

Birmingham City Council

Report to Cabinet



Subject: 0-19 HEALTHY CHILD PROGRAMME CONTRACTS

Report of: Dr Justin Varney, Director of Public Health
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Relevant Cabinet Member: Cllr Mariam Khan, Health and Social Care

Relevant O &S Chair: Cllr Mick Brown, Health and Adult Social Care

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Are specific wards affected?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No – All wards affected
If yes, name(s) of ward(s):		
Is this a key decision?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
If relevant, add Forward Plan Reference: 011131/2023		
Is the decision eligible for call-in?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If relevant, state which appendix is exempt, and provide exempt information paragraph number or reason if confidential: N/A		

1 Executive Summary

- 1.1 This report sets out a rationale and seeks approval for extending the contracts for Early Years Health & Wellbeing, the 5-19 contract and the identified vision screening contracts. The existing cumulative contract value is £247,929,407 and the additional amount for the extension is £92,936,055.
- 1.2 Both the 0-5 Early Years Health & Wellbeing and 5-19 contracts have been extended until 31st August 2024 and this report seeks to extend for a further 30 months until 28th February 2027. It is also necessary to extend two vision screening contracts to align and have the same end date.
- 1.3 This commission ensures that the Council's statutory duties in relation to the Public Health responsibilities under the Health and Social Care Act 2012 are continued, as a nationally mandated service the 'Healthy Child Programme' for all children and young people aged 0-19 (25)) is delivered in the City.
- 1.4 This is because of a series of factors including:
- CQC (Care Quality Commission) inspection feedback on 5-19yrs service transformation
 - Improvement journey for 0-5yrs service progress
 - Transformation of youth services Family Hubs future plans & Early Intervention and Prevention development
 - Soft market exploration feedback
 - The establishment of an integrated commissioning unit between BCC (Birmingham City Council) and the ICB.
- 1.5 The purpose of this report is to seek approval to extend the existing 0-5 Early Years Health & Wellbeing contract which supplies health visiting and children's centre services across the city, the 5-19 School Health Support Service contract and the vision screening contract. These contracts, supply the 0-19 (25) Healthy Child Programme.
- 1.6 The rationale for this is to enable a strategic approach to a significant system transformation, to better support our babies, children, young people and their families by aligning all inter-linked contracts and allow for the Family Hubs Programme to become part of the ongoing commissioning of services. This will

enable an integrated approach to commissioning the services and allow for long-term sustainability.

- 1.7 The 0-5 Early Years Health & Wellbeing and 5-19 contracts already have been extended until 31st August 2024 and this report seeks the permission to extend for a further 30 months until 28th February 2027. Two vision screening contracts also need to be extended to the same end date.

2 Recommendations

That Cabinet

2.1 Approves the extension of the Early Years Health & Wellbeing, the 5-19 contract and the identified vision screening contracts to no later than the 28th February 2027 as detailed in the table in paragraph 9.3. To delegate responsibility to the Director of Public Health, the Director of Children and Families and Cabinet Members to take forward the contractual processes for the extension, due to satisfactory performance and availability of funding.

2.2 Authorises the City Solicitor (or their delegate) to execute any documents to give effect to the above recommendations.

3. Background

- 3.1 The Healthy Child Programme (HCP) is a universal programme mandated under the Health and Social Care Act (2012) available to all children to lay the foundations of a healthy life. The HCP is subject to a National Specification with a large element of the delivery that includes 5 health reviews, beginning pre-birth, and the delivery of the National Child Measurement Programme (NCMP) all of which are mandated by law. The provision of the HCP is through two parallel contracts: the 0-19 (25) Healthy Child Programme and School Health Support Services.
- 3.2 The following BCC (Birmingham City Council) contracts are within the Commissioning of 0-19 Services:
 - a. Early Years Health and Well Being

- b. 5-19 School Health Support Service which includes the National Child Measurement Programme
- c. Vision Screening

