to present the comments of the Committee following consideration of this report at its meeting on 23 February 2022. It was highlighted that the Committee felt that the Section 75 agreement provided good value for money and showcased the partnership working that took place in Lincolnshire. The Committee supported the recommendations to the Executive and it was commented that closer working with the NHS should be encouraged.

During discussion by the Executive, the following points were noted:

- This was fully supported, as it had been very successful previously, and it was a model that had been shown to work.
- In terms of how future costs were agreed, it was noted that officers would be looking at benchmarking information from other local authorities.

- It was noted that the costs of packages of care for individuals would vary, and it was important to manage the costs to get the value for money by working in partnership.
- It was noted that feedback in relation to this had been really positive.
- In terms of staffing costs it was noted that staff were employed by the county council, but the costs were shared with the CCG.

RESOLVED

1. That the establishment of Section 75 Agreement between LCC and Lincolnshire Clinical Commissioning Group for Adult Learning Disability Services based on the principles set out in the report, be approved.
2. That approval be given for the Executive Councillor for Adult Care and Public Health and the Executive Director – Adult Care and Community Wellbeing to agree the annual risk share agreement on behalf of the Council within the principles set out in the Section 75.

71 REVENUE BUDGET MONITORING REPORT 2021/22 - QUARTER 3

A report was submitted to the Executive on Revenue Budget Monitoring for quarter 3 of 2021/22. An underspend of £7.366m (excluding schools and Covid-19) had been forecasted for 2021/22, with the key variants detailed in the report.

The report estimated that the Council's forecasted Covid-19 position would be slightly above the Government's emergency grant which was received, and an overall deficit of £0.041m was forecasted. The Council would continue to monitor the forecasted spend on Covid-19 for the rest of the year, with the aim of containing it within the total grant available.

In terms of the budget setting process, it was reported that the cost pressures for Home to School Transport had increased significantly. However, there was a project in place to manage this.

The Overview and Scrutiny Management Board had considered the report at its meeting on 24 February 2022, and the Vice Chairman of the Board presented the Board's comments to the Executive, and highlighted the points around the additional £10m for highways maintenance.

The Lead of the Council sought clarification that using the additional highways funding for pre-planned work was more cost effective than trying to spend it as problems arose.

RESOLVED

That the current position of the revenue budget be noted.

72 CAPITAL BUDGET MONITORING REPORT 2021/22 - QUARTER 3 TO 31 DECEMBER 2021

Consideration was given to the Capital Budget Monitoring Report 2021/22 – Quarter 3 to December 31, 2021. The current forecasted position was an underspend of £23.689m (Block schemes £15.607m, Project schemes £8.082m), which was mainly due to the re-phasing of the Spalding Western Relief Road.

RESOLVED

That the current position on the capital programme be noted.

73 CORPORATE PLAN AND SUCCESS FRAMEWORK 2021/22 - QUARTER 3

A report was submitted which presented an overview of performance against the Corporate Plan as at 31 December 2021. The report indicated that all of the four ambitions were ‘progressing as planned’ based on both the key activities and indicators. The report provided the Executive with highlights of performance of the revised Corporate Plan Success Framework. Of the 32 activities with milestones due to be reported, 88% were rated as *Progressing as planned*. Details of those key activities that were Amber rated (still progressing within agreed limits, however one of the milestones may have not been achieved, but the overall activity was still on track) were set out in the report.

In relation to Key Performance Indicators (KPI’s), two types were reported in the Quarter 3 report, those where an ambition (target) had been set and those where a judgement around performance had been made (contextual). Of those KPI’s where an ambition had been set, eight could be reported in Quarter 3, and of those, six had achieved their ambition. Two measures did not achieve ambition, and the details of those were set out in the report.

Details of the contextual measures were set out in the report.

The Overview and Scrutiny Management Board had considered the report on 24 February 2022, and the Vice-Chairman of the Board presented the Boards comments to the Executive. The Board had highlighted issues raised by residents in West Lindsey around the storage needed for the additional purple bin for the separate collection of paper and card.

It was commented that the Rate of Children in Care (per 10,000) had increased and had therefore not achieved target. Officers advised that the most important factor was to have the right children in care. However, the number of children in care in Lincolnshire still remained low when compared with statistical neighbours. It was also highlighted that Lincolnshire’s Children’s Services was rated as outstanding. The Executive queried whether officers were happy with the target, and it was noted that since the target had been set, government had mandated local authorities to take more unaccompanied asylum seeking children, and so it was appropriate to ask whether there should be a change to the target.

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EXECUTIVE

1 MARCH 2022

In terms of the number of staff leaving the authority voluntarily, it was queried what was considered to be a healthy number. Officers advised that work was underway to target those areas which were being impacted the most, and were working with service areas to mitigate this. The main challenge had been around the time it took to fill a post at the right time.

RESOLVED

1. That performance for 2021/22 as at 31 December 2021 be noted.
2. That the setting of a Lincolnshire ambition for those contextual measures outlined in section 4.6 be agreed.

The meeting closed at 11.58 am

Open Report on behalf of Andy Gutherson, Executive Director - Place

Report to:	Executive
Date:	05 April 2022
Subject:	North Hykeham Relief Road (NHRR)
Decision Reference:	I025137
Key decision?	Yes

Summary:

The purpose of this report is to:

- (1) Provide an update to the Executive on the progress of the North Hykeham Relief Road (NHRR) project.
- (2) Seek approval from the Executive to enter into a two-stage design and build contract for the purpose of delivering the NHRR.

Recommendation(s):

It is recommended that the Executive:

- (1) Note the update on the progress of the NHRR project.
- (2) Approve the award to Balfour Beatty, under the SCAPE Framework, of a two-stage design and build contract for the delivery of the North Hykeham Relief Road.
- (3) Approve proceeding with all stage one (pre-construction) elements of the contract activities including, surveys, outline design & planning application, planning determination & discharge of conditions, support in respect of statutory orders, detailed design & full business case preparation, and advanced works
- (4) Delegate authority to the Executive Director of Place in consultation with the Executive Councillor for Highways Transport and IT to negotiate detailed contract terms, award and enter into the two-stage contract for the delivery of the NHRR.
- (5) Delegate authority to the Executive Director of Place in consultation with the Executive Councillor for Highways Transport and IT to authorize the progression

through the phases contained with the first stage of the two-stage contract up to but not including the giving of notice to proceed to the construction phase.

Alternatives Considered:

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|----|--|
| 1. | Not to proceed with the project. The Council would no longer be entitled to receive the Department for Transport (DfT) funding, and any funds drawn down would need to be repaid. The economic, environmental, social, and transport benefits of the scheme would not be realized. |
| 2. | To procure the design separately from the construction. This has historically been the Council's approach to the delivery of highways projects; however, the scale and complexity of the NHRR will bring greater liability and exposure to risk and cost increases. Procuring the design separately means that the Council incurs the full cost of any change during construction and therefore this approach does not deliver cost certainty. Furthermore, this approach does not benefit from the contractor's input at an early stage, increasing the likelihood of re-work and further delays to the project programme which has the potential to put the DfT funding at risk. |
| 3. | To procure the design and build contract using an alternative procurement route. This would require an open tender process or the use of an alternative public sector framework agreement. Tendering the works would take a significant period of time to develop a robust tender package and furthermore take several months to complete the tender process. This would adversely affect the project programme to such an extent that the DfT funding may be withdrawn; furthermore, open tenders rarely deliver cost certainty and so the risk of cost over run is also higher. Alternative frameworks do exist, most noticeably the MHA+MSF3/4 framework, which the Council has successfully used on previous highway projects. This framework typically utilizes a two-stage contract for early contractor involvement. Whilst the framework can be used for design and build, it is not frequently used for this purpose, and the framework level contract has not been drafted with design and build contracts in mind, nor does the framework have any mechanism for prior contractor involvement to develop the design and build contract itself. As such it is a less appropriate than the proposed SCAPE framework, which is intended to be used for design and build contracts. |

Reasons for Recommendation:

Adoption of the recommendations will secure the contractual basis for the delivery of the NHRR and enable the pre-construction stages to be implemented in a controlled manner. Progress on the design and other pre-construction elements of the project will allow a more fully informed decision to be made in due course whether to proceed with the construction phase.

The benefits of delivering the NHRR are as follows:

- To reduce traffic congestion, improve journey times and journey time reliability, maximize accessibility to Lincoln and improve road safety in nearby settlements.

- To support sustainable economic growth in Lincoln and Lincolnshire, improve business efficiency, access to more productive jobs, and unlocking the South West Quadrant Sustainable Urban Extension – a development wholly dependent on this scheme.
- To utilize funding that was sought from the DfT for investing in the North Hykeham Relief Road as well as future S106 developer contributions.

1.1 Background

- 1.1.1 The NHRR, previously known as the Lincoln Southern Bypass (LSB), is the last major highway scheme contained within the Lincoln Integrated Transport Strategy (LITS). The NHRR is also the last element of a complete ring road around the greater Lincoln urban area comprising both Lincoln and North Hykeham. The ring road will comprise of four sections of carriageway: the Lincoln Western Relief Road (LWRR), the Lincoln Northern Relief Road (LNRR), the Lincoln Eastern Bypass (LEB), and the NHRR. The NHRR will also form part of the Lincolnshire Coastal Highway.
- 1.1.2 The NHRR has been a long-term aspiration of the County and District Councils, and the principle of a relief road has been developed as part of several strategies and policy plans covering the Lincoln area for many years; this includes the Lincoln Integrated Transport Strategy (LITS) of which NHRR is a key part.
- 1.1.3 Following the identification of the preferred route in 2006, the adoption of the Central Lincolnshire Local Plan (CLLP) in 2017 (of which the Relief Road is a key supporting infrastructure scheme), and construction of the LEB, the Council is now able to progress proposals for the NHRR. The proposed NHRR will provide a new road link to the south of the city of Lincoln and the suburb of North Hykeham.
- 1.1.4 The NHRR will provide a connection between the A46 (at the scheme's western end), and the A15 (at the scheme's eastern end), where it will link into the LEB. The route of the proposed scheme passes through an area of predominantly farmland, situated to the south of the city of Lincoln and the suburb of North Hykeham.
- 1.1.5 The project aims and benefits are to:
- Assist the sustainable economic growth of Lincoln and Lincolnshire
 - Improve the quality of life in central Lincoln and surrounding area
 - Maximize accessibility to central Lincoln
 - Improve road safety in central Lincoln and the other settlements nearby.
- 1.1.6 There have been several previous reports provided to relevant Executives and Committees on, and related to, the NHRR scheme. These include:

September 2005	Authority to undertake public consultation for the LSB
April 2006	Authority to undertake further work to determine a preferred route for the LSB
November 2006	Discretionary blight policy adopted
December 2006	Preferred route of LSB adopted
April 2013	4 th Lincolnshire Local Transport Plan adopted
April 2017	Central Lincolnshire Local Plan adopted
October 2018	Approval to seek funding for NHRR

1.1.7 The following report is noted for completeness; however, the adoption of this document is a matter for Full Council:

February 2022	5 th Lincolnshire Local Transport Plan
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1.1.8 The adoption of the preferred route in 2006 gave rise to a number of blight notices being served upon the Council. During the period 2008 to 2010, eight properties and one parcel of land were acquired by the Council in respect of the blight notice claims. In May 2021 the Council was served with a further statutory blight notice and is compulsorily required to acquire the respective property. It is therefore anticipated that the total number of properties acquired by the Council will rise to nine.

