

LONDON BOROUGH OF CROYDON

To: all Members of the Council (via e-mail)
Access Croydon, Town Hall Reception

PUBLIC NOTICE OF KEY DECISIONS MADE BY THE CABINET MEMBER FOR CHILDREN YOUNG PEOPLE AND LEARNING ON 22 JULY 2015

In accordance with the Scrutiny and Overview Procedure Rules, the following decisions may be implemented from **1300 hours on 30 July 2015** unless referred to the Scrutiny and Overview Committee:

The following apply to each decision listed below

Reasons for these decisions: are contained in the **attached** Part A report

Other options considered and rejected: are contained in the **attached** Part A report

Details of conflicts of Interest declared by any Cabinet Member: none

The Leader of the Council has delegated to the Cabinet Member the power to make the decisions set out below:

**CABINET MEMBER'S EXECUTIVE DECISION REFERENCE NO. : 35/15/CYPL
KEY DECISION REFERENCE NO. 35/15/CYPL**

**Decision Title: Transfer of Health Visiting and Family Nurse Partnership to
London Borough of Croydon from NHS England**

Having carefully read and considered the attached Part A report and the requirements of the Council's public sector equality duty in relation to the issues detailed in the body of the report, the Cabinet Member for Children Young People and Learning in consultation with the Cabinet Member for Finance and Treasury

RESOLVED:

1. To approve the novation of existing contracts with Croydon Health Services NHS Trust (CHS) for the provision of Health Visitor and Family Nurse Partnership services from NHS England to the Council as the commissioner for these Services to the value of £2,748,000 and to delegate authority to the Executive Director for People to finalise arrangements in respect of the novation including terms and conditions in advance of 1 October 2015.

2. To note that this is pursuant to the transfer of the commissioning function relating to Children Health Visiting (children 0-5) and Family Nurse Partnership (the Services) taking place on 1 October 2015 in accordance with the Health and Social Care Act 2012.

3. To note a re-basing exercise to re-align the school nursing and health visiting budgets.

Scrutiny Referral/Call-in Procedure

1. The decisions may be implemented **1300 hours on 30 July 2015** (5 working days after the decisions were made) unless referred to the Scrutiny and Overview Committee.
2. The Borough Solicitor, Director of Legal and Democratic Services shall refer the matter to the Scrutiny and Overview Committee if so requested by:-
 - i) the Chair or Deputy Chair of the Scrutiny and Overview Committee and 4 members of that Committee; or
 - ii) 20% of Council Members (14)
3. The referral shall be made on the approved pro-forma (*attached*) which should be submitted electronically or on paper to Solomon Agutu and Jim Simpson by **1300 hours on 30 July 2015**. Verification of signatures may be by individual e-mail, fax or by post. A decision may only be subject to the referral process once.
4. The Call-In referral shall be completed giving:
 - i) The grounds for the referral
 - ii) The outcome desired
 - iii) Information required to assist the Scrutiny and Overview Committee to consider the referral
 - iv) The date and the signatures of the Councillors requesting the Call-In
5. The decision taker and the relevant Chief Officer(s) shall be notified of the referral who shall suspend implementation of the decision.
6. The referral shall be considered at the next scheduled meeting of the Scrutiny & Overview Committee unless, in view of the Borough Solicitor, Director of Legal and Democratic Services, this would cause undue delay. In such cases The Borough Solicitor, Director of Legal and Democratic Services will consult with the decision taker and the Chair of Scrutiny and Overview to agree a date for an additional meeting. The Scrutiny & Overview Committee may only decide to consider a maximum of 3 referrals at any one meeting.
7. At the Scrutiny & Overview Committee meeting the referral will be considered by the Committee which shall determine how much time the Committee will give to the call in and how the item will be dealt with including whether or not it wishes to review the decision. If having considered the decision there are still concerns about the decision then the Committee may refer it back to the decision taker for reconsideration, setting out in writing the nature of the concerns.