- 3.3 From a Local Authority contracting perspective there have been significant changes made to the Central Government Commissioning Guidance provided to Local Authorities for these services. The new service specification for these services will be undertaken in line with guidance and a more robust performance framework is being developed.
- 3.4 A 0-19 Commissioning Project Board was established in July 2021 to support the 0-19 Healthy Child Programme recommission process in terms of clear ownership and governance and to decide what services could and should look like in the future. The Board consists of representation from Public Health, Early Years, Birmingham Children's Trust, Birmingham and Solihull (BSol) Integrated Care Board, Strategic Commissioning and Procurement and meets monthly to oversee and support the research, analysis, shaping and planning of the programme.
- 3.5 The future 0-19 Service is working to the principle of co-design, the 0-19 (25 SEND) offer, is engaging with children and their families. This ensures that the Children's Partnership plan and principles are reflected the 0-19 commissioning and procurement journey and in our ongoing relationships with the providers for these services.
- 3.6 The development of the Family Hub model and implementation of the Best Start for Life (BSfL) programme in Birmingham are also in strategic alignment with the partnership plan. These developments are hardwired into the future model and delivery of the HCP. By building on the core offer through 25 Birmingham Children's Centres and through the Birmingham Family Hubs as they evolve, the offer will be extended to include more holistic support for parents and all children, regardless of age. All services are in scope, including Children's Centres.
- 3.7 The 0-19 offer will work to enhance and evolve partnerships with Early Years Settings to bring consistency and join up for 2 –3-year-old development reviews which take place in both Education and Health at a similar age.

The 0-19 service will consider the findings of the Birmingham Youth Services Review and build on its findings so that where a School Nurse or Health Visitor

may show a need young people can be signposted to Youth Centres to gain easier access to services and activities in their community. An example of this may be Sexual Health Services provided at youth centres which a School Nurse may identify as a need in school age young adults; or where a Health Visitor may find a need for younger parents who also fit within the Youth Services demographic themselves.

- 3.8 Previous commissioning of these services have not always been successful. In 2018 Commissioners released an ITT (Invitation to Tender) for the 5 to 19 services, it attracted no bids. In the 2019 Commissioning of the service Birmingham Community Health Care NHS Trust was successful but did not attract a wide range of bidders. Overall funding of the 5- 19 service decreased by 52% in 2018/19.