1.1.9 Following the approval to seek funding for NHRR, the Council submitted an Outline Business Case (OBC) and has been successful in securing a £110 million allocation from the DfT.

1.2 Scheme Benefits

1.2.1 The scheme provides economic, environmental, social, and transport benefits.

1.2.2 By providing an alternative route choice for A46 users to travel around or bypass the Lincoln urban area, journey time savings are made for medium and longer trips on these routes. Congestion is reduced on some radial routes into the city centre, in particular on the A1434 Newark Road / A15 corridor, plus Brant Road and the A607 Grantham Road. Congestion is also reduced within the Lincoln urban area, in particular in North Hykeham and Waddington, which reduces travel time for shorter trips in these areas. The value of the journey time savings is forecast at £152.1m for business users and £179.6m for other users.

1.2.3 The scheme also produces benefits for journey time reliability through providing additional network capacity and route choice, in particular for east-west movements and as an alternative route around the city to the existing orbital network.

1.2.4 There will be an overall improvement to the performance and reliability of the local transport network which will improve the efficiency of businesses and promote sustainable economic growth. The scheme increases effective business catchment areas, which has a positive benefit for labour supply and a move to more productive jobs.

- 1.2.5 The NHRR is a vital part of Lincolnshire's plans to support the growth of its priority economic sectors, improve the efficiency of the strategic road network within central Lincolnshire – and in turn the links to the major national and international gateways and support the creation of new housing.
- 1.2.6 The scheme unlocks the South West Quadrant (SWQ) Sustainable Urban Extension (SUE). The whole of this development is dependent on the NHRR. The development will be residential led, incorporating circa 2,000 dwellings and up to 5ha of additional general employment land, along with retail and community uses including a new primary school, open space and formal sports pitches.
- 1.2.7 Overall, the scheme provides a benefit in terms of noise by altering the physical location of vehicles, as well as flows, composition, and speeds on the existing network, and introducing new traffic flows along the length of the new road. A noise appraisal undertaken in 2015 identified that 748 properties would experience an increase in daytime noise levels, but that 3,158 properties would experience a reduction in daytime noise levels in the Design Year (2041). Mitigation will be incorporated into the design to reduce the adverse effects on other environmental impacts including landscape and biodiversity.
- 1.2.8 By incorporating new segregated walking, cycling and equestrian infrastructure, the scheme will encourage physical activity for existing residents and for future residents of the SWQ SUE. Furthermore, decreased traffic flow on existing local roads in the Lincoln urban area reduces barriers to walking and cycling on the existing network.
- 1.2.9 The scheme reduces the overall level of traffic across the network in the residential areas of North Hykeham and Waddington. This improves accessibility to local community facilities and services for motorized users through reduced delay and for non-motorized users through reducing congestion as a perceived barrier to travel.
- 1.2.10 There will be a reduction in the total number of road traffic accidents through the transfer of traffic from less appropriate routes, in particular the rural roads to the south of the Lincoln urban area, onto a new dual carriageway which typically has a lower accident rate. An assessment has derived a forecast total of 427 accidents saved over the 60-year appraisal period.
- 1.2.11 Based on all the evidence, the scheme is very likely to offer high value for money when assessed against the DfT's guidance document Value for Money Framework (2017).

1.3 **Scheme Proposals**

- 1.3.1 The NHRR proposal is for an 8km bypass road providing a connection between the A46 (at its western end) and the A15 (at its eastern end) immediately to the south of the Greater Lincoln urban area, and North Hykeham in particular.

- 1.3.2 A new 70mph dual carriageway link between the A46 on the western side of Lincoln and the A15/LEB Junction, the scheme will tie into the existing at-grade 4 arm roundabout at the A46 WRR/A1434 Newark Road/A46 (T)/Middle Lane and join the A15/LEB junction on the eastern side of Lincoln through an additional arm.
- 1.3.3 The A46 roundabout forms part of the Strategic Road network maintained by National Highways. This roundabout will be enlarged to cater for the 5th arm onto the NHRR. The A15 roundabout was recently constructed by LCC as part of the LEB and contains provision for an additional arm onto the NHRR.
- 1.3.4 In addition to the junctions with the A46 and A15 the scheme will also include the provision of three new junctions with the main radial routes into Lincoln where they intersect with the NHRR. These include:
- South Hykeham Road: A new four arm at-grade roundabout junction will be provided which will maintain access onto the local road network and potential future access to the SWQ SUE.
 - Brant Road: A new four arm at-grade roundabout junction will be provided to maintain access onto the local road network
 - A607 Grantham Road: A four arm at-grade roundabout will be provided to maintain access to the A607 Grantham Road.
- 1.3.5 It will also include the provision of the following bridge structures:
- River Witham Overbridge: This will form a circa 119 metre bridge and carry the NHRR over the River Witham.
 - Station Road Overbridge: This will form a circa 47 metre bridge which will carry the realigned Station Road over the NHRR. These works should also include for NMU facilities to tie in with the existing Station Road provision.
- 1.3.6 In addition, grade separated NMU bridges will be provided at the following locations:
- A46/NHRR Roundabout: This will provide a crossing over the NHRR to maintain National Cycle Network route 9.
 - Wath Lane: A non-motorised user (NMU) structure will be provided over the NHRR to maintain the existing public right of way along Wath Lane. Further options are being developed to consider allowing use by agricultural vehicles.
 - Viking Way/A607 Grantham Road: A NMU structure will be provided over the NHRR to maintain the existing public right of way along Viking Way and the cycle route along the A607 Grantham Road.
- 1.3.7 All of the above works should also include provision for tying back into the new footway / cycleway provisions that will be part of the NHRR scheme.

1.4 Procurement

- 1.4.1 The Council has historically delivered major schemes through its own bespoke Major Schemes Framework. More recently a combination of stand-alone contracts and the

Midlands Highways Alliance + Medium Schemes Framework 3 have provided the Council with alternative routes to market. However, both of these procurement routes have had their challenges.

- 1.4.2 A review of procurement options was undertaken in 2021. The report concluded that a Design and Build (D&B) form of contract should be adopted because this type of contract provides greater cost certainty when compared to a more traditional route.
- 1.4.3 A design and build contract transfers liability for design away from the Council to the contractor. This reduces the risk of cost overrun during construction because errors or problems in the design are the contractor's liability rather than the Council's. Having a single organisation to design and build the project should increase the reliability of the design because there is no future means to claim money for errors or problems in that design. Equally, the designer will benefit from the input of the contractor at a much earlier stage than is traditional, ensuring that buildability and sequencing of works are key considerations of the design early, reducing the need for re-work and ensuring the right solution is adopted first time. Risk is not eliminated due to the pain/gain mechanism of the proposed NEC Option C contract, and scope changes will always remain a LCC responsibility. Furthermore, initial estimated costs are likely to be higher because the contractor will need to include contingency in their price to cover their expose to their additional risks. Overall, the design and build route provides for lower risk and higher cost certainty than the traditional procurement routes used by LCC, with all parties benefiting from the additional knowledge and experience brought into the project team by the inclusion of the contractor at an early stage.
- 1.4.4 The SCAPE framework is a suitable framework to accommodate the project needs and is one regularly used by other authorities for this scale and nature of project.
- 1.4.5 SCAPE appointed Balfour Beatty as sole contractor to its National Civil Engineering Framework. Through the framework, Balfour Beatty provide an end-to-end service from pre-construction through to project delivery.
- 1.4.6 The form of contract used by the framework is the NEC4 Engineering and Construction Contract. The Government Construction Board recommends that public sector organisations use the NEC contracts when procuring construction, and the council has significant experience in managing this form of contract.
- 1.4.7 Although a single contract includes both design and construction, the contract is delivered in two stages. The first stage will be for preconstruction. The second stage will be for construction. There is no obligation on the Council to proceed from stage one to stage two and therefore no liability, at this time, for any construction costs.
- 1.4.8 A further report will be presented to the Executive at the appropriate time to seek approval to issue the 'notice to proceed' which will enable the construction works

to commence. This same report will include an updated cost estimate, funding profile, and delivery timetable.

1.4.9 Gateways will be introduced into stage one of the contract to separate out key activities including, surveys, outline design & planning application, planning determination & discharge of conditions, support in respect of statutory orders, detailed design & full business case preparation, and advanced works. Works will progress through these phases by a mechanism similar to the ‘notice to proceed’ and only when authorized by the Executive Director of Place.

1.4.10 The two-stage contract and the gateways to be introduced into stage one limit the Council’s exposure to the expenditure incurred on the instructed works only. This report does not seek authority to enter into stage two of the contract so the maximum liability to the Council pursuant to the proposed contract is estimated to be £17.3m. The gateways will further reduce exposure to costs during stage one. Detailed negotiations are ongoing; however, it is anticipated that each phase within stage one would range between £1.5m and £4.5m. This is so that risk and liability is managed through smaller packages of work and to align with the Council’s normal governance procedures required for a scheme of this nature (e.g., planning applications and statutory orders).