8. The Scrutiny and Overview Committee may refer the decision to Full Council if it considers that the decision is outside of the budget and policy framework of the Council.
9. If the Scrutiny and Overview Committee decides that no further action is necessary then the decision may be implemented.
10. The Full Council may decide to take no further action in which case the decision may be implemented.
11. If the Council objects to the decision it can nullify the decision if it is outside of the policy framework and/or inconsistent with the budget.
12. If the decision is within the policy framework and consistent with the budget, the Council will refer any decision to which it objects together with its views on the decision. The decision taker shall choose whether to either amend / withdraw or implement the original decision within 10 working days or at the next meeting of the Cabinet of the referral from the Council.
13. The response shall be notified to all Members of the Scrutiny and Overview Committee
14. If either the Council or the Scrutiny and Overview Committee fails to meet in accordance with the Council calendar or in accordance with paragraph 6 above, then the decision may be implemented on the next working day after the meeting was scheduled or arranged to take place.
15. **URGENCY:** The referral procedure shall not apply in respect of urgent decisions. A decision will be urgent if any delay likely to be caused by the referral process would seriously prejudice the Council's or the public's interests. The record of the decision and the notice by which it is made public shall state if the decision is urgent and therefore not subject to the referral process.

Signed: Borough Solicitor & Monitoring Officer, Director of Legal and Democratic Services

Date: 22 July 2015

Contact Officers: Solomon.Agutu@croydon.gov.uk;
jim.simpson@croydon.gov.uk

Telephone: 020 8726 6000 Ext. 62326

PROFORMA

**REFERRAL OF A KEY DECISION TO THE
SCRUTINY AND OVERVIEW COMMITTEE**

For the attention of: Solomon Agutu & Jim Simpson,
Legal & Democratic Services Division

Meeting:
Meeting Date:
Agenda Item No:

Reasons for referral:

- i) The decision is outside of the Policy Framework
- ii) The decision is inconsistent with the budget
- iii) The decision is inconsistent with another Council Policy
- iv) Other: Please specify:

The outcome desired:

**Information required to assist the Scrutiny and Overview Committee to consider
the referral:**

Signed:

Date:

Member of _____ Committee

For General Release

REPORT TO:	Cabinet Member for Children, Young People and Learning 13 July 2015
AGENDA ITEM:	Background Item to Agenda Item 14.1 Cabinet 13 July 2015
SUBJECT:	Transfer of Health Visiting and Family Nurse Partnership to London Borough of Croydon from NHS England
LEAD OFFICER:	Paul Greenhalgh Executive Director People
CABINET MEMBER:	Cllr Alisa Flemming Cabinet Member for Children, Young People and Learning
WARDS:	All

CORPORATE PRIORITY/POLICY CONTEXT:

With the transfer of the Public Health function to local authorities under the Health and Social Care Act 2012, the Council has a number of new duties which include responsibility for commissioning health visiting and family nurse partnership services from October 2015.

The agreement to transform health visiting, family nurse partnership and other early year's services is secured in an earlier report submitted to Cabinet on the 15 December 2014 (Min.A112/14) which approved the Best Start service delivery model and design principles.

The provision of early intervention services as described in the report enables the Council to meet the key aspirations of the Community Strategy 2013-18 to deliver better prevention and early intervention for people who are vulnerable (Goal 2, Priority two).

AMBITIOUS FOR CROYDON & WHY ARE WE DOING THIS:

Provision of these services will contribute to achievement of the following priorities:

Croydon Challenge:

The services will be redesigned in order to be more streamlined for families with children under 5 while also delivering cost savings over a long term period.

Public Health Outcomes Framework:

On 30 November 2010, the Government published the White Paper Healthy Lives, Healthy People: Our strategy for public health in England, which set out its vision for a reformed public health system.

As part of delivering this vision for public health and contributing to achieving the Government's ambition to achieve best possible health outcomes for our children and young people, responsibility for commissioning 0-5 children's public health services is

transferring from NHS England to Local Government on 1 October 2015.

This will join up the commissioning for children under 5 with the commissioning for 5-19 year olds and wider public health functions which successfully transferred to local government in April 2013 under the Health and Social Care Act 2012. The Health Visiting and Family Nursing Partnership Services will lead on the delivery of the full Healthy Child Programme (HCP), 0-5 years, with a focus on working across services and organisational boundaries for babies and children from 0-5 years and their families to improve public health outcomes. The Public Health Outcomes Framework, the Guide to Early Years Profile and the NHS Outcomes Framework include a range of outcomes which will be improved by an effective 0-5 years' public health nursing service:

- Improving life expectancy and healthy life expectancy;
- Reducing infant mortality;
- Reducing low birth weight of term babies;
- Reducing smoking at delivery;
- Improving breastfeeding initiation;
- Increasing breastfeeding prevalence at 6-8 weeks;
- Improving child development at 2-2.5 years;
- Reducing the number of children in poverty;
- Improving school readiness;
- Reducing under 18 conceptions;
- Reducing excess weight in 4-5 and 10-11 year olds;
- Reducing hospital admissions caused by unintentional and deliberate injuries in children and young people aged 0-14;
- Improving population vaccination coverage;
- Disease prevention through screening and immunisation programmes;
- Reducing tooth decay in children aged 5.