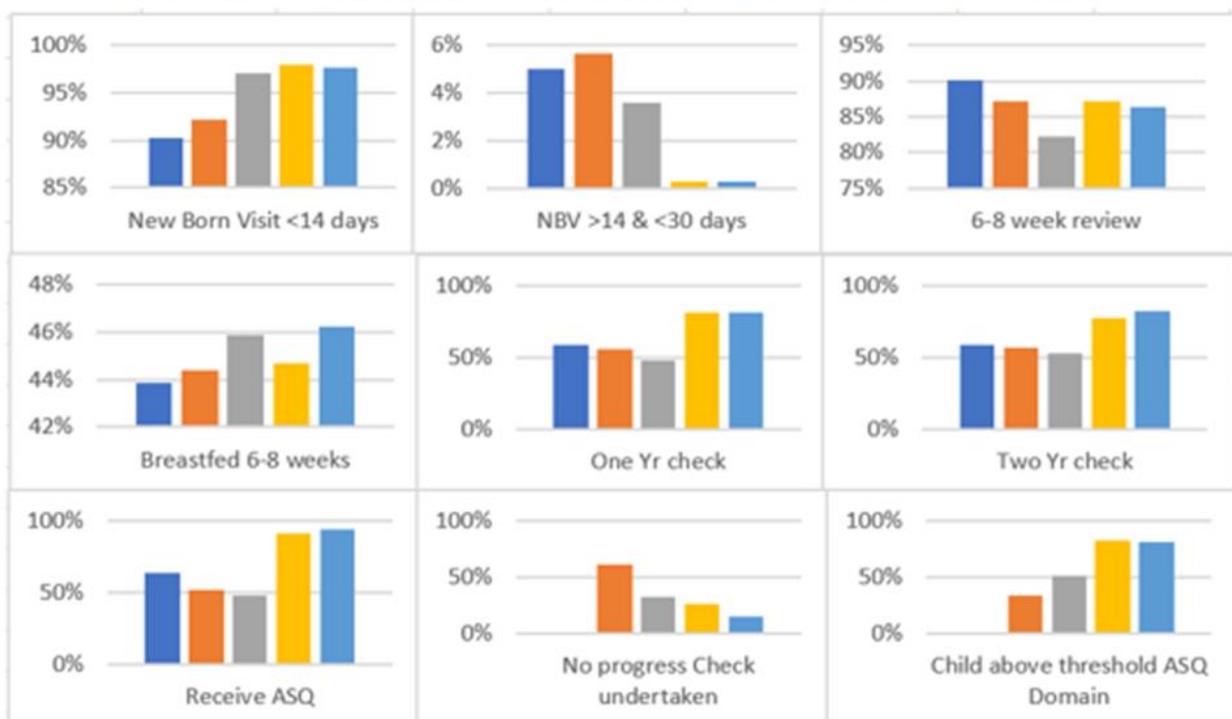
4. Rationale for extension

- 4.1 The current provider Birmingham Community NHS Foundation Trust (BCHT) has been working to improve the service since 2018. The Healthy Child Programme is a universal programme available to all children to lay the foundations of a healthy life. Universal and targeted public health services provided by health visiting and school nursing teams are crucial to improving the health and wellbeing of all children and young people. The Healthy Child Programme aims to bring together health, education, and other key partners to deliver an effective programme for prevention and support.
- 4.2 The 0-19 Commissioning Project Board was established in July 2021 to support the 0-19 (25) Healthy Child Programme recommission process in terms of clear ownership and governance and to determine what services could and should look like in the future. The Board consists of representation from Public Health, Early Years, Birmingham Children's Trust, BCHT, BSoL Integrated Care Board, Strategic Commissioning and Procurement and meets monthly to oversee and support the research, analysis, shaping and planning of the programme. The Board supports the proposal to extend this contract to enable a coterminous date with the School Health Support Services contract and this has been logged as a key decision in the project workbook.

4.3 A key output of the initial planning phase of the recommission project is the production of a report which draws together a full analysis of the current circumstances including a detailed focus on the current service provision, as well as resources, needs, the market, 'what works well' and legislation and guidance. Whilst the COVID-19 pandemic significantly affected the delivery model along with a national Health Visitor shortage, resulting in initially mixed performance of Birmingham Community Healthcare NHS Foundation Trust (BCHT) current trends show a continued and significant improvement since 2020/21. The dashboard below illustrates the upturn in achievement of the 26 set targets and improvements have been monitored and evidenced via the monthly quality subgroup meetings and quarterly contract reviews. Indicators that are not performing are discussed with the provider. The two indicators that are underperforming relate to breastfeeding at 6-8 weeks and new-born bloodspot documentation check at the 6–8-week developmental check. Both topics are being addressed at the monthly quality subgroup to further analyse the statistics, understand the issues, and drive improvement.

Birmingham Forward Steps KPI Review

■ 2018/19 ■ 2019/20 ■ 2020/21 ■ 2021/22 ■ 2022/23



- 4.4 The KPIs (key performance indicators) reflect a recent statistical improvement trajectory and support the requirement of any extension to be based on satisfactory performance.
- 4.5 Initial informal feedback from the recent inspection by CQC of school nursing has been positive and reflects the strong partnership working between commissioner and provider and the observed improvement reflected above.
- 4.6 Over 850 people have been involved so far via creative engagement sessions from communities across the city or via questionnaire responses to gather feedback on the current 0-19 services. Further consultations are planned, and this data will feed into the recommission and help shape the future services.
- 4.7 The extension will enable the consolidation of improvements in service provision and afford the Council and its partners time to consider and evaluate the implications of bringing together these services with the other existing 0-19 contracts such as the School Health Support Services contract, as well as Early Intervention and Prevention services, Early Help arrangements and the creation of a Family Hubs model for Birmingham that will be sustained through the Healthy Child Programme.
- 4.8 Despite the improvement achieved the service faces significant challenges which mirror the national context. These include workforce challenges and increasing demand. Addressing these will require significant transformation. The following existing work could help to drive the changes needed:
 - 4.8.1 Currently the integrated service (with children's centres) offers a different skill mixed service for younger children (under 5s). A new model of even more integrated service provision through the family hubs programme with a focus on 0 to 12 has begun. This learning (over the next 2 years until April 2025) would offer a robust basis for our commission and will alter service delivery. It will significantly change the early years offer. A 30 month extension will allow for any learning and changes to be incorporated into any new contract.
 - 4.8.2 School nursing, especially the offer to young people nationally is challenging, locally this is also true. Services have not kept pace with changing need and apart from immunisations and NCMP, deliver a narrow-focussed service to a small number of young people. The public health investment in supporting the review of the youth service offers a significant opportunity to rethink how public

health outcomes and inequalities are supported through a more nuanced and multi-disciplinary public health offer. The council has enabled a coalition of VCS (Voluntary and Community Sector) and NHS providers to come together locally to bid for additional funds to test this approach to wrap around secondary, special schools and GPs in a locality area. If bids are successful within the next 2 years, it could offer a nationally leading model for the future.