1.4.11 Throughout the procurement process and the whole project delivery it has been acknowledged that LCC must hold a strong intelligent client role rather than delegate to others. This client governance role has been implemented which incorporates robust commercial scrutiny. It also retains the management and co-ordination role for elements such as archaeology, ecological and environmental requirements. In addition, LCC is reviewing its archaeological policy to ensure it is fit for purpose and through the future planning process won’t require any unnecessary activities to be taken as a result of the road construction. In summary, the client role is to drive the programme delivery and as a function reduce costs to provide the council the confidence that the project is being led effectively.

1.5 Cost Estimates

1.5.1 The most likely cost of the scheme is estimated to be in the range of £179.3m to £212.4m as set out below:

	Most likely range (£m)		
	High	Medium	Low
Construction (based on Q4 2021 prices)	121.9	112.8	108.9
Preconstruction	17.9	17.3	15.2
Stat diversions	9.0	9.0	9.0
Land & client costs	14.9	10.4	10.4
Risk	24.4	20.6	18.8
Inflation	24.3	23.0	16.9
TOTAL	212.4	193.4	179.3

1.5.2 The estimated costs have been developed by the proposed contractor, Balfour Beatty through the SCAPE framework, except for the land & client costs which have been assessed by the Council and its professional advisors.

1.5.3 The cost estimate is based on the same level of design information contained within the OBC. Additional desktop work has been undertaken to understand the geology and the effect this will have on the scheme design and construction, as well as a comprehensive review of existing statutory undertaker’s apparatus. Collaborative workshops have also been held with designers, internal and external stakeholders, and the contractor to ensure that the risks and opportunities are fully understood. Although this remains a preliminary estimate, the advanced work undertaken results in a cost range which is robust and reliable.

1.5.4 The cost estimates are approximately 16% to 38% higher than those contained in the OBC as set out below:

	Most likely range (£m)		
	High	Medium	Low
OBC estimate	154.458		
Current estimate	212.4	193.4	179.3
% Change	+37.5%	+25.2%	+16.1%

1.5.5 The original estimates contained within the OBC were based on the information available at that time. A benefit of the chosen procurement route is that the design information and assumptions contained within the OBC can be reviewed at early stage and supplemented with additional information as described in paragraph 1.5.3. The coronavirus COVID-19 pandemic has led to an unprecedented rise in the cost of construction materials, resulting in a larger than anticipated industry inflation rate in 2020 and 2021. Rebasng the costs in Q4 2021 incorporates this inflation, whilst future inflation is based on information provided by the RICS Building Cost Information Service. Furthermore, an extension to the programme (discussed in section 1.6) has caused expected costs to rise. The drivers for the cost increases have already occurred, but the chosen procurement route enables these to be realized much earlier than has historically been the case, which reinforces the assessment that this is a robust and reliable cost estimate.

1.5.6 Works to reduce costs will naturally continue through the pre-construction stage of the proposed contract. A review of opportunities has been undertaken, and whilst a reasonable proportion of these savings has been included in the cost estimates presented, it remains a priority to reduce costs where possible.

1.5.7 The cost increase has the potential to adversely impact the benefit to cost ratio identified in the OBC. The change will not be determined until such time as the Full Business Case is prepared and submitted, which will be shortly before the commencement of construction. However, the risk is anticipated to be low because material cost increases have been experienced nationally, such that all schemes may

be affected similarly. The cost profile is formally reported to the DfT on a quarterly basis for monitoring purposes, mitigating any residual risk. It remains the case that the OBC has been accepted, that the scheme represents high value for money, and delivers significant benefit to the county of Lincolnshire as described in section 1.2. The scheme continues to enjoy access to the DfT funding, and this funding will be drawn down as the scheme progresses.

1.6 Timetable

1.6.1 The proposed timetable anticipates pre-construction works (stage one) commencing under this contract in May 2022, with construction works (stage two) commencing November 2025 and completing in November 2028 as set out below:

	Start	End	Duration
Preconstruction (stage one)	May 2022	October 2025	41 months
Construction (stage two)	November 2025	November 2028	36 months

1.6.2 The proposed timetable has been developed by the proposed contractor, Balfour Beatty, through the SCAPE framework and with input from the Council in respect of its retained responsibilities and statutory processes.

1.6.3 The programme represents a prolongation of the scheme duration when compared to the OBC. Road opening is now expected to be 2 years later: November 2028 rather than November 2026. Approximately half of the delay is to be found within the construction duration, which is now anticipated to be 3 years, rather than 2 years. However, the advanced work undertaken by the contractor to sequence and schedule all key tasks required for construction as part of the SCAPE procurement process now provides a more robust and reliable construction timetable than was contained in the OBC.

1.7 Funding

1.7.1 The scheme will be funded by the following contributories, shown together with the value of their contribution:

- Department for Transport - £110,045,000
- Lincolnshire County Council - £38,000,000
- S106 developer contributions - >£10,000,000
- **TOTAL £158,045,000**

1.7.2 Lincolnshire County Council will forward fund the S106 developer contributions, with a view to recovering the money as and when the developments come to fruition.

1.7.3 There is currently an estimated funding gap of between £24.8m and £57.9m. The Council will address the funding gap before the key decision is required to authorize the giving of notice to proceed to the construction phase through the Council's normal budget setting processes.

1.8 The Council's Retained Responsibilities

1.8.1 The contractual requirements which govern the contractor's outputs have been developed by the Council. The detailed contract terms are being negotiated and this paper seeks delegated authority to negotiate those detailed contract terms, award and enter into the two-stage contract. The scope of works has been established by the project team through internal and external liaison to establish the design principles and constraints.

1.8.2 Technical assurance will be undertaken by Lincolnshire County Council's Technical Services Partnership to ensure that the design produced by the contractor meets the Council's technical requirements.

1.8.3 Whilst the responsibility for producing and submitting the planning application (subject to instruction from the Council) is that of the contractor, the responsibility for the planning application remains with the County Council as the applicant.

1.8.4 Land assembly and land access will be retained by the Council as it has statutory powers available to it to ensure that the scheme is able to proceed. Any subsequent legal orders (subject to appropriate authority at the relevant time) will be made and managed by the Council in its statutory capacity.

1.9 Approvals Required

1.9.1 The purpose of this paper is to seek approval to award to Balfour Beatty, under the SCAPE Framework, a two-stage design and build contract for the delivery of the North Hykeham Relief Road, and to proceed with stage one (preconstruction).

1.9.2 To delegate authority to the Executive Director of Place to negotiate detailed contract terms, award and enter into the two-stage contract for the delivery of the NHRR, and to authorize the progression through the phases contained within the first stage of the two-stage contract up to but not including the giving of notice to proceed to the construction phase.

2 Legal Issues

Equality Act 2010

Under section 149 of the Equality Act 2010, the Council must, in the exercise of its functions, have due regard to the need to:

Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act.

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.

The relevant protected characteristics are age; disability; gender reassignment; pregnancy and maternity; race; religion or belief; sex; and sexual orientation.

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

- Remove or minimize 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 section 149 may involve treating some persons more favourably than others.

The duty cannot be delegated and must be discharged by the decision-maker. To discharge the statutory duty the decision-maker 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 not been undertaken. This work is considered neutral in its impact on protected characteristic groups

Joint Strategic Needs Analysis (JSNA) and the Joint Health and Wellbeing Strategy (JHWS)

The Council must have regard to the Joint Strategic Needs Assessment (JSNA) and the Joint Health & Wellbeing Strategy (JHWS) in coming to a decision.

Consideration has been given to the JSNA and the JHWS and can be seen from the scheme descriptions that they will have positive benefits for both the health and wellbeing of local residents.

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 works are considered to have a neutral impact on the Crime and Disorder Act 1998.

3 Conclusion

- 3.1 The purpose of this paper is to update the Executive on the progress of NHRR, to seek approval to award a two-stage contract for the delivery of the NHRR and to delegate authority to the Executive Director of Place to negotiate detailed contract terms, award and enter into the two-stage contract for the delivery of the NHRR.

4. Legal Comments:

The Council has the power to enter into the contract proposed. The proposed procurement route is compliant with the Council's legal obligations in relation to procurement.

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

5. Resource Comments:

5.1 Accepting the recommendations within the report will commit the council to the costs of the first stage of the two-stage contract to proceed with the North Hykeham Relief Road. Whilst there is a cost range identified for this stage, this can be met from the currently approved capital programme for this scheme.

5.2 Before progressing beyond this stage of the contract, the budget will need to be reviewed and consideration given to the impact of any additional budget required to deliver the whole scheme. At this point it is considered that there will be a shortfall in the scheme budget against the range of the likely costs of construction calculated.

6. Consultation

a) Has Local Member Been Consulted?

N/A

b) Has Executive Councillor Been Consulted?

Yes.

c) Scrutiny Comments

On 07 March 2022, the Highways and Transport Scrutiny Committee considered the report on the North Hykeham Relief Road and recorded its unanimous support of the Recommendations to the Executive.

The following points were highlighted:

- Members expressed concerns that in a period of high inflation rates it was not clear how costings would be affected. Officers provided assurance that although that is a valid concern, inflation, price rises, and other cost pressures had been factored into the costs presented. The cost element included for the accelerated construction inflation experienced over the last 18 months and also accommodated normal levels of construction inflation throughout the life of the project. There was also a range of variance included in the forecast cost range to account for future normal levels of construction inflation running either slightly higher or lower than expected. It was stressed that a further substantial spike in interest rates like has been seen in the last 18 months had not been factored into the price as it was too variable to estimate. Officers maintained that if the scheme forecast costs that would be regularly reported back to members and if the council felt the scheme has become too untenable then there were provisions within the contract to terminate at no further cost or damages and cease development of the project. The Department for Transport were not going to increase their financial offer above what was already agreed; therefore, any cost overrun would have to be factored in through other forms of funding and funding bids that could be explored. Further assurance was provided that the benefit to cost ratio followed the Green Book basis of the business case; when DfT received the final business case which was programmed for 2025 a summary of costs (as these would have changed over the course of time as the scheme progressed) would be provided.
- Members expressed their satisfaction over the positive impact for local divisions such as Doddington, Hykeham East, North Hykeham, Waddington and the South of Lincoln and were pleased to see that this was a dual carriage way road, with cycling provisions.
- It was clarified by Officers that the commencement of the construction works was planned for November 2025, prior to this a further key decision report would be

submitted to this Committee and any other relevant (in line with para 4.8 of the report).

