
Decision Maker: EXECUTIVE

Date: For Pre-Decision Scrutiny by the Children, Education and Families Policy Development and Scrutiny Committee on Tuesday 11 June 2024

Decision Type: Non-Urgent Executive Key

Title: CONTINUATION OF JOINT FUNDING CHILDRENS COMMUNITY HEALTH SERVICES WITH THE SOUTH EAST LONDON INTEGRATED CARE BOARD

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Chief Officer: Richard Baldwin, Director Children's Services

Ward: All Wards

1. Reason for decision/report and options

- 1.1 A significant proportion of the community health services in Bromley are provided under contract by Bromley Health Care (BHC). The current contract term is reaching expiry (30th November 2024) and the South-East London Integrated Care Board (SELICB) has decided on a future course of action and intentions for Bromley community health services. These intentions are as follows:
- 1.2 **Project 1:** Award BHC a new contract for two years with some changes as required to meet the needs of the population and wider system.
- 1.3 **Project 2:** Recommission community health services with a procurement exercise. This will provide an opportunity to design and enact changes that will address the future needs for Bromley residents including greater integration with acute services, the formation of neighbourhood services and enabling services to better meet the health and wellbeing needs of the Bromley population. Since these are significant changes there is a clear rationale to invite the market to tender with an open procurement.
- 1.4 Through these contracting arrangements LBB jointly funds and commissions a range of therapies and other support services to children and young people. This report seeks a decision over the Council's participation in the new two-year contract (Project 1) with Bromley Healthcare
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2. RECOMMENDATION(S)

2.1 The Children, Education and Families PDS is asked to note and comment on the contents of the report.

2.2 The Council's Executive is recommended to:

- 1) Agree the approval of the joint funding and commissioning of services set out in this paper for the duration of the two-year direct award of the community health contract; and,**
- 2) Subject to the funding agreement, include these funds and services within the S.75 agreement between the Council and the South-East London Integrated Care Board (SELICB.)**

Impact on Vulnerable Adults and Children

1. Summary of Impact: The proposals concern the commissioning and funding of therapy and other supports to vulnerable children and young people
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Transformation Policy

1. Policy Status: Existing Policy
 2. Making Bromley Even Better Priority (*delete as appropriate*):
 - (1) For children and young people to grow up, thrive and have the best life chances in families who flourish and are happy to call Bromley home.
 - (5) To manage our resources well, providing value for money, and efficient and effective services for Bromley's residents.
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Financial

1. Cost of proposal: £1.423M of previously agreed fund:
 2. Ongoing costs: Recurring Cost Non-Recurring Cost Not Applicable: Further Details
 3. Budget head/performance centre:
 4. Total current budget for this head: £
 5. Source of funding:
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Personnel

1. Number of staff (*current and additional*): N/a
 2. If from existing staff resources, number of staff hours:
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Legal

1. Legal Requirement: £1.423M of previously agreed funds
 2. Call-in: Applicable: Executive Decision.
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Procurement

1. Summary of Procurement Implications: No direct procurement implications as SELICB are the lead contracting authority for the proposed arrangements
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Property

1. Summary of Property Implications: N/A
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Carbon Reduction and Social Value

1. Summary of Carbon Reduction/Sustainability Implications: N/A
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Impact on the Local Economy

2. Summary of Local Economy Implications: N/A
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Impact on Health and Wellbeing

1. Summary of Health and Wellbeing Implications: Services under consideration are therapy and other health supports to vulnerable children and young people
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Customer Impact

1. Estimated number of users or customers (*current and projected*):
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Ward Councillor Views

3. Have Ward Councillors been asked for comments? Not Applicable
4. Summary of Ward Councillors comments: N/A

3. COMMENTARY

Commissioning Community Health Services to Children and Young people

- 3.1 SELICB and the Council have a longstanding and formal agreement for the joint funding and commissioning of services supporting children and young people within the current Bromley community health contract. A key enabler to joint funding and commissioning is the Section 75 Health and Social Care Act 2006 agreement (S.75 agreement) between SELICB and the Council, allowing SELICB to commission services on behalf of the local authority.
- 3.2 The current community health contract includes a range of jointly funded and commissioned services between SELICB and the Council. Most of these services sit within the S.75, however there is a growing number of jointly funded and commissioned services that sit outside of the formal agreement, and therefore cause fragmentation of processes and result in inefficient governance arrangements for both the SELICB and the Council.
- 3.3 The two-year direct award provides an opportunity to draw together all jointly funded and commissioned children and young people's services currently delivered by Bromley Healthcare and then to formalise those future arrangements by extending the use of the existing S.75 agreement between SELICB and LBB

Options Appraisal

- 3.4 This paper sets out two options for consideration,
- 3.5 **Option 1:** LBB approve the two-year funding of service areas set out in this paper, continuing the joint funding and commissioning of children and young people services in the community health contract.
- 3.6 There are significant benefits to option 1, which include benefitting from the robust governance of both the S.75 and the ongoing monitoring of the two-year community health contract. This option also streamlines a range of commissioning activity, which overtime has become fragmented, creating a disproportionate draw on SELICB and LBB time and resources.
- 3.7 **Option 2:** LBB do not agree the joint funding/commissioning services set out in this paper for inclusion in the community health contract. This option would result in LBB holding responsibility for a significant amount of additional commissioning of service provision, including but not exclusively for services that enable it to meet statutory responsibilities for CYP.
- 3.8 Option 2 would create uncertainty for SELICB, LBB and BHC as the provider of the community health contract. This option would also risk continuity of service provision for children and young people and families in Bromley.