- 4.9 The possible establishment of a children's integrated commissioning unit with the ICB (Integrated Care Board) hosted within children's commissioning in the council, to focus on community services offers a significant opportunity to more closely align and jointly commission services for children, young people and families. The unit will not be established before September 2023 and will need some time to establish a new way of working. This approach will offer a different more integrated commissioning context which will allow for joint investment and development. Allowing the children's integrated commissioning unit to become established and operational prior to a retender of 0 to 19 services, would be preferable.
- 4.10 The recent Care Quality Commission inspection – an improvement notice was issued in 2020. Informal feedback from the recent visit has been positive, it is likely that continued improvement in the school nursing service will be needed with an emphasis on a more integrated model.

5. Recommended Proposal

- 5.1 To approve the extension of the Early Years Health & Wellbeing contract to the 28th February 2027 alongside the 5-19 contract and two vision screening contracts, based on satisfactory performance, budget availability which extends the contract extension period previously approved by Cabinet in March 2023. The rationale is provided within section 4.

6. Risk Management

- 6.1 The most significant risk is the national shortage of skilled Specialist Community Public Health Nurses (SCPHN qualified) which includes Health Visitors and School Nurses, is still a significant ongoing risk to quality of delivery and is not expected to be addressed in the short-term. Solutions will need to be found which may be

different for different groups. The transformation planned will need to include developing a skill mixing, multi-disciplinary approach and ways of working with high intensity, complex and vulnerable families.

7. Compliance Issues:

How are the recommended decisions consistent with the City Council's priorities, plans and strategies?

- 7.1 The Change for Children and Young People 2023-2028 plan was ratified at Council Cabinet in March 2023, and adopted as Council Policy in April 2023. The ambition and outcomes within the plan have been aligned with the Be Bold Corporate Plan 2022-2026, with initial focus on the strategic outcomes: prosperous, healthy and inclusive. Birmingham's five-year partnership strategies for SEND and Inclusion are also in alignment with the Change for Children and Young People 2023-2028 plan.

8. Legal Implications

- 8.1 The Council is enabled, by Section 111 of the Local Government Act 1972, to do anything which is calculated to facilitate, or is conducive or incidental to, the discharge of any of its functions. The Council therefore has a general power to enter contracts for the discharge of any of its functions.
- 8.2 The Childcare Act 2006 places a requirement on local authorities and their partners work to improve the wellbeing of young children in their area and reduce inequalities.
- 8.3 The Health & Social Care Act 2012 requires that the Council fulfils its statutory duties in relation to Public Health provision of the 'Healthy Child Programme' as required due to 0-19 (25) services being nationally mandated.

9. Financial Implications

- 9.1 A key challenge in managing the existing Contracts for 0-19 has been to the absence of critical core (Health Visiting and School Nursing) and sub-contracted (Children's Centres) finance data from the lead provider.

9.2 A requirement of the future 0-19 Commission through the contract extension will be to include an Open Book accounting process that will allow BCC and the current provider to openly evaluate costs (including those in the sub-contracted services), cost pressures and share decisions inside future contractual agreements.

9.3 The following tables show the values of the current contract arrangements and the proposed contract extensions. The Present Contract figures below represent the spend under those contracts up until Aug 2024 for which approval has already been obtained. This report requests extensions for a 30-month period from Aug 2024.

Table 1: Total Contract values and values of extensions

Service	Contract Value	Extension Value
0-5 Early Years Health and Wellbeing Birmingham Community Healthcare Trust	233,333,333	85,265,891
5-19 School Health Support Service Birmingham Community Healthcare Trust	14,200,000	7,228,511
Vision Screening Sandwell and West Birmingham NHS Trust University Hospital Birmingham	396,074	441,653
Total	247,929,407	92,936,055

9.4 Any pressures arising and further implications for pricing changes for these services will be contained within the Public Health ring-fenced Grant based on a five-year rolling budget which considers limited growth and the impact of NHS staff salary settlement for NHS contracted staff.

9.5 The inclusion of the Family Hubs in future commissioning will require additional resources and this will be dependent on the Government position on their future.