- Members echoed local residents' concerns in relation to the nature and conservation measures being taken before and during construction of the North Hykeham Relief Road, and also around the archaeological investigations that were being carried out and what was expected to be found as part of these in this land. Officers confirmed that once appointed, Balfour Beatty, being the designer, would appoint consultants who would on their behalf, carry out a series of activities including data collection, environmental surveys, ecology surveys, as well as preliminary design of the works to be carried out. All these would feed into the next major milestone, which was to submit a planning application, part of which was an Environmental Impact Assessment that was a legal and statutory requirement; the application would demonstrate a level of mitigation throughout the process. In terms of archaeological screening, Members were pleased to hear that the actual digging would not commence before November 2025 and that early indicators suggested that although there will be finds they were unlikely to be as significant as was found at the Lincoln Eastern Bypass. The team remained in close collaboration with Heritage team.
- A point was raised in relation to disruptions caused by closed roads as part of the works scheduled and a question was asked about communications with residents through development stages. Members received assurance that the County Council had already written to residents in affected areas and that there was a robust Comms strategy (including letters, emails, a website, newsletters etc.) in place to ensure residents and landowners remained informed at all stages and that road closures would be communicated promptly. Officers were not in position to comment on where the works would begin from but confirmed that they would be taking place in more than one location simultaneously in line with works requirements; equally the scheme will open across the whole length.
- In relation to the £38m allocated by Lincolnshire County Council to the North Hykeham Relief Road project, further clarification was requested on the determining factors for allocating funding for Highways Capital Programme schemes. The Executive Support Councillor for Highways, Transport and IT agreed to pass on to the Executive Councillor for Highways, Transport and IT.

d) Risks and Impact Analysis

Risk and Impact Analysis are being undertaken as part of the ongoing design process.

7. Background Papers

The following background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

Background Paper	Where it can be viewed
Report to Executive dated 5 December 2006 "Preferred Route for Lincoln Southern Bypass"	Democratic Services https://lincolnshire.moderngov.co.uk/ieListMeetings.aspx?Committeed=121
Report to Executive dated 2 October 2018 "North Hykeham Relief Road"	Democratic Services https://lincolnshire.moderngov.co.uk/documents/s23624/NHRR%20-%20Cover%20Report.pdf

This report was written by Sam Edwards, Head of Highways Infrastructure, who can be contacted on 07900 136143 or at sam.edwards@lincolnshire.gov.uk.



Open Report on behalf of Heather Sandy, Executive Director - Children's Services

Report to:	Executive
Date:	05 April 2022
Subject:	Single Section 75 Agreement for Children and Young People's Mental Health Services and Council Funding
Decision Reference:	I025505
Key decision?	Yes

Summary:

The purpose of this report is to seek agreement from the Executive to:

- Establish a new single Section 75 (s75) commissioning arrangement for children and young people's (CYP) mental health services from September 2022, involving the pooling of budgets with NHS Lincolnshire Clinical Commissioning Group (CCG)/Integrated Care Board (ICB) and the Council being lead commissioner of CYP mental health services.
- Establish a new single s75 Agreement with Lincolnshire Partnership NHS Foundation Trust (LPFT) for the carrying out of the Council's delegated functions in relation to CYP mental health.
- Approve the Council's financial investment in CYP mental health services.
- Confirm support for a review of CYP mental health services, resulting in a programme of transformation.

In October 2017, the Council worked with LPFT to develop the new Healthy Minds Lincolnshire service (HML) to provide emotional wellbeing support in and around schools including promotion, prevention and early intervention support for CYP. Prior to this, there was a gap in support for children with emotional wellbeing concerns that did not meet the threshold for Child and Adolescent Mental Health Service (CAMHS). HML is commissioned through a Partnership Agreement made under s75 of the NHS Act 2006. The current agreement is due to end on 31 August 2022. The Council funds the service, and the current value is £2.m per annum; £1.m is funded from the Public Health Grant and £1.m from the High Needs Block of the Designated Schools Grant (DSG).

Since HML was first commissioned, the CCG in partnership with LPFT and the Council have successfully bid to NHS England (NHSE) for Mental Health Support Teams (MHSTs). MHSTs are a new nationally prescribed model of emotional wellbeing and mental health support in schools and colleges which is part of the national drive to

improve access to mental health care for CYP as set out in the NHS Long Term Plan (LTP). Lincolnshire currently has four MHSTs and has been successful in securing four additional MHSTs to be rolled out by 2024/25. MHSTs are currently funded by NHSE and by 2024/25 are expected to cost just under £2.5m per annum and will cover approximately 50% of the county. Funding is currently in place until the end of March 2024 with the potential of a further five years of funding subject to the Government spending review. What will happen in terms of further roll-out of MHSTs and ongoing funding for existing MHSTs and more beyond 2024/25 is currently unknown.

Since HML was established there has been a significant increase in CYP with Special Educational Needs and/or Disabilities (SEND); this is a national picture although increases have been higher in Lincolnshire. The Council has many statutory duties relating to CYP with SEND and the High Needs Block of the DSG is now under significant pressure because of additional funding needed to meet this increased demand. This report recommends a phased diversion of £1.m funding for HML back to the DSG. The £1.m funding for HML from the Public Health Grant is recommended to continue.

This report also recommends combining the current s75 Partnership Agreements with LPFT (one for HML and MHSTs and one for CAMHS) into a new single agreement: simplifying governance, funding and commissioning arrangements. A new s75 Agreement with the CCG would also commence from 1 September 2022 to pool all Council and CCG funding towards CYP mental health services.

Recommendation(s):

That the Executive approves:

1. The entering into of a new s75 Agreement with NHS Lincolnshire CCG/ICB from 1 September 2022 for up to five years:
 - to pool all Council and CCG/ICB funding in relation to CYP mental health services; and
 - for the Council to act as lead commissioner for all Lincolnshire CYP mental health services (CAMHS, MHSTs and HML).
2. The entering into of a new single s75 Agreement with LPFT from 1 September 2022 for up to five years to deliver the functions delegated to the Council in relation to Lincolnshire CYP mental health services.
3. Continuing to invest recurrently in CYP mental health services to the amount of £1,724,589 per annum as follows:
 - £1.m from the Public Health Grant towards continuation of HML to deliver whole population CYP mental health promotion, prevention and training and early intervention; and
 - £724,589 into CAMHS for specialist CYP mental health support in relation to the Council's statutory duties, ensuring the emotional wellbeing and mental health of CYP, particularly those in care.

4. Working jointly with the CCG/ICB and LPFT to review early intervention support provided by HML and MHSTs and agree a hybrid approach that allows the tapering of £1.m p/a Council funding from the DSG alongside the increasing investment and coverage of NHS funded MHSTs in Lincolnshire.
5. Delegation to the Executive Director of Children's Services in consultation with the Executive Councillor for Children's Services, Community Safety and Procurement and working with the Lincolnshire CCG/ICB, of the authority to approve the final form of any agreements, the profile of funding diversion, the hybrid model of HML/MHSTs and allow them to make future decisions about the future model and use of funding over the five years of the new s75 agreement.

Alternatives Considered:

1.	<p><u>Extend the current s75 partnership arrangements</u> Under current decision-making, the Council could continue to extend the current s75 arrangements for CAMHS, without any changes, up until 31 March 2025. However, a new decision would need to be taken on the continuation of the s75 agreement with LPFT for HML and MHSTs, which cannot be extended past 30 September 2022. Extending the agreements under separate contractual arrangements would not support the future intentions for integration and transformation, nor would it allow any of the benefits that would come of having single governance and contract management arrangements covering all CYP mental health services.</p>
2.	<p><u>Enter into two new separate s75 arrangements for CAMHS and HML/MHSTs</u> Instead of entering into a new single commissioning arrangement for all CYP mental health services, the Council could keep these new agreements separate. This would keep delegation of NHS statutory duties for specialist CAMHS support separate from arrangements for early intervention and preventative support in schools/colleges (HML/MHSTs). However, separate arrangements would continue to make transformation and integration of these services more difficult. It would also not support fluid movement of resources (staff and funding) across services, nor would it help to simplify governance arrangements and contract management processes.</p>
3.	<p><u>Maintain current level of Council funding towards HML of £2.m p/a</u> The Council could continue to fund HML at the current amount of £2.m p/a, either from existing funding streams (50% Public Health Grant/50% DSG) or alternative budgets. This would support continued investment in early intervention services and growth in access to CYP mental health support in line with the NHS LTP, rather than trying to seek additional funding through the NHS. It would also still allow the transformation of early intervention support to remove any duplication across HML/MHSTs, without needing to address a cost pressure. However, it would not allow the Council to support CYP with SEND via the DSG to the extent necessary based on current demand if this was identified as the continued funding stream. This would also not support the Lincolnshire Schools' Forum's recommendation. This option does not recognise the responsibility of the CCG/ICB to fund early intervention CYP mental health support or provide incentive for the CCG/ICB to increase investment in line with the NHS LTP ambitions.</p>

4.	<p><u>Divert all HML Council funding, including £1.m Public Health Grant funding</u></p> <p>Rather than continuing to invest £1.m per annum in HML to deliver its Public Health Duties around CYP mental public health, the Council could also divert this funding back to the Public Health Grant. However, it is unlikely without a joint partnership approach and investment that the CCG/ICB would continue to invest in HML, particularly at the current level of £2.m p/a. If the service were to cease or be refocused by the CCG/ICB, the Council may have to identify another way to deliver against its CYP public mental health responsibilities and Lincolnshire would lose a valued and well-used provision, leaving Lincolnshire without a county-wide CYP mental health/emotional wellbeing early intervention offer. This decision would also require consultation and would pose a significant risk of challenge.</p>
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Reasons for Recommendation(s):

There are several reasons that support the recommendation for entering into a new single s75 partnership commissioning arrangement for CYP mental health services from September 2022 outlined in this report, in summary:

- The Council will be able to work with Lincolnshire’s NHS commissioning body to manage under one agreement any new investment or transformation arrangements and share additional funding for CYP mental health services much more easily, such as are often requested by NHSE and delegated to the Council by the CCG to action with LPFT in relation to commissioning and delivery of CYP mental health services.
- A single s75 Agreement will also allow streamlined governance arrangements and contract management processes.
- This single s75 arrangement will allow flexibility as a system to integrate and modify services to respond to service improvements.
- The Council would still have the contractual ability to not extend the agreement beyond the initial term (2025) or to serve notice without fault if there is a change in circumstances that warrants the agreement ending.