FINANCIAL IMPACT

This report recommends approval of the contract novation from NHS England to the local authority as set out below.

The Health Visiting and Family Nurse Partnership services are currently commissioned by NHS England from Croydon Health Services NHS Trust. The intention is that this contract will be novated to the Local Authority with the transfer of commissioning responsibilities to Croydon. The total value of the contract to be novated from NHS England for a period of 6 months from 1 October 2015 to 31 March 2016 is £2,748,000 which will be financed in full by funds being transferred from NHS England to the Local Authority.

The delivery of Public Health services by local authorities is scrutinised by financial reporting on Public Health Grant application against a prescribed set of categories in the Revenue Account (RA) and Revenue Outturn (RO) Returns sent to Public Health England (PHE) who review them on behalf of the Department of Health. Local authority Chief Executives and Directors of Public Health are also required to jointly sign a statement confirming that the Public Health Grant has been used in line with the grant conditions.

Health Visiting and Family Nurse Partnership programmes form part of the broader Croydon Best Start Programme that will offer a more effective service by strengthening the way that the Council and the health service work together as a 'whole system'.

KEY DECISION REFERENCE NO.: 35/15/CYPL

This is a Key Decision as defined in the Council's Constitution. The decision may be implemented from 1300 hours on the expiry of 5 working days after it is made, unless the decision is referred to the Scrutiny & Strategic Overview Committee by the requisite number of Councillors.

The Leader of the Council has delegated to the nominated Cabinet Member the power to make the decisions set out in the recommendations below:

1. RECOMMENDATIONS

- 1.1 The Cabinet Member for Children, Young People and Learning in consultation with the Cabinet Member for Finance and Treasury is recommended to approve the novation of existing contracts with Croydon Health Services NHS Trust (CHS) for the provision of Health Visitor and Family Nurse Partnership services from NHS England to the Council as the commissioner for these Services to the value of £2,748,000 and to delegate authority to the Executive Director for People to finalise arrangements in respect of the novation including terms and conditions in advance of 1 October 2015.
- 1.2 To note that this is pursuant to the transfer of the commissioning function relating to Children Health Visiting (children 0-5) and Family Nurse Partnership (the Services) taking place on 1 October 2015 in accordance with the Health and Social Care Act 2012.
- 1.3 To note a re-basing exercise to re-align the school nursing and health visiting budgets.

2. EXECUTIVE SUMMARY

- 2.1 This paper summarises the steps needed to implement the transfer of funding and contract responsibility of 0-5 years public health services from NHS England to the London Borough of Croydon that is due to take place on 1 October under the Health and Social Care Act 2012 (the 2012 Act). This is the final part of the full transfer of public health responsibilities to Local Government following the initial transfer of public health contracts in 2013. The Services comprise the Health Visitor service and the Family Nurse Partnership (FNP) programme which together deliver the national 0-5 Healthy Child programme in Croydon.
- 2.2 These services, which are currently commissioned by NHS England, are

provided by Croydon Health Services NHS Trust at a value of £5,466,000 per annum. NHS England are in the process of finalising an annual NHS contract with Croydon Health Services NHS Trust (CHS) as the current provider of Health Visiting and FNP for 2015/16 which will be due to expire on 31 March 2016. The intention is that when the transfer of commissioning responsibility takes place in October 2015, that contract will transfer to the Council by means of a Deed of Novation.

2.3 The report seeks approval to accept the transfer of the existing Services contract with CHS from October 2015 to March 2016 to ensure continuity of services critical to delivering public health outcomes for children and to provide a period of stability to inform a strategic review of the services and any future re-procurement decisions as part of the overall Best Start programme.

2.4 The Best Start Commissioning Strategy, which these recommendations form part of, seeks to secure provision through three strands:

a. Best Start Health Visiting and FNP (the present report)

b. Best Start Children’s Centre Service

b.1 Child Development and School Readiness

b.2 Community, Parenting Aspirations and Parenting Skills

b.3. Insourcing of the targeted support

c. Best Start Early Learning Collaboration

Recommendations in b. and c. are presented separately as an appendix to the standard contracts report submitted to Cabinet.

