Committee:	Date:	Classification:	Report No:	Agenda Item:
Health Scrutiny Panel	18th November 2014	**Unrestricted**		
Report of: Public Health, ESCW **Originating officer:** Esther Trenchard-Mabere, Associate Director of Public Health **Presenting officers:** Somen Banerjee, Interim Director of Public Health Simon Twite, Public Health Strategist		**Title:** Transfer of commissioning responsibility for early years (0-5 years) public health services from NHS England to the local authority **Wards Affected:** All		

1. SUMMARY

1.1 The purpose of this report is to provide information about the forthcoming transfer of commissioning responsibilities for early years (0-5 years) public health services (the health visiting service and family nurse partnership) from NHS England to the local authority on 1st October 2015.

1.2 The report provides background information on what these services are, their importance in terms of the long term impact of early years on lifelong health and wellbeing, current commissioning arrangements and preparations underway to prepare for the transfer of commissioning responsibilities to the local authority.

1.3 The report highlights that this transfer provides an opportunity to review the health visiting service and develop a new localised specification to improve integration with other early years services and that a Stakeholder Engagement process should be undertaken to inform the development of this new specification.

2. RECOMMENDATIONS

The Health Scrutiny Panel is recommended to:-

2.1 Endorse the proposed Stakeholder Engagement process and have an overview of the implementation of the new localised service specification where Public Health will report back periodically to the panel on progress.

3. BACKGROUND

3.1 The transfer of public health commissioning responsibilities for 0-5 year olds from NHS England to local authorities on 1st October 2015 marks the final part of the overall transfer of public health responsibilities to the local authority. The services transferring are:

- Health visiting services (HV services) – universal and targeted services;
- Family Nurse Partnership (FNP) – intensive targeted service for vulnerable teenage mothers

3.2 The Marmot Review (2010) highlighted the importance of early years as a critical period for virtually every aspect of human development with lifelong effects on health and wellbeing. The HV and FNP services are central to ensuring that children and families have access to health promotion, preventive and early intervention services to support healthy physical, emotional, social and cognitive development.

3.2 In recognition of their potential impact on long term health and wellbeing and inequalities, the Coalition Government has prioritised these services for additional investment to enable expansion of the national workforce by an extra 4,200 health visitors by 2015 ('Call to Action') and roll out of the family nurse partnership (FNP). The implications for Tower Hamlets is an increase in the qualified health visiting workforce to at least 95 WTE (not including Clinical Lead posts and support staff) which will enable a significant strengthening of the service. Tower Hamlets already had a FNP and so there are no changes proposed for this service.

3.3 In order to ensure the expansion of the HV service and roll out of FNP, in April 2013 commissioning responsibility for these services was temporarily transferred to NHS England when the responsibility for the majority of local public health services transferred to the local authority.

3.4 Negotiations are still underway regarding the commissioning budget for these services to transfer to the local authority. The current estimated budget submitted by NHS England covers workforce but does not cover accommodation, IT and other running costs and so has not been signed off by the local authority. There are a number of other London Boroughs who also have not signed off the budget.

4. BODY OF REPORT

4.1 The transfer of 0-5 public health commissioning to the local authority, along with the significant expansion of the health visiting workforce, provides an important opportunity to strengthen the public health role of health visitors in prevention and early detection and to improve integration with other local authority children's services, improving continuity for children and their families. It will

also be important to maintain strong links with primary care, and other NHS and voluntary sector services.

4.2 The services will transfer to the local authority with standard NHS contracts that will run up to 31 March 2016 based on national service specifications. Local authorities have been advised that these contracts can be novated and extended up to 31 March 2017 and that timescales for re-procurement are for local decision.

4.3 Local authorities will have the freedom to 'localise' the national service specification to reflect local needs and priorities and ensure good integration with other local services.

4.4 Subject to parliamentary approval, the Department of Health is proposing to "mandate" the following aspects of the 0-5 Healthy Child Programme, in the same way as it has for the national child measurement programme, sexual health and health checks:

- Antenatal health promoting visits
- New baby review
- 6-8 week assessment
- 1 year assessment
- 2-2½ review

4.5 This is to ensure that these services are provided in the context of a national, standard format, to ensure universal coverage, and hence that the nation's health and wellbeing overall is improved and protected. This would mean there is less local flexibility and discretion regarding how these universal services are provided. Any mandated elements will be set out in regulations under section 6C of the NHS Act 2006 and will be fully funded.

4.5 The proposed 2015/16 commissioning budgets submitted to the local authority by NHS England are £6,693,000 for the HV service and £540,000 for FNP, making a total budget of £7,233.000. This budget is adequate to cover the full projected workforce but does not include funding for accommodation, IT and other running costs and so has not been signed off by the local authority.

4.6 Following sign off, DH is planning to consult (for 4-6 weeks) with local government on budgets for health visiting and FNP with the intention of announcing part year effect budget for 2015/16 by 1st December 2014. However the delay in sign off of the budget by Tower Hamlets and 18 other London Boroughs means that this timescale may no longer be feasible. This budget will be added to the ring fenced public health grant.