Agreeing continuation of £1.m Public Health Grant funding towards HML as well as a phased diversion of £1.m back to the High Needs Block of the DSG will:

- Ensure the service can continue to support the Council’s Public Health duties regarding children’s mental health promotion and prevention.
- Significantly help towards reducing the pressure on the DSG as a result of increasing numbers of CYP with Education, Health and Care Plans (EHCP).
- Allow the Council to meet its statutory obligations in relation to SEND.
- Support a phased transition of early intervention services (HML/MHSTs).

Working in partnership with LPFT to develop a hybrid model for Lincolnshire across HML and MHSTs will help to ensure that:

- The diversion of the DSG funding contribution for HML, alongside the roll-out of MHSTs, does not have a detrimental impact on providing preventative/early intervention emotional/mental health support to CYP.
- We minimise or eliminate any wastage due to duplication in what HML and MHSTs deliver to CYP in regard to low-level Cognitive Behavioural Therapy

(CBT) for low to moderate emotional/mental health concerns.

- We can continue to offer a similar level of service county-wide, maximising the available resources and delivering against the Council's Public Health duties regarding children's mental health.
- Lincolnshire does not lose the expertise of any valuable staff in the workforce, instead seeking opportunities for them to be re-deployed elsewhere within the wider CYP mental health services.

A wholesale review and transformation of CYP mental health services will:

- Allow partners to fully understand the impacts of the pandemic on CYP mental health services, including newly highlighted health inequalities.
- Enable clear, coordinated, and prioritised planning for longer-term transformation of CYP mental health services in Lincolnshire and co-produce services that will deliver better outcomes for more of our CYP.

1. Background

1.1. *Half of all life-long mental health problems in the UK start before the age of 14 and three quarters start before the age of 25. Today's children and young people are considered to have worse mental health outcomes compared to previous generations, and in addition the Covid-19 pandemic has had a significant detrimental impact on some children's mental health (Children's Commissioner, 2021; State of Child Health, 2020).*

1.2. The following services covered in this report include:

Service	Commissioner	Provider
Child and Adolescent Mental Health Services (CAMHS)	Joint arrangements between NHS Lincs CCG (CCG) and Lincolnshire County Council Children's Services	Lincolnshire Partnership NHS Foundation Trust (LPFT)
Mental Health Support Teams (MHSTs) – funded through NHSE		
Healthy Minds Lincolnshire Service (HML)	Lincolnshire County Council Children's Services	

Statutory Duties

1.3. The Council does not have a direct statutory duty to commission or provide children's mental health services but through current delegated responsibilities, the Council has taken on authority from the CCG to exercise the CCG's statutory function to commission CAMHS in Lincolnshire.

1.4. The Council does not have a statutory duty to commission MHSTs or HML, however these services support a wide range of other statutory requirements that are specific to the Council and the delivery of recommendations made in national policies, in particular:

- The NHS Act 2006 (Section 2B), which places duties on local authorities in relation to improving the health of its local population.
- The Children Act 1989, Section 22(3)(a) as amended by Section 52 of the Children Act 2004, which places duties on local authorities to looked after children (LAC), including the duty to safeguard and promote their welfare (including physical, emotional and mental health).
- Health and Social Care Act 2012, which places duties on local authorities in relation to addressing health inequalities of CYP.
- These services also enable the Council to deliver its Public Health duties regarding children's mental health promotion and prevention, suicide prevention, and improving lives, supporting recovery and inclusion of people living with mental health problems.

Current Commissioning Arrangements

- 1.5. Lincolnshire has often been ahead of other areas nationally in ensuring CYP's mental health is prioritised, with a key focus on early intervention. Lincolnshire also has mature formal joint commissioning arrangements with health commissioners.
- 1.6. **CAMHS** is funded through a pooled budget between the CCG and the Council, and commissioned by the Council from LPFT.
- 1.7. There are currently two contractual arrangements in place that relate to the commissioning of CAMHS both of which are currently agreed until 31 August 2022:
 - i) An agreement (made under s75 of the NHS Act 2006) between the Council and CCG. This agreement allows funding for CAMHS to be pooled and delegates lead commissioning responsibility to the Council.
 - ii) An agreement (made under s75 of the NHS Act 2006) between the Council and LPFT under which LPFT exercises the Council's functions in the areas of specialist CAMHS and a range of related children's services which are the responsibility of the Council.
- 1.8. The CAMHS s75 agreement with LPFT also includes delivery of Lincolnshire's Framework for Integrated Care/Complex Needs Service. This is funded by NHSE (Health and Justice), which is passed directly to the Council under a Memorandum of Understanding; £500,000 in 2021/22, £800,000 in 2022/23 and £1,100,000 in 2023/24.
- 1.9. The current total funding towards CAMHS in 2021/22 is just under £10.6m:
 - £6,712,574 – Recurrent core funding from the CCG
 - £724,589 – Recurrent core funding from the Council
 - £410,770 – Recurrent inflationary increase from the CCG for 2015-2020
 - £109,940 – Recurrent inflationary increase from the CCG from 2021/22
 - £1,043,000 – Recurrent CCG Service Development Funding investment
 - £943,200 – Non-recurrent CCG Spending Review funding for 2021/22
 - £650,000 – Non-recurrent NHSE (Health and Justice) funding towards the Framework for Integrated Care/CYP Complex Needs Service.

1.10. The current s75 agreement with the CCG pools the funding listed in 1.9 above, except the £650,000 NHSE (Health and Justice) funding which is passed directly from NHSE via a Memorandum of Understanding agreement. The CCG s75 agreement also includes funding for MHSTs (see 1.17) and a contribution from the CCG towards emergency residential beds in Lincolnshire.

1.11. **HML** has been commissioned by the Council since October 2017. The Council delegated its functions in as far as they relate to HML to LPFT through a Partnership Agreement (made under s75 of the NHS Act 2006). This agreement has been extended to 31 August 2022. There is the option to extend the agreement to a maximum period of 30 September 2022.

1.12. The current annual value of the agreement is £2.m, with £1.m of the funding being from the High Needs Block of the DSG, which is under significant pressure and the other £1.m funded through the Children’s allocation of the Public Health Grant.

1.13. The commissioning of the service is supported by Lincolnshire Schools' Forum and the Lincolnshire Learning Partnership.

1.14. The CCG in partnership with LPFT have successfully bid to NHSE for **MHSTs** in Lincolnshire. The table below shows the timeline of the current MHSTs:

MHSTs	Jan to Dec 2020	Jan to Dec 2021	Jan to Dec 2022	Jan to Dec 2023	Jan 2024 onwards
Lincoln and Gainsborough (Wave 2)	Training year	Begin to embed through becoming fully operational	Fully embedded	Fully funded	Funded to end of March 2024. Funding from April 2024 onwards TBC
Boston and Skegness (Wave 4)		Training year	Begin to embed through becoming fully operational	Fully Embedded	Funded to end of March 2024. Funding from April 2024 onwards TBC

1.15. Lincolnshire submitted a third multi-year bid for further MHSTs, but not all were agreed by NHSE nationally. However, NHSE has confirmed that Lincolnshire has been successful in securing four additional MHSTs, the timescales for which are set out below. Further confirmation of this along with anticipated funding for each of the MHSTs during the first two years and beyond is yet to be confirmed/agreed.

Future MHST Wave	Number of Additional MHSTs	MHST Training Year	MHST Begin to Embed	MHSTs Fully Embedded from
Wave 7 (Spalding)	1	September 2022	September 2023	September 2024
Wave 8 (Grantham and Sleaford)	2	January 2023	January 2024	January 2025
Wave 10 (TBC*)	1	January 2024	January 2025	January 2026

**Based on areas of need that meet MHST criteria this is anticipated to be either Louth and the surrounding area or south of Lincoln (within North Kesteven).*

1.16. Delivery of MHSTs is currently part of the HML s75 Partnership Agreement with LPFT. MHSTs are funded directly by NHSE, which is passed to the CCG and then to the Council as part of the CAMHS s75 pooled budget arrangements (this does not currently include any of the HML funding).

1.17. The anticipated overall value of the MHSTs funding from NHSE is outlined below. There is a commitment for MHSTs to continue as part of the NHS LTP. NHSE has a funding settlement for five years up until 2023/2024 financial year, and a further five years based on the Spending Review; the funding allocation for Lincolnshire to the 2023/24 financial year has been set out by NHSE and confirmed by the CCG. This is in line with the five years funding settlement up until 2023/24. Any funding for a further five years will be dependent on the outcome of the Spending Review.

MHSTs	19/20 FY	20/21 FY	21/22 FY*	22/23 FY*	23/24 FY*	Total*
Lincoln and Gainsborough (Wave 2)	£93,018	£347,386	£736,274	£751,000	£766,020	£2,693,698
Boston and Skegness (Wave 4)	-	£147,734	£510,677	£741,759	£756,594	£2,156,764
Wave 7 (1)	-	-	-	£126,761	£366,919	£493,680
Wave 8 (2)	-	-	-	£108,652	£511,426	£620,078
Wave 10 (1)	-	-	-	-	£54,326	£54,326
Total	£93,018	£495,120	£1,246,951	£1,728,172	£2,445,285	£6,018,546

**Indicative funding from NHSE as based on an assumed 2% uplift per annum.*

1.18. The current commissioning arrangements for Lincolnshire’s CYP mental health services are arguably overly complex and bureaucratic and can be restrictive in trying to obtain a single overview of all CYP services provided by LPFT. All partners want to explore a more streamlined commissioning arrangement.

Future Commissioning Proposals

1.19. This report proposes entering into the following agreements from 1 September 2022 for up to five years:

- A new s75 agreement with the CCG/ICB to pool all Council and NHS funding in relation to CYP mental health services (CAMHS, MHSTs and HML) and for the Council to act as lead commissioner for these services.
- A new single s75 agreement with LPFT for the provision of HML, MHSTs and CAMHS (including the CYP Complex Needs Service).