2.6 The content of this report has been endorsed by the Contracts and Commissioning Board.

CCB Approval Date	CCB ref. number
26 June 2015	CCB1015/15-16

3. DETAIL

Introduction & Background

3.1 Responsibility for delivery against Public Health Outcomes transferred to Local Authorities in April 2013, with the implementation of the 2012 Act. Alongside this, commissioning responsibility for a wide range of contracted Public Health services was transferred to the Council which aim to support the delivery of these Outcomes. On 1 October 2015, responsibility for commissioning the national Healthy Child Programme, via Health Visitor services (including FNP), will also be transferred to Local Authorities from NHS England.

- 3.2 The Healthy Child Programme is the universal clinical and public health programme for children and families from pregnancy to 19 years of age. It offers every child a schedule of health and development reviews, screening tests, immunisations, health promotion guidance and support tailored to their needs. The age 5-19 elements of the Healthy Child Programme are led by the School Nursing Service 5-19 which is already commissioned by the Council. This will give the Council the opportunity in the future to join up the commissioning of the Healthy Child Programme for children 0 - 5 years with the commissioning for 5-19 year olds and other public health functions.
- 3.3 The service specification is agreed nationally with some local adjustment. However, the Healthy Child Programme contains mandated universal provision by application of a “sunset clause” for the services described in section 3.8 and the Department of Health is setting out an expectation that the service quality mandate remains in place for 18 months following transfer of commissioning responsibility. This will facilitate Parliamentary consideration of the impact of the changes and review at 12 months post transfer.
- 3.4 In transferring responsibility to Local Authorities, the aim is to ensure future commissioning supports sustainable public health services for 0-5s, and provides the best outcomes for children and their families, through universal health visiting services and targeted support such as the Family Nurse Partnership.
- 3.5 A key focus of the transfer of commissioning for the 0-5 Health Visitor and Family Nurse Partnership programme is to ensure continuity of service and a seamless transition of the commissioner role with no negative impact on the service provider and service users.
- 3.6 These Services delivered to children and families, some of whom may be vulnerable and at risk, make a considerable contribution to promoting public health and longer term outcomes for children. These priorities have provided the main reference for the recommendation in this report regarding the transfer.
- 3.7 CHS have committed to work with Croydon Council during the contract period to explore the proposed principles/ objectives of an integrated, community-focused early years service through service redesign. The commissioning plans will be refined over the next six months of the contract considering suitable options for the interim period from 2016 to 2018. This will later feed into the commissioning of the broad Best Start Programme that will be undertaken by 2018, of which these services are intended to form part of.

Current services

- 3.8 Initially, the following elements of the Healthy Child Programme are mandatory for local authorities to deliver via the health visiting service:
- Antenatal health promoting reviews
 - New baby reviews
 - Six to eight week assessments
 - One year assessments and

- Two to two and a half year reviews.

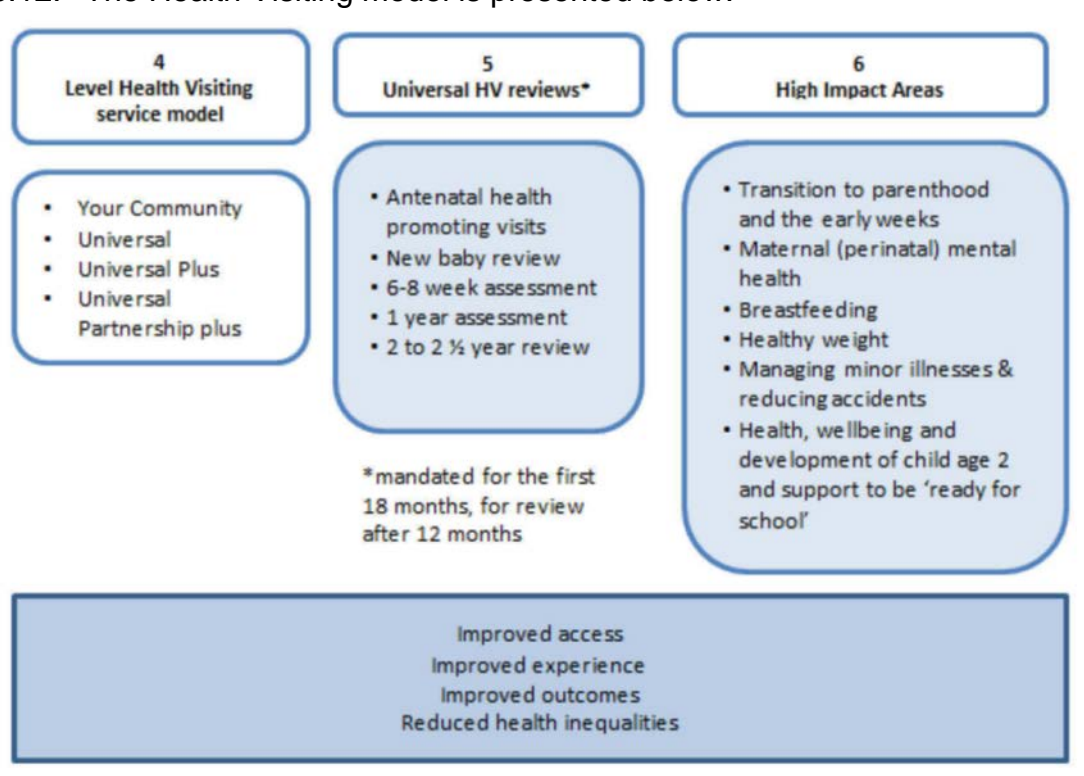
3.9. Local Authorities will be expected to ensure the same level of services is delivered by the provider at the point of transfer (the sunset clause) and act with a view to securing continuous improvement in the uptake of these reviews.