4. FINANCIAL IMPLICATIONS

- 4.1 Due to the proposed investment of the jointly funded services being over £1m, a decision is required by the Council's Executive.
- 4.2 Whilst the total investment exceeds the £1m threshold requiring approval from the Executive, the majority of services cited in this paper already have agreed Council funding allocated to them through pre-existing budget decisions. With one exception, the request is for the continuation of the joint arrangements into the new community health contract.
- 4.3 The investment for the two-year contract from the Council is best illustrated by understanding the following two areas:

- I. The value of each jointly funded and commissioned service intended for inclusion in the new community health contract, and the specific LBB investment in each service; and
- II. The identified LBB budget for each service.

4.4 *Table 1* breaks down the investment from the Council for each service jointly funded and commissioned activity along with the annual value of the entire service.

4.5 *Table 1* does not include an additional investment from the Council to support the transformation of Speech and Language Therapy services of £470,000. This additional investment was approved by the Executive in March 2024 as part of budget setting for 2024-2025. The delivery will be integrated and sit parallel to the community health contract.

Table 1, Jointly funded services, proposed for inclusion in the BHC community health contract 2024-2026

| Service | Service Value P/A | LBB Contribution P/A |
|-----------------------------|-------------------|----------------------|
| Hollybanks (short breaks) | £1,517,040 | £468,000 |
| Speech and Language Therapy | £2,089,832 | £147,000 |
| Child Death Overview Panel | £65,009 | £21,000 |
| OT EHCNA (assessments) | £160,000 | £80,000 |

4.6 The proposed annual investment from the Council into the jointly funded services of the community health contract is £716,000. The full investment for the two-year direct award is £1,432,000. There is sufficient budget within the service to contain these costs.

Table 2, Annual and cumulative investment

| Period | Investment |
|------------------|------------|
| Year 1 (24/25) | £716,000 |
| Year 2 (25/26) | £716,000 |
| Total Investment | £1,432,000 |

5. PROCUREMENT IMPLICATIONS

5.1 This paper primarily concerns funding arrangements for jointly commissioned services by the London Borough of Bromley and the South East London Integrated Care Board (SELICB). For the relevant contract, for which a new two year contract award is proposed, SELICB are the lead contracting authority.

5.2 As SELICB are intended to be the contracting authority, there are no direct procurement implications for LBB. However, relevant Bromley officers should ensure, as far as reasonable, that SELICB conduct a compliant procurement.

5.3 The proposed contract is subject to the new NHS Provider Selection Regime procurement regulations, introduced in January 2024. The Provider Selection Regime allows for contract award via the Direct Award C process – direct award to an incumbent provider where the existing contract is due to end and a new contract is required, where the service is not changing considerably, and the contracting authority is of the view that the existing provider is satisfying the existing contract and will likely satisfy the proposed contract a sufficient standard. This is the likely compliant procurement route to be used by the contracting authority.

5.4 Governance arrangements for Section 75 have previously been agreed by Executive. Delegated authority to the Chief Executive has been granted to renew the S75 agreement as required and to add or amend the S75 as required subject to consultation with the Leader and relevant Portfolio. However, new agreements proposed to be added to the S75 require formal

Portfolio Holder and Executive decision at the usual thresholds (£500k and £1m respectively). This paper seeks formal Executive decision due to the value of proposed agreements to be added to the S75.

6. LEGAL IMPLICATIONS

- 6.1 Members are recommended to approve the joint funding and commissioning of services set out in this paper for the duration of a two-year direct award of the community health contract to the Bromley Health Centre and, subject to the funding agreement, to include these funds and services within the S.75 agreement between the Council and the South-East London Integrated Care Board (SELICB).
- 6.2 These services are healthcare services which are now regulated by the Provider Selection Regime which came into force on 1st January 2024. As is identified in the Procurement Implications above, the direct award of contract to Bromley Health Care can be made by way of the Direct Award Process C under that Regime. It is noted the procurement is carried out by SELICB as the contracting authority but as the procurement will be on behalf of the section 75 partnership between the Council and SELICB then the Council must be satisfied the procurement accords with the new Regime.
- 6.3 Should the Executive agree to the recommendations contained within this report then any appropriate variations/contract change notices will need to be made to the over-arching section 75 Agreement.
- 6.4 This report comes before the Executive to approve due to the value of the funds proposed to be used being in excess of one million pounds.

7. IMPACT ON HEALTH AND WELLBEING

- 7.1 The services to be commissioned through the two-year community health contract are each targeted at the health and wellbeing of children and young people.

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| Non-Applicable Headings: | Transformation and Policy/Personnel/Legal/Property/Carbon Reduction and Social Value Implications; Impact on the Local Economy; Customer Impact; Ward Councillor Views |
| Background Documents: (Access via Contact Officer) | Health and Social Care Act 2006 |