1.20. The new single s75 agreement with LPFT would be a consolidation of the two current s75 agreements but will focus more on delivery against outcomes across all levels of CYP mental health provision, and allow LPFT the flexibility, in partnership with commissioners, to transform services and pathways to better meet the needs

of CYP and families, improve access and further limit any gaps that could result in CYP not receiving support.

- 1.21. In addition, a single s75 partnership arrangement will simplify governance and contract management arrangements, making it easier to have discussions with the provider and key partners that look across the breadth of CYP mental health services, with clearer reporting of KPIs and outcomes, ultimately allowing the system to further improve and streamline services.
- 1.22. It is good practice for the Council to inform Lincolnshire Schools' Forum when key decisions are to be made on central spend to High Needs Block provision and a report was presented to the Forum on 20 January 2022 and all recommendations regarding HML were fully supported in line with this report.

Service Overview and Performance

1.23. **CAMHS** consists of the following main services:

- Core CAMHS – direct intervention including 1:1 support, group intervention and self-help delivered by a range of professionals such as mental health nurses, psychiatrists, and psychologists. Treatment is for moderate to severe concerns including but not limited to depression, anxiety, post-traumatic stress disorder, trauma, self-harm. Young people are supported with transition to adult mental health services as required.
- Community Eating Disorder Service (EDS) – interventions for CYP with Anorexia Nervosa, Bulimia, binge eating and atypical eating disorders.
- CAMHS Learning Disabilities Team – direct specialist interventions for CYP suffering with mental health problems who have a diagnosed learning disability.
- CAMHS Crisis and Enhanced Treatment Team (CCETT) – 24/7 crisis response and intensive home treatment for CYP in crisis to prevent inpatient admissions or support CYP coming out of inpatient services.
- CYP Complex Needs Team – an expansion of the Future4Me Health Team, this new team is currently being implemented on a phased approach by 2023/24 and will work alongside Early Help, Social Care and other services to support the mental health and wellbeing of our CYP with complex needs and trauma, including children in care, fostering or kinship arrangements, adopted children, those with complex health needs and children living in vulnerable households e.g. socio-economic disadvantage, parents with mental health problems etc.

1.24. **HML** supports mild to moderate emotional wellbeing/mental health needs of CYP aged 0-19 years (25 SEND and/or Care Leaver). The service works closely in and around schools and is focussed on early intervention and the prevention of emotional wellbeing concerns escalating to mental health issues. The service promotes positive CYP mental health in schools and other settings, provides training to future teachers and childcare providers, offering training workshops to children's services workforce, and delivers group workshops to CYP on key mental health topics. The service also provides a range of direct interventions to CYP.

- 1.25. **MHSTs** are a new nationally prescribed model of emotional wellbeing support in schools and colleges which is part of the national drive to improve access to mental health care for CYP as set out in the NHS LTP. MHSTs support school aged CYP from age 5 to 18 years.
- 1.26. Each team must consist of four Education Mental Health Practitioners (EMHPs) and deliver three core mandatory functions:
- Evidence-based interventions for CYP with mild to moderate mental health problems.
 - Supporting an identified senior mental health lead in each education setting to introduce or develop their whole setting approach to positive mental health and emotional wellbeing.
 - Giving timely advice to education settings staff and liaising with external specialist services to help CYP to get the right support and stay in education.
- 1.27. Currently each team must cover a population of at least 8,000 CYP (reducing to 7,000 CYP for future waves). Once fully operational (two years post commencement) each MHST should support 500 CYP per 8,000 CYP (c. 6.25%).
- 1.28. Education Settings and School Number on Roll (NOR) Coverage (May 2021 Schools Census) of MHSTs in Lincolnshire:

MHSTs Waves	Number of Education Settings	Number of Lincolnshire Schools and Academies	NOR (5 to 18 years) coverage for Lincolnshire Schools and Academies	Approx % of NOR of Lincolnshire Schools and Academies*
Wave 2	48	45	13,222	12%
Wave 4	49	48	13,152	12%
Wave 7	24*	23*	7,170*	7%*
Wave 8	40*	39*	14,499*	13%*
Wave 10	24*	24*	7,000*	6%*
Total	185	179	55,043*	50%*

*TBC

- 1.29. LPFT's mental health services for CYP are rated outstanding by the Care Quality Commission (CQC) (2020) and pre-pandemic data showed that the innovative HML model was delivering positive outcomes for CYP in Lincolnshire:
- **When CYP needed support, they were helped quickly.** Since 2018, 96% of CYP waited less than four weeks to access support from HML and 68% were seen in less than two weeks.
 - **Most CYP were recovering well and maintaining their emotional wellbeing after discharge from HML.** In 2019/20, 88% of CYP that completed HML treatment needed no further support or could be stepped back to universal services. In 2020/21, this was 86%. In both years only 2% of CYP's needs escalated and required access to CAMHS. The average re-referral rate since 2018 was 7%.

- **Prior to the Covid-19 pandemic, Lincolnshire had not experienced the same increases in CAMHS referrals as nationally projected indicating HML preventative support was working.** Since 2018 and before the pandemic, overall referrals to CAMHS had remained reasonably constant and dropped by 5% in 2019/20; urgent referrals to CAMHS had reduced by 6%.
- **Lincolnshire had less CYP needing inpatient care.** Lincolnshire in-patient hospital admissions for mental health (0-17 years) have reduced from 68.9 per 100,000 population in 2017 to 58.4 per 100,000 in 2019. Nationally hospital admissions rose to 88.3 per 100,000 in 2019.

1.30. Throughout the Covid-19 pandemic, CAMHS, HML and MHSTs have worked together undertaking rapid innovation and expansion of virtual mental health support available to CYP, parents/carers and education settings:

- **Despite reports of extremely long waits nationally for CAMHS, Lincolnshire CAMHS did not see the same scale of problem.** At the beginning of the first lockdown in March 2020, 85% of CYP with routine referrals were assessed within six weeks and the average routine wait for Core CAMHS increased to 8.4 weeks; by the end of the year (March 2021), despite an increase in both the number and acuity of referrals, 93% of assessments were carried out within six weeks.
- Data for 2020/21 shows that 92% of CYP in crisis received an emergency telephone response within four hours (above the national figure of 83%). **The average emergency wait time for 2020/21 was 1.4 hours (better than the national comparison of 11 hours).**
- The most recent CAMHS data is telling us that compared to national data during the pandemic and up to July 2021:
 - The increase in referrals in Lincolnshire was comparable to national increases.
 - **Significantly more Lincolnshire patients also consistently received a clinical contact each month (65%)** compared to the national average (50%); this means that Lincolnshire CAMHS provided clinical support to more of their patients each month than other CAMHS nationally.
 - 42% of clinical contacts were **face-to-face: slightly less than the national average (45%).**
 - 22% of **non-face-to-face clinical contacts were digital – video/skype: 5% higher than the national average (17%);** the remaining 36% were telephone or text.
 - Although national reporting for 2020/21 is not yet available, feedback through national forums indicates an increase in the numbers of CYP admitted to inpatient units for their mental health, however **Lincolnshire CAMHS CCETT has continued to support CYP and their families in the community and the number of Lincolnshire inpatient CYP has remained low** during the pandemic (10 inpatient CYP in March 2020 and 10 in January 2022), despite an increase in the acuity of CYP in crisis.

- 1.31. The NHS confederation recently published a report (Reaching the Tipping Point) on the impact of the pandemic on CYP's mental health. Before the pandemic, the prevalence of mental disorders in CYP aged 5 to 16 was already increasing from 1 in 9 (2017) to 1 in 6 (2020). Anxieties caused by lockdowns, school closures, isolation from peers, bereavement, and the stresses on families have increased pressures. Nationally, frontline mental health services report a large increase in CYP needing help but not meeting referral criteria for specialist CAMHS. CYP are then potentially storing up problems for the future. Demand modelling suggests that 1,500,000 CYP may need new or additional mental health support as a result of the pandemic.
- 1.32. In Lincolnshire, despite a lot of positive support during the pandemic, which performance data can attest to, local services continue to see referrals increase and staffing capacity is an issue. Waiting times from assessment to first treatment are becoming a concern, particularly for more specialist interventions such as specialist eating disorder services, and sadly in 2021 there have been six children that have died through suspected suicide, which is higher than the one to two per year previously.
- 1.33. This makes the need to review services imperative in consideration of the medium/longer term impact of the pandemic. Services need re-shaping with the right investment to cope with increasing demands.

Future Funding Proposals

- 1.34. The Council's recurrent contribution towards **CAMHS** is currently £724,589; it is not proposed that any change is made to this amount. Future NHS funding will be agreed annually in line with the NHS allocations process. It is hoped that recurrent NHS funding will continue to increase annually in line with NHS LTP priorities around CYP's mental health.
- 1.35. NHSE (Health and Justice) funding towards the Framework for Integrated Care/Complex Needs Service is planned at £500,000 in 2021/22 (with an additional £150,000 funding carried forward), £800,000 in 2022/23 and £1,100,000 in 2023/24. Funding beyond this is still to be agreed nationally, although the programme is a 10-year Framework to 2030.
- 1.36. Funding for the currently planned waves of **MHST** roll-out (detailed above) is confirmed until the end of March 2024. Whether this funding will continue to be available from NHSE or passed to the CCG is yet unknown, as is any funding for further roll-out of MHSTs beyond 2025. Since this is purely funded through the NHS there are no implications for the Council's budgets, unless it is announced that all MHST NHS funding will cease from 2025. In which case there may need to be system-wide discussion about ongoing funding of school-based, early intervention CYP mental health support.
- 1.37. **HML** receives £1.m funding from the Children's allocation of the Public Health Grant, and in 2017 the Council, supported by Lincolnshire Schools' Forum, agreed to match

the funding and invest £1.m from the High Needs Block of the DSG. This was to meet the significant gap in schools being able to access low to moderate support for pupils who did not meet CAMHS thresholds.

1.38. The £1.m funding for HML from the Children’s allocation of the Public Health Grant is proposed to continue.

1.39. Since 2017 the roll-out of MHSTs was announced and has commenced in Lincolnshire; an offer which partially duplicates the HML offer, particularly direct interventions for low to moderate emotional/mental health delivered in schools. In addition, the High Needs Block of the DSG is now under significant pressure and the Council has statutory obligations it must fulfil with this budget whereas HML is not a statutory Council service.