9.6 The extension will not exceed 50% of the overall contract value.

10. Human Resource implications

10.1 There are no human resource implications associated with the options in this report that impact on Birmingham City Council staff.

11. Procurement Implications

- 11.1 Both the 0-5 Early years health & wellbeing contract and the 5-19 School health contracts with Birmingham Community Hospital Trust will be extended via regulation 72 of the Public contract regulations 2015. Regulation 72 of the Public Contract Regulations provides for the modification of contracts without a new procurement procedure. Regulation 72 1 b) covers circumstances “...where a change of contractor (i) cannot be made for economic or technical reasons such as requirements of interchangeability or interoperability with existing equipment, services or installations procured under the initial procurement, or (ii) would cause significant inconvenience or substantial duplication of costs for the contracting authority”. Given the rationale set out in section 4 above, the Council is clearly not in a position to specify services and go to market at this current time, and to do so would risk the Council procuring an inappropriate service that does not reflect future demand or align to significant developments; thus causing the Council and its citizens “significant inconvenience and substantial duplication of cost.” Extending the contracts allows for the consolidation of the improvements already made and for the significant transformation required to address policy changes and contextual changes to take place. Additionally, the modification is within 50% of the original contract value, which is also a requirement of Regulation 72.
- 11.2 The vision screening contracts with Sandwell and West Birmingham NHS Trust & University Hospital Birmingham will be extended under the light touch regime of the public contract regulations 2015 as the extension values will be well within the Light touch regime thresholds, and there is provision within the contracts for further extension.
- 11.3 The Vision screening contract with Birmingham Community Hospital Trust is above the threshold for the light touch regime, and therefore cannot be extended above 50% of the original contract value. A separate procurement strategy for this contract will be formulated in accordance with the Councils contract governance arrangements, which will ensure this contract is co-terminus with all other 0-19 contracts contained within this report.

- 11.4 In accordance with the Council's Procurement and Contract Governance Rules, the Waiver Procedure guidelines have been followed. This has enabled the recommendation for the extension of these contracts to be brought to Cabinet. The Waiver Form is included at Appendix 4.
- 11.5 A PIN (Prior Information Notice) was issued as part of the previous Cabinet decision. This received 5 responses, only one provider had proven experience of delivering (in partnership) the range of services to be tendered. This was the incumbent NHS provider. One other provider had experience of delivering the health visiting and school nursing services in their current form.
- 11.6 When the PIN/pre-market engagement work was carried out, we were working to a different timeline in regard to co-design and the work being done on Family Hubs, and the imperative to tender these services has now been overtaken by the re-design of the service, the Family Hubs 0-19 model and work being done via the Integrated Care Board.

At a time when the Council is looking to save money and avoid unnecessary costs, we feel it is important to allow the required time for the bedding in of the family hubs project, which will impact significantly on the design of 0-19 services going forwards, and to re-evaluate the service-delivery options in the light of this. The Council will publish a VEAT notice notifying the market of our intention to extend these contracts, which will further help mitigate the risk of challenge.

12. Public Sector Equality Duty

An Equality Impact Assessment has been carried out to identify the impact of the proposed changes. These were submitted as part of the March Cabinet report. Details of the Equality Assessment can be found in **Appendix 1**. As the proposals will affect all users of commissioned public health services, the assessment has not found any groups that will be adversely affected. The proposals are designed to improve the outcomes, quality of services and continuity of service for all children and families, regardless of their protected characteristics.

13. Environmental and Sustainability Implications

- 13.1 All successful providers must be familiar with the Council's aims for a Sustainable Birmingham and ensure that in its performance of the Service, it uses working methods, equipment, materials and consumables which minimise environmental impact.
- 13.2 Providers will also have to tell the Council about the steps they are taking in relation to Environmental and Sustainability implications of their services through their Social Value action plans.
- 13.3. An Environment and Sustainability Assessment was completed for prior cabinet report agreed in March 2023 (attached as **Appendix 2**)

14. Appendices

- 14.1 Appendix 1 - Equality Assessment (Part of March 2023 cabinet submission)
- 14.2 Appendix 2 - Environment and Sustainability Assessment (Part of March 2023 cabinet submission)
- 14.3 Appendix 3 - Completed Waiver Form

15. Background Documents

- 15.1 March 2023 Cabinet report