Health Visiting

3.10. The Healthy Child Programme in Croydon, provided under the contract with CHS, is led by the Health Visiting Team that offers open access to Child Health Clinics across Croydon. Teams are aligned to the five Family Engagement Partnership areas and deliver provision in a range of clinically approved venues which include Health Centres and children’s centres.

3.11. The service works in partnership with other agencies to support and enable families to access health information and services appropriate to their needs - these include family doctors (GPs), Children’s Centre’s, Voluntary organisations and Nurseries.

3.12. The Health Visiting model is presented below:



Family Nurse Partnership

3.13. The FNP is one of the two services included in the recommendation which delivers an enhanced programme of support to first time parents aged 19 years and under, from early in pregnancy until the child reaches 2 years old. It offers intensive and structured home visiting, delivered by specially trained nurses (Family Nurses), from early pregnancy until the child is two.

3.14. The FNP is a preventive programme and has the potential to transform the life

chances of the most disadvantaged children and families in Croydon, helping to improve social mobility and break the cycle of intergenerational disadvantage. Health in pregnancy, and the quality of the caregiving babies receive during the first years of life, can have a long lasting impact on a child's future health, happiness, relationships and achievement of their aspirations.

- 3.15. Family nurses use programme materials and methods to enable young mothers (and fathers) to achieve three main aims:
- To improve their pregnancy outcomes, so that their baby has the best start in life
 - To improve their child's health and development by developing their parenting knowledge and skills
 - To improve parents' economic self-sufficiency, by helping them to achieve their aspirations (such as employment or returning to education)
- 3.16. There are currently around 90 Whole Time Equivalent staff employed in the service serving Croydon and this includes approximately 55 WTE front line Health Visitors and 7 FTW Family Nurses. The Call to Action to recruit more HVs is complete in Croydon and no HV expansion is planned.

Budget position

- 3.17. From September – December 2014 the Council, NHS England and CHS undertook a detailed analysis exercise of the current contract including current funding. In February 2015 the Department for Health published Croydon's allocation of funding for the period 1 October 2015 – 31 March 2016. The funding levels will continue until April 2016 with the intention to 'lift and shift' funding into local authority on existing terms of the value of £2,748,000. This allocation includes a commissioning resource of £15,000 for the period October 2015 to March 2016 to support the additional commissioning and contract management costs which will be incurred by the local authority when the services transfer. It is not clear yet whether future public health grant allocations will include funding for extra commissioning resource.
- 3.18. Final 2016/17 allocations will be dependent on the amount of funding announced for public health in the 2015 Spending Review and on the fair shares formula developed following advice from the Advisory Committee on Resource Allocation (ACRA). This funding will inform the future commissioning programme for the Services.
- 3.19. A re-basing exercise was undertaken in 2012 by the PCT, the Local Authority and the provider of community health services (Croydon Health Services in order to prepare for the commissioning changes brought about by the Health and Social Care Act 2012). In 2012 Health Visiting and School Nursing were delivered as an integrated 0-19 children's service. It was necessary to disaggregate these budgets so that funding for school nursing could transfer to the Local Authority and funding for Health Visiting could transfer to NHS England as the new commissioners. However, it has now become evident that approximately £450,000 relating to school nursing service was mistakenly transferred to NHS England in 2012. A re-basing exercise needs to be

undertaken to establish the accurate funding levels for each service. This will result in the re-alignment of the school nursing and health visiting budgets. Following the transfer of the Health Visiting and FNP services to the Council in October 2015 it will be necessary to vary the value of the contracts to reflect the actual funding allocation.