1.40. The Council will need to work with LPFT to consider how, as further MHSTs are rolled-out in Lincolnshire, the £1.m DSG funding can be diverted back to reduce the funding pressure. The target timescale for diversion of the DSG funding is by the end of March 2024 and assumes that continued NHS funding is confirmed for MHSTs beyond the end of March 2024. The proposed phased diversion is as follows:

Financial Year	Diversion of DSG funding (annual)	Diversion of DSG funding (cumulative)	Total HML Council funding
2022/23 – Sept 22 to Apr 23	£140,000*	£140,000	£1,026,667
2023/24	£360,000	£500,000	£1,500,000
2024/25	£500,000	£1,000,000	£1,000,000

**Based on MHST coverage of 12%; 12% of £2.m is £240k, £140k represents 7/12ths.*

1.41. The Council is currently working closely with the CCG to identify if funding can be sought elsewhere in the system to match diversion of DSG funding.

1.42. It is proposed that a new pooled budget and lead commissioning s75 Agreement with the CCG will start from September 2022, and will include:

- Council recurrent contribution towards CAMHS (£724,589)
- Recurrent and non-recurrent funding from the CCG towards CAMHS, including new investment as part of the NHS LTP (TBA)
- CCG contribution towards emergency residential beds in Lincolnshire
- Funding for MHSTs (see 1.17)
- Council ongoing Public Health Grant investment in HML (£1.m if agreed)
- Potential CCG funding towards HML (up to £1.m if agreed)

Interim Review and Modelling of Prevention and Early Intervention Support

1.43. Partners are committed to ensuring that the diversion of the DSG funding contribution for HML, alongside the ongoing roll-out of MHSTs, does not have a detrimental impact on providing preventative support and early intervention emotional wellbeing and mental health support to CYP.

- 1.44. There is a degree of duplication in what HML and the new MHSTs deliver in regard to low-level Cognitive Behavioural Therapy (CBT) for low to moderate emotional/mental health concerns in schools and colleges. Whilst Lincolnshire's locally designed HML service was able to operate county-wide for £2.m per annum, the estimated ongoing cost of eight MHSTs (covering 50% of the county) is £2.5m.
- 1.45. As previously mentioned, the MHST model is fairly prescriptive, and not altogether conducive to a large rural county like Lincolnshire. With the further roll-out and future funding beyond 2025 unclear, an interim hybrid solution is needed locally that continues to offer a similar level of service county-wide, maximising the available resources and minimising any duplication or wastage. This hybrid model must also deliver against the Council's Public Health duties regarding children's mental health promotion and prevention, through awareness, training and building resilience.
- 1.46. Further to this, it is hoped that through discussions with LPFT and Lincolnshire CCG, the Lincolnshire system can find funding for HML to replace the £1.m DSG funding, allowing current investment overall to be maintained whilst national investment increases. However, if this is not possible, by developing an agreed hybrid model, partners can develop a countywide offer that may change but will seek to utilise the existing workforce across a wider range of services and not reduce this. Overall funding for CYP mental health is still expected to increase by 2024/25 even if the proposed £1.m contribution of DSG funding is not replaced as investment from the NHS is expected to increase.
- 1.47. We need to ensure that Lincolnshire does not lose the expertise of any valuable staff in the workforce, instead seeking opportunities for them to be re-deployed elsewhere within the wider CYP mental health services, including MHSTs where possible.
- 1.48. Partners will be planning, designing, and implementing the hybrid HML/MHST approach by September 2022, alongside the commencement of the new single s75 agreement. Approval of the final details regarding the new hybrid model and its implementation from September 2022, is requested to be delegated to the Director of Children's Services in consultation with the Executive Councillor for Children's Services, Community Safety and Procurement.

Future Review and Transformation Planning

- 1.49. Prior to the Covid-19 pandemic a review of CYP mental health services in Lincolnshire had commenced and some clear themes were already emerging:
- Improving access through an **integrated pathway that manages referrals**, assessments, and front-line support for all emotional, behavioural and mental health concerns.
 - Working together as part of an **integrated multi-disciplinary offer** to ensure that CYP get the right support from the right professional(s) without needing to be referred to multiple services.

- Enhancing **universal support to parents/carers**, to identify risk factors early and provide effective support to empower and improve their ability to meet their child's needs.
- CYP, families and professionals need access to a **range of non-intervention support** – prevention, advice, signposting, consultation, digital information etc.
- Recognising **that schools should continue to play a key role in promoting and supporting emotional wellbeing and mental health** and often just need advice and guidance from services. Continue to provide whole-school, trauma-informed and solutions focused approaches so that CYP are supported consistently across the Lincolnshire workforce.
- Building **teams around local communities** that understand and can respond to their population needs, education settings and primary care communities to best support professionals and CYP/families, from prevention through to specialist support.
- **Investing in our workforce and developing skills** in Lincolnshire to deliver a **wide range of therapies** and approaches to support. Recognising that CBT is not for all children, particularly those with Autism or learning difficulties, and increasing use of family therapies, play or art therapies etc. where needed.

1.50. Starting in 2022, Lincolnshire will undertake a wholesale review and transformation programme of CYP mental health services, led by the Council working in partnership with NHS Lincolnshire CCG, LPFT and wider ICS (Integrated Care System) colleagues.

1.51. This review will allow us to fully understand the impacts of the pandemic on CYP mental health services, including health inequalities, enhanced digital offers, and plan for longer-term transformation of these services in Lincolnshire to better meet the needs of CYP, families and professionals and co-produce services that will deliver better outcomes for more of our CYP.

2. Legal Issues:

NHS Bodies and Local Authorities Partnership Arrangements Regulations 2006

Under the above Regulations the Council may enter into partnership arrangements under section 75 as long as those arrangements are likely to lead to an improvement in the way in which the functions included in the arrangements are exercised.

The arrangements in question have been proven over a number of years to improve services relating to CYP mental health. The proposals in this Report build on that to enable greater integration and more streamlined governance.

Under the Regulations there is a requirement on the Council and the CCG/ICB and LPFT to jointly consult with such persons as appear to them to be affected by the arrangements.

Consideration has been given to this but as the proposals represent a technical adjustment in the way that the arrangements work rather than a fundamental change to

the arrangements themselves there are not considered to be any people affected by the proposals so as to require consultation.

Equality Act 2010

Under section 149 of the Equality Act 2010, the Council must, in the exercise of its functions, have due regard to the need to:

- Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act.
- 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.

The relevant protected characteristics are age; disability; gender reassignment; pregnancy and maternity; race; religion or belief; sex; and sexual orientation.

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 section 149 may involve treating some persons more favourably than others.

The duty cannot be delegated and must be discharged by the decision-maker. To discharge the statutory duty the decision-maker 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.

The recommendation to divert funding from HML back into the DSG will ultimately benefit the wider CYP population with SEND in Lincolnshire. Any impact on services will be considered and mitigated as part of the review of HML and MHSTs to ensure that we continue to deliver an equitable service across Lincolnshire. The Council is currently working with the wider NHS system in Lincolnshire to consider whether funding can be found elsewhere to replace the diverted funding, which will negate any impact of diverting this funding. Otherwise, planned investment by NHSE in rolling-out further MHSTs means that by 2024/25 more money will have been further invested in CYP mental health services in Lincolnshire than is being diverted back to supporting CYP with SEND.

The recommendations in this report to enter into a single s75 Partnership Agreement with LPFT to deliver CAMHS, MHSTs and HML and to pool all CYP mental health funding with the CCG through another s75 Agreement will not affect equality for service users.

An Equality Impact Assessment will be undertaken as part of the wider review of CYP mental health services and will consider any changes required to transform services in Lincolnshire. These changes and any resulting potential impacts will be subject to further decision-making and any equality considerations will be taken into account in those reports.

Joint Strategic Needs Analysis (JSNA) and the Joint Health and Wellbeing Strategy (JHWS)

The Council must have regard to the Joint Strategic Needs Assessment (JSNA) and the Joint Health and Wellbeing Strategy (JHWS) in coming to a decision.

CYP Mental Health and Emotional Wellbeing is a topic within the Lincolnshire JSNA and a priority within the Lincolnshire JHWS. The needs of Lincolnshire CYP and families, including emerging health inequalities, have and will continue to be considered in the commissioning and transformation of CYP mental health services. Some of the key considerations in relation to this are:

- Data shows that CYP will face a number of life challenges that make them likely to need support for their emotional wellbeing, and/or behavioural concerns. This is likely to be further exacerbated by the Covid-19 pandemic.
- We know based on NHSE returns that only around 35% of all CYP in Lincolnshire who are expected to need mental health support are receiving it. Even taking into consideration the maximum number of CYP that MHSTs will be able to support, there are still a significant percentage of CYP not accessing any mental health support that have a need.
- The number of Lincolnshire CYP with SEND who require an EHC assessment or ECHP has risen above East Midlands and England averages. Extensive work has already been undertaken to understand this and put plans in place to address this. Future commissioning of services must be aligned to the SEND Transformation project and the Building Communities of Specialist Provision strategy, with services working in partnership to better support CYP with SEND.
- There are a range of health inequalities associated with children and young people's access to mental health support, which includes by: age, gender, ethnicity, socioeconomic status, disability, Looked After Children, and CYP engaged

within the criminal justice system. We know that MHSTs are currently being targeted (as per NHSE requirements) around areas of higher need and health inequality, e.g. more deprived areas, areas with higher levels of BAME population and areas where youth offending is more prevalent. National evidence tells us that all these groups are less likely to self-refer to mental health services and so through open access and much more focused delivery in schools they will be more likely to access support, further increasing access numbers, rather than reducing those already seeking support through HML. This further supports the fact that we need to increase provision so that if CYP need mental health support it is available for them to access easily and in a timely manner.

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.

Specialist support is provided through CAMHS for high-risk young people with complex needs (Community Forensic CAMHS); Psychologists and Speech and Language Therapists support the complex needs of young people in the justice system, who do not meet standard diagnostic criteria, to improve pathways between local services and reduce out of area placements and reliance on admission to secure care.

The recommendations in this report do not change or impact the continuation of this provision.