5. COMMENTS OF THE CHIEF FINANCIAL OFFICER

5.1 At present the proposed 2015/16 commissioning budgets totalling £7.233million cover workforce related costs however do not include overheads such as IT, accommodation and other resources. These are estimated to be in the region of £1million for Tower Hamlets, as a consequence the current proposals have not been agreed by Tower Hamlets and a number of other London Boroughs. A joint concern has been registered by the London Boroughs to Public Health England, with the expectation that negotiations will continue and that the full expected costs of the HV and FNP services will be included in the transfer.

5.2 Once agreed the funding will be added to the Public Health Grant received by the authority. It is expected that the funding for both the HV and FNP services will be recurrent each year.

5.3 It is also noted that funding for additional commissioning resources has not been identified as part of the transfer. Securing the maximum funding in respect to overheads and any other incidental costs will be imperative for the borough. Once transferred any pressures will need to be met from within the Public Health Grant allocation.

6. LEGAL COMMENTS

6.1 The Council assumed responsibility for the provision of various public health functions following the amendment of the National Health Service Act 2006. By regulations under that act the Secretary Of State may require local authorities to provide further services relating to Public Health from time to time. It would appear that there is an intention to do exactly this, although the exact wording of the new regulations is not clear.

6.2 The introduction of further regulations by the Secretary Of State will legally oblige the Council to provide these services. However, it is anticipated that (as with the existing transfer of services) the Council will have general duties to discharge obligations relating to public health but will have the discretion to determine how this is carried out.

6.3 However, best practice dictates that the Council should give due regard to professional and health service led opinion when determining the exact nature of the services.

6.4 Where the Council elects to purchase the relevant services from organisations outside of the Council the Council has a duty to achieve Best Value in accordance with the Local Government Act 1999. This means that the Council should subject any purchases to an appropriate level of competition.

6.5 It is anticipated that the law in respect of European tendering will have changed by the time the Council becomes responsible for these services. The most significant change will be that the distinction between Part A and Part B services will have disappeared. Currently, services of the nature covered in this report would be determined as Part B services which would have meant that the Council would not have had to advertise these services in Europe in any event. However, the new procurement regulations will introduce a "light touch" regime which may mean thyough that these services may have to be advertised either in Europe or in some other new manner.

6.6 Currently NHS England has a number of contracts with existing providers for these services. It is understood that NHS England are currently extending the existing arrangements such that the contracts will still be in place on the date of transfer. It is the intention that on the date of transfer the Council will take over the existing contracts in place of NHS England so that there is continuity of service provision following the transfer to the Council of the duty to provide these services.

6.7 However, as stated previously the Council is under an obligation to obtain best value and so the value of these contracts needs to be tested as soon as possible after the transfer. However, the Council after the transfer will be obliged to comply with the agreements throughout the remainder of the term. Therefore the Council should take a number of steps:

6.7.1 be part of the extension discussions as we will take over the contracts. Ideally we require an extension of a term just long enough to carry out a procurement for the same services. An extension of some sort is required to ensure that there is no break in service provision whilst the Council carries out the tender.

6.7.2 prepare to carry out a number of tender exercises as soon as possible. This means not only preparing for the volume of tenders but also ensuring the availability of resources.

6.7.3 consider the nature of the existing services and start to determine the reconfiguration of services that will still meet our statutory obligations created by the Secretary Of State but will also assist us in the achievement of best value.

6.8 Many of these services may well deal with persons who have protected characteristics for the purposes of the Equality Act 2010. Therefore, the Council must ensure that it eliminates any discrimination in the provision of the services between people who have a protected characteristic and people who do not and also to actively promote the equal treatment of people who have a protected characteristic when compared with people who do not in accordance with its obligations under section 149 of the Equality Act.

6.9 For the purposes of promotion as described under clause 6.8 the Council should ensure that its contractors are under a similar duty created by terms under the contracts

7. ONE TOWER HAMLETS CONSIDERATIONS

7.1 The health visiting service provides both universal and targeted services and plays an important role in improving life chances for all children and also reducing inequalities by identifying and supporting vulnerable families. The family nurse partnership is a targeted service supporting first time teenage parents. There is a strong evidence base showing that this programme improves short, medium and long term health, educational and social outcomes for both mother and child. It is estimated that the FNP programme produces a return on investment of at least £1.94 for every £1 spent as a result of savings in spend on social care, youth offending and benefits.

8. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT

8.1 N/A

9. RISK MANAGEMENT IMPLICATIONS

9.1 The biggest risk to the local authority is begin allocated a commissioning budget that does not cover the full costs of the service and for this reason the local authority has not yet signed off the budget.

10. CRIME AND DISORDER REDUCTION IMPLICATIONS

10.1 There is evidence that the family nurse partnership programme will contribute to a long term reduction of crime and disorder.

11. EFFICIENCY STATEMENT

11.1 Reports concerned with proposed expenditure, reviewing or changing service delivery or the use or resources must incorporate an Efficiency Statement. Please refer to the relevant section of the report writing guide.

Local Government Act, 1972 Section 100D (As amended)
List of "Background Papers" used in the preparation of this report

Brief description of "background papers"	Name and telephone number of holder and address where open to inspection.

12. APPENDICES

Appendix 1 – Transfer of commissioning responsibility for early years (0-5 years) public health services from NHS England to the local authority (full report)