Impact of the proposal

- 3.20. The Council cannot refuse to receive the transfer of functions, as this is a statutory transfer under the Health and Social Care Act 2012. The Council must make the necessary provisions to be able to discharge the new functions.
- 3.21. The London Borough of Croydon will become the body responsible for commissioning Health Visiting and FNP Services and will be accountable, via the public health grant, for the quality of Service provision. There are no issues of note with regard to the current Services delivery by the Service Provider, CHS, in terms of quality or financial performance. The Council's priority is to ensure a smooth, practical and child and family centred approach to the transition.

Contract Management and Compliance Arrangements

- 3.22 It is expected that contract management for Health Visiting and FNP will be a shared responsibility across the Council's Children and Young People's Integrated Commissioning Team and the Early Intervention Support Service. Contract performance will be aligned to a single outcomes framework which will be collectively reported under the robust governance arrangements agreed to manage the Best Start Programme.

4 CONSULTATION

- 4.1 The decision to transfer commissioning responsibility was laid down in the Health and Social Care Act 2012. The London Borough of Croydon has been working with NHS England and the provider on the plans for transition since the intention to transfer commissioning responsibility was made. Legal advice will be sought relating to the finalisation of the Deed of Novation to protect the Council's position under the arrangements.
- 4.2 The recommendation supports the delivery of the Best Start Programme that has been widely consulted upon. The Programme's ambitions continue to be supported by the Council, local NHS and voluntary sector. Croydon Council is now in a position to realise this ambition through the implementation of integrated early years delivery model.
- 4.3 A period of comprehensive service user, stakeholder and community engagement is being undertaken as part of the detailed planning of the new Best Start Programme model and will be completed prior to the procurement of the redesigned services for 2018. This consultative process will be used to shape the service delivery model and outcomes.

5 FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

5.1 The funding for this project is broken down as follows:

	6 months forecast
	2015/16
	<i>£'000</i>
EXPENDITURE	
Health visiting and FNP (see note 1)	2,748
<u>Funded by</u>	
Transfer from NHS England of commissioning responsibilities	2,748

Note 1: The full year equivalent of the 2015/16 allocation outlined above is £5,496,000. This includes an assumption that the commissioning element will be annualised and re-current but this has not yet been confirmed. However this does not take account of any re-basing to re-align the school nursing and health visiting budgets. The 2015-16 allocations will be used as a starting point and Local Authorities will move incrementally towards their target share of the overall allocation over a number of years.

5.2 Savings opportunities:

It is intended that the Croydon Best Start Programme model will offer a more effective service by strengthening the way that agencies work together as a 'whole system' enabling the whole to be more than the sum of the parts. The second phase of the development will be a fully integrated 0-5 years commissioning framework that will be developed in 2018. With the current pressures on services, the Best Start Programme will not realise savings within this first phase 2015-2018. But by monitoring service improvements and efficiencies there may be opportunities to realise a reduction in costs of providing Best Start services from 2018.

5.3 The effect of the decision

Management savings that are realised due to streamlined management will be used for the frontline work which is already stretched. After 2017-2018 when there is a fully integrated commissioning framework, it is anticipated that savings can be realised through improvements in the service.

Risks

5.4 Some procurement risk may exist arising from the novation of the contract in light of the requirements of the Public Contract Regulations 2015. However given the government guidance for a "lift and shift" approach for the transfer of the commissioning responsibility and contract it is considered highly unlikely that a challenge would be brought in respect of the novation of the remaining six months of the NHS England contract. The commissioning plans being developed by the Council in respect of the post April 2016 will also be framed in a manner which is compliant with procurement regulations.