3. Conclusion

- 3.1 This report recommends a single s75 Partnership Agreement with LPFT to deliver CYP mental health services. It also recommends that the Council enters into a s75 Agreement with Lincolnshire's NHS commissioning body from 1 September 2022 for up to five years to pool Local Authority and NHS funding and confer the lead commissioning function on the Council in relation to all CYP mental health services.
- 3.2 This funding would include Council funding of:
- £724,589 towards specialist CAMHS to support delivery against the Council's statutory duties.
 - £1.m from the Public Health Grant towards HML mental health promotion, prevention and training.
 - Initial diversion of approximately £140,000 per annum from the DSG for HML early intervention support (based on the estimates shown in the table at 1.40) with full diversion of this funding by March 2024.

- 3.3 The pooled funding would also include NHS funding:
- NHS Lincolnshire CCG funding will continue to be agreed annually in line with NHS allocations process, discussions are already taking place to match the £1.m being diverted back to the DSG.
 - NHSE (Health and Justice) funding towards the Framework for Integrated Care/Complex Needs Service.
 - NHSE funding for the currently planned waves of MHST.
- 3.4 A rapid review of early intervention support will be prioritised in early 2022 so that an interim hybrid HML/MHST model can be developed, designed and implemented in partnership with LPFT and the CCG by September 2022, alongside the commencement of the new single s75 agreement.
- 3.5 A wholesale review and transformation programme of CYP mental health services in Lincolnshire will be undertaken starting in 2022, led by the Children’s Integrated Commissioning Team working in partnership with the Council’s Children’s Services Commissioning Team, the CCG, LPFT and wider ICS colleagues.
- 3.6 This review will allow partners to fully understand the impacts of the pandemic on CYP mental health services, including newly highlighted health inequalities, and enable planning for longer-term transformation of these services in Lincolnshire to better meet the needs of CYP, families and professionals and co-produce services that will deliver better outcomes for more of our CYP.
- 3.7 The report recommends a delegation to the Executive Director of Children’s Services in consultation with the Executive Councillor for Children’s Services, Community Safety and Procurement and working with the Lincolnshire’s NHS commissioning body, to approve the final form of any agreements, the profile of funding diversion, the hybrid model of HML/MHSTs and allow them to make future decisions about the future model and use of funding over the five years of the new agreement for CYP mental health services.

4. Legal Comments:

The Council has the power to enter into the Agreements proposed.

The legal requirements relating to the making of partnership arrangements are set out in the Report.

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

5. Resource Comments:

The recommendation to enter into a single s75 agreement with Lincolnshire's NHS commissioning body from 1 September 2022 for up to five years will allow the pooling of Council and NHS funding to ensure the delivery of CYP Mental Health provision and will allow the flexibility for services to be transformed to better meet the needs of children, young people and families.

The Council has base budgets in place to continue funding the current contribution for CAMHS or the Healthy Minds Lincolnshire contract (the element funded by the Public Health grant). The changing landscape and introduction of MHSTs funded through NHS England provide an opportune time to review the High Needs block contribution from the Dedicated Schools Grant (DSG) for HML. The DSG contribution supported its rollout of HML and its delivery, however the financial position on the High Needs block has changed with more young people requiring specialist support, therefore establishing a sustainable budget going forward is imperative.

6. Consultation

a) Has Local Member Been Consulted?

n/a

b) Has Executive Councillor Been Consulted?

Yes

c) Scrutiny Comments

At its meeting on 4 March 2022, the Children and Young People Scrutiny Committee considered the report and unanimously agreed to support the recommendations to the Executive.

In response to questions raised by the Committee, the following points were confirmed:

- The current generation of children and young people were considered to have worse mental health outcomes compared to previous generations due to a variety of factors such as social media, pressures of modern life, and family lifestyles, along with the impact of the Covid-19 pandemic. Prior to the pandemic, the number of referrals to specialist mental health services for Lincolnshire children and young people were reducing but referrals were now on the increase. There would be a need to reassess how mental health services for children and young people were structured to respond more effectively to those changing needs and ensure if referrals continue to be higher that increased demand could be met.
- The Lincolnshire Clinical Commissioning Group (CCG) supported recommendations in principle at the Joint Commissioning Overview Group on 24 February 2022 to offset the phased diversion of £1m funding from Healthy Minds

Lincolnshire back into the High Needs Block of the Designated Schools Grant with its own investment, so that there would be no overall reduction in funding. The CCG also supported recommendations for additional investment into Child and Adolescent Mental Health Services (CAMHS).

- In relation to staffing pressures from the increase in referrals, Lincolnshire Partnership NHS Foundation Trust (LPFT), which was rated outstanding for its mental health services for children and young people, was developing plans for its own in-house workforce/training programme to bring previously untapped resources into the specialist mental health services workforce, such as new psychology graduates. Children's Services was working closely with LPFT and the University of Lincoln to maximise these opportunities across the wider workforce. In addition, a national programme had been introduced in relation to psychological therapy to provide additional training for staff in those emotional wellbeing and mental health frontline services.
- Lincolnshire currently had four Mental Health Support Teams (MHST) available through schools which would increase to eight by 2024, covering about 50% of the county. The MHSTs were a nationally prescribed model and each MHST had to consist of four education mental health practitioners. In Lincolnshire these also consist of two senior clinical leads. The MHSTs had to undertake a year of training which was nationally prescribed. There were a range of universities across the country which bid to NHS England to run the training programmes. After the year of training for the current MHSTs, there was then a year of embedding that training into practice, and so it was not until the third year that the MHSTs would be fully embedded. There were three core mandatory functions for MHSTs which were around direct intervention work with children and young people, supporting the senior mental health lead in each education setting, and supporting access into more specialist services. The Council was challenging NHS England in relation to the strict criteria that each team had to cover around 8000 children and young people as for a rural county like Lincolnshire with smaller schools, this would mean each team covering approximately 24 or more schools to reach the 8000 criteria. For future MHSTs, the criteria had been reduced to 7000 children and young people, but this was still not ideal for Lincolnshire due to its rurality.
- The two Section 75 agreements currently in place with CAMHS and Healthy Minds Lincolnshire were well managed, and the contract managers worked closely together. The proposal for one Section 75 agreement would not incur additional costs but would enable better use of the financial resources available across the system and avoid duplication, and for services to work much more seamlessly together as children and young people moved across those services. Having the services under one agreement would enable a more streamline approach and better communications across the different services, and for both workforce and financial resources to be moved more fluidly across services, depending on where the demand was. The new MHSTs would provide emotional wellbeing and mental health support in schools and colleges and as Healthy Minds Lincolnshire already provided similar support, there was need to consider how to avoid duplication with the MHSTs and maximise the resources available.

- In addition to Healthy Minds Lincolnshire, CAMHS and MHSTs, there were a number of other early intervention services available for school age children such as the Behaviour Outreach Support Service which supports children at risk of exclusion and the Early Help team which has trained officers to support children's emotional wellbeing. A lot of work was being undertaken in conjunction with Public Health to try to understand the emotional and mental health needs of children and young people in Lincolnshire, and with schools to help them support children and young people to talk about their anxieties and differentiate between normal anxieties such as exam stress and those anxieties which require additional support.
- Improving transition arrangements from children and young people mental health services to adult mental health services was a priority in the NHS long term plan. There were transition arrangements in place, but as the commissioning arrangements moved from Children's Services to Adult Services, there would be different eligibility criteria and therefore not all young people would move into adult mental health services. This was being considered as part of the review of children and young people's mental health services where the Children's Services commissioning team was working with the adult mental health transformation team on all age pathway options. In addition, the LPFT's Mental Health, Learning Disability and Autism Board would also be looking at how to improve these pathways to ensure children and young people continue to receive the services they need as they move into adult mental health services.
- Parents and carers were a key factor in supporting children and young people with their emotional wellbeing and mental health. Funding for support for parents and carers was complex due to the different services involved but these services worked together in an integrated and co-ordinated way. Healthy Minds Lincolnshire and the MHSTs provide workshops for parents and carers to support their children and young people at home with their emotional wellbeing and mental health concerns and provide strategies and tips to replicate at home. Some of the workshops were aimed at specific groups of parents and carers who needed support around similar concerns. Pre-recorded workshops or video clips were developed during the pandemic to support professionals, parents and carers, and young people.
- A Section 75 agreement was an agreement that the Council could enter into under the NHS Act 2006 to work in partnership with a NHS body and which allowed the Council to delegate functions to the NHS body to deliver on the Council's behalf. There were robust monitoring arrangements in place including regular partnership board meetings, where the contractor submitted their quarterly performance information for monitoring, and operational meetings were also held throughout the year.

The Committee requested a further update be brought to a future meeting on children and young people mental health services and the outcomes from the review.

d) Risks and Impact Analysis

Risks:

- Loss of staff in services who may be nervous about service changes and seek alternative employment. This will be mitigated by working in partnership with LPFT to clearly articulate that the expertise of staff is needed across CYP mental health services although some roles may change and some re-deployment may be needed.
- Two-tier fragmented model for Lincolnshire schools and pupils based on geography. This will be mitigated by working in partnership with LPFT and the CCG through the wider review to develop a hybrid model that allows greater integration between HML and MHSTs. Should additional funding to support a more integrated model be required, the Council will work with the CCG to determine where this could be sourced recurrently.
- Increased waiting times and reduced HML capacity in areas where MHSTs are undertaking their training year and not yet fully embedded when DSG funding has been fully diverted. This will be mitigated by working in partnership with LPFT and the Lincolnshire CCG through the wider review to ensure sharing of expertise across the CYP mental health and emotional wellbeing services, including an increased virtual offer where appropriate, to ensure Lincolnshire CYP receive timely support for their emotional wellbeing and mental health concerns.
- Further outbreaks or variants of Covid may cause disruption particularly to LPFT and the CCG, meaning they cannot or may be delayed in engaging in the scale of work required to transform CYP mental health services.

Impact/benefits:

- Will help to reduce the pressure on the DSG and support the Council in meeting its statutory duties in relation to meeting the needs of vulnerable CYP, including CYP with SEND.
- Will enable the phased diversion of DSG funding back into the high needs block to be proportionate to the wider roll out of MHSTs in Lincolnshire.
- Will support the Council to work in partnership with LPFT and the Lincolnshire CCG to maximise the best use of available resources across all CYP mental health and emotional wellbeing services and minimise duplication.
- Will allow for a more integrated model to be developed between Healthy Minds Lincolnshire and MHSTs as part of the wider review of emotional wellbeing and mental health services for CYP.

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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