- 5.5 The main priorities of the transfer process are to ensure stability and continuity in the Services during the transition whilst providing a sufficient period of contract management to measure performance and inform re-procurement decisions.
- 5.6 There is a risk that the contract arrangements will not have the capacity to fully deliver the Healthy Child Programme and mandated child development reviews if the 0-5 population continues to rise at the projected level. This will be mitigated through a shared workforce approach across Best Start Programme teams. This approach will add capacity to areas of provision where a range of professional disciplines can contribute collectively to shared outcomes without compromising professional expertise or clinical governance.

Options

- 5.7 Option 1: NHS England is putting in place a single contract for 2015/16 with CHS. A deed of novation being approved by the local authority at the same time as the contract is signed to confirm the contract will transfer to the council on 1 October 2015. This is the preferred option as it will ensure continuity of services.
- 5.8 Option 2: NHS England puts in place a 6 month NHS England contract for the period between April and September 2015 and helps the local authority put in place a similar, but separate, contract with the provider for the period between October 2015 and March 2016. This option did not provide sufficient time to review and re-procure the services upon expiry of the contract on 31st March 2016. This option also presents a risk of instability to delivery of the services and impacting the welfare of vulnerable children with no available option to extend the contract in March 2016 or re-procurement strategy agreed.
- 5.9 Option 3: To procure the services over the next 6 months. This option also presents risks to service disruption and to the future delivery of the Best Start Commissioning strategy and the ability to make any recommendations to re-procure within the short timescales. This option is subject to TUPE implications including 90 FTE staff that would be affected by this proposal.
- 5.10 Option 4: Full structural integration including midwifery, specialist health services and social care was carefully considered as the potential benefit was recognised of a single organizational structure delivering the whole under-five offer. However the complexity and costs of achieving this would, in the short-term, outweigh the benefits.
- 5.11 Given the above considerations, Option 1, novating the contract from NHS England until March 2018 is the only option available at this time: This will ensure full integration of HV and FNP services within the Best Start programme.

Future savings/efficiencies

- 5.9 The research is clear that there are overall savings and efficiencies achieved by early intervention, particularly in the early years when account is taken of

the full cost of all services when investment is made in these Best Start Programme areas. The consensus from a wide range of published studies is a return on investment of between £1.37 and £9.20 for every pound invested in the early years.

- 5.10 The FNP programme goes beyond being cost effective and becomes cost saving which is relatively unusual in healthcare. The USA programme was evaluated and found for each \$1 spent around \$4 was saved elsewhere in the system.
- 5.11 As part of the DCLG bid, cost benefit analysis was undertaken that demonstrated a rate of return on the DCLG investment of £2.34 for each pound spend with a notional payback period of 3 years. The net present public value (NPPV) of the Best Start project is £14,759,117. The net present value of the costs and benefits are £2,919,720 and £17,678,837 respectively. A full cost benefit analysis will be undertaken during 2015 /2016 in accordance with the DCLG transformation award. Work is on-going with Queens University Belfast to ensure that an evaluation framework is in place that not only captures performance information but the longer term impact of Croydon Best Start on young children's development.

(Approved by: Lisa Taylor, Head of Finance and Deputy Section 151 officer)

6. COMMENTS OF THE COUNCIL SOLICITOR AND MONITORING OFFICER

- 6.1 Novation operates in law as the termination of one contract and an award of a new contract at the same time and on the same terms as the previous contract but with a change of party i.e. either the service provider or the commissioner/purchaser. This reports recommends approval of changes to the service purchaser from NHS England to the Council. In this instance the novation would effect a termination of the existing service provider, CHS's contract with NHS England and the direct award by the Council of a contract to CHS.
- 6.2 Any direct award raises procurement law considerations and the Council needs to take into account the impact of the Public Contract Regulations 2015 (PCR2015) in respect of such arrangements. The provisions of Regulation 32 (2) (b) of the PCR2015 permits the direct negotiation and award of contracts in circumstances where competition is absent for technical reasons. The very specific circumstances of this novation, in the context of a legislative mandate to transfer the functions combined with the strict 'sunset clause' requiring total continuity in service at the point of transfer, effectively limits the Councils options in the immediate term to do anything but accept the transfer of the existing contract terms and conditions. In view of the short time frame to complete the transition any competition or adjustment of the existing contract between NHS England and CHS is considered likely to put at risk a smooth and effective transition of functions to the Council. From enquiries with the Local Government Association and NHS England it is also clear that this is a common view and approach of most Councils and the NHS to the transition of

these services. On this basis it is advised that the statutory requirements under the Health and Social Care Act 2012 under which this transfer of function is mandated, can be considered to provide the technical reason justification under Reg.32 of the PCR2015 for the novation as recommended in this report.

(Approved by: Gabriel MacGregor, Head of Corporate Law on behalf of the Council Solicitor & Monitoring Officer)

7. HUMAN RESOURCES IMPACT

- 7.1 There are no immediate HR considerations that arise from the recommendation of the report.

(Approved by: Deborah Calliste, on behalf of the Director of Human Resources)

8. EQUALITIES IMPACT

- 8.1 An initial equality analysis of the Best Start model was undertaken as part of the work on the Primary Prevention Plan 2012-2015, which the Best Start model is developed from. This initial equality analysis has been updated as a part of preparations to roll out of Best Start. The analysis suggests that the transfer of Health Visiting and Family Nurse Partnership services into the Council is not likely to have a negative impact on groups that share a protected characteristic as the key focus of the transfer process is to sustain continuity and prevent any disruption to service for children and families. Service specifications have been maintained and where possible enhanced to improve existing pathways and integration of services and promote access for children and families. Therefore, the change proposed through the Best Start model is likely to have a positive impact on equality groups that share a protected characteristic and will lead to better outcomes for children and their families. The Health Visiting and Family Nurse Partnership programmes contribute to the improved outcomes for vulnerable groups in our society, and more specifically delivers vital services to young first time mothers.
- 8.2 A full EIA for the Best Start service model has been commenced to ascertain the impact on groups that share a “protected characteristic” and will be completed before the roll out of the programme. Initial analysis suggests that there is no significant impact on any protected groups that would result in a change to the commissioning of the proposed services. It identifies a number of equality and inclusion challenges in Croydon that the Best Start programme will help address through the service re-design.
- 8.3 Best Start is likely to help the Council in advancing equality of opportunity between people who belong to protected groups and those who do not. Best Start will refocus activities and services so that those parents, carers and families who most need support get help as early as possible. A proactive parent engagement and involvement strategy will ensure that families from protected groups are instrumental in helping to shape Best Start through a co-

design process that will lead to aspects of Best Start being co-produced and greater mutual support through local networks and strengthening community assets.

9. ENVIRONMENTAL IMPACT

- 9.1 The environmental impact of the proposed contract award is limited; however, the intention to move services closer to people's area of residence is likely to have a positive environmental impact as it will contribute towards a reduction in car, motorcycle and taxi journeys among service users.

10. CRIME AND DISORDER REDUCTION IMPACT

- 10.1 There is a long term positive impact as evidenced by the research on early intervention that well attached and healthy young children are less likely to be involved within the criminal justice system

11. REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

- 11.1 The proposed novation is recommended to ensure continued provision of mandatory Health Visiting and Family Nurse Partnership services in Croydon and ensure the Council fulfils its obligations under the Health and Social Care Act 2012. It will also allow the provider time to demonstrate progress in integrating services with other in-house and commissioned early years provision.
- 11.2 This gradual move to integrated services will also reduce the risks associated with a sudden change in service provision and allow more time for community engagement. The transformation of existing services into a single service model will enable more families to be healthy and resilient and able to maximise their life chances and independence. The Best Start model aims to be innovative and enterprising in using available resources to change lives for the better.
- 11.3 The administration is committed to promoting early intervention, particularly in the early years, so that all children have the best start in life.

12. OPTIONS CONSIDERED AND REJECTED

- 12.1 An option not to novate the contract to the existing provider was considered and rejected as the contracts are aligned to Public Health Outcomes and ceasing them immediately would result in impairing the Council's ability to influence those outcomes using the Public Health budget.
- 12.2 An option to go out to tender for services to start in April 2016 was considered and rejected as there is not enough time to complete this process and deliver the desired outcomes. An interim arrangement would therefore still have been necessary.

- 12.3 An option for a full structural integration delivering the whole under-five offer was considered and rejected as the complexity and costs of achieving a single organizational structure would, in the short-term, outweigh the benefits.
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BACKGROUND PAPERS –

- Best Start for the Children in our Borough, Cabinet report dated 15 December 2014 (Min.A112/14) [Cabinet agendas](#).
- Overview 3: Changes to how 0-5 services are commissioned, Department of Health.
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/405540/Overview_3_Changes_to_how_0-5_services_are_commissioned.pdf
- Mandation: Commissioning the national Healthy Child Programme - mandation to ensure universal prevention, protection and health promotion services, Department of Health.
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/402447/Mandation_factsheet_1.pdf