

Children and Young People Overview and Scrutiny Committee

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Children and Young People’s Mental Health Future Contracts

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Summary

This report provides the Medway Children and Young People’s Overview and Scrutiny Committee with a detailed update from NHS Kent and Medway Integrated Care Board (NHSKM) on future contracts for children and young people’s mental health services in Kent and Medway.

The NHSKM assessment is that the proposed contracting approach set out in this paper is the next logical step in the incremental implementation of the Local Transformation Plan¹.

1. Recommendation

1.1. The Children and Young People Overview and Scrutiny Committee is asked to note and support the contracting approach described and that NHS Kent and Medway continue to provide regular updates to the committee as the work progresses.

2. Budget and policy framework

2.1 The report falls within the Council Strategic priorities including “healthy active communities” and “all children achieving their best in school”.

2.2. The report also aligns with the people strategy, in particular the priority “Children and young people in Medway will develop well”.

3. Background

3.1. Children and young people’s mental health services (CYPMHS) is an umbrella term covering a wide range of services commissioned by the NHS. The services are commissioned across a range of providers across the NHS,

¹ [Children, young people and young adults’ emotional wellbeing and mental health :: Kent & Medway ICS \(kmhealthandcare.uk\)](https://www.kent.gov.uk/children-young-people-and-young-adults-emotional-wellbeing-and-mental-health-kent-medway-ics-kmhealthandcare.uk)

local authority and voluntary, community and social enterprise (VCSE) sector. Services are delivered across primary care, education settings, community groups, digitally and within specialist clinical settings.

- 3.2. Traditionally CYPMHS have been thought of in ‘tiers’, as shown in the diagram 1 below.

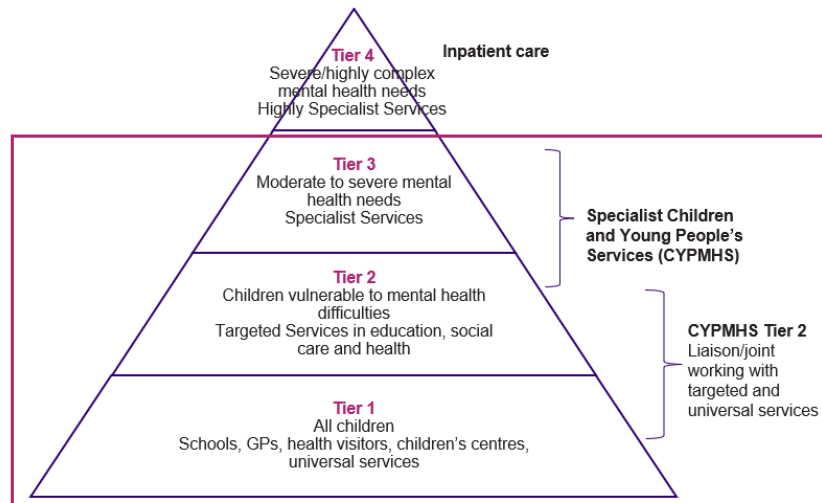


Diagram 1: Traditional Tiers of Care

- 3.3. NHS England commission Tier 4 services and NHSKM commission Tier 3 services (with North East London NHS Foundation Trust (NELFT) as the current provider). In Kent and Medway, service Tier 1-2 services are a combination of commissioning by NHSKM, local authority, primary care networks and education settings, and are provided by a range of organisations. A large proportion of Tier 2 interventions, such as counselling, are commissioned by education settings and Public Health.
- 3.4. Services in Kent and Medway have implemented the i-THRIVE Framework which recognises that the needs of children and young people can and do change, and that services need to be flexible and tailored to meet the needs of the individual.
- 3.5. The NHS Long Term Plan sets out the priorities for expanding children and young people’s mental health services. It aims to widen access to services closer to home, reduce unnecessary delays and deliver specialist mental healthcare, which is based on a clearer understanding of young people’s needs and provided in ways that work better for them. Achievements against the NHS Long Term Plan can be found in Appendix A.
- 3.6. There is still work to achieve our ambition of improved emotional wellbeing and mental health outcomes for children and young people, which includes improved levels of quality and satisfaction with the care they receive. By focusing on workforce, increasing support to trusted adults, and ensuring that services are more collegiate, we will improve the offer to children, young people and families in Kent and Medway.

- 3.7. NHSKM have over 25 contracts for children and young people’s mental health, with all contracts having been commissioned between 2016 and present. The largest growth area of investment has been for the crisis pathway and mental health support teams in schools and smaller contracts in the therapeutic and voluntary sector.
- 3.8. A high-level summary of current contracts is shown in diagram 2 below (Appendix B provides full details of all the current services and contracts):

Current NHS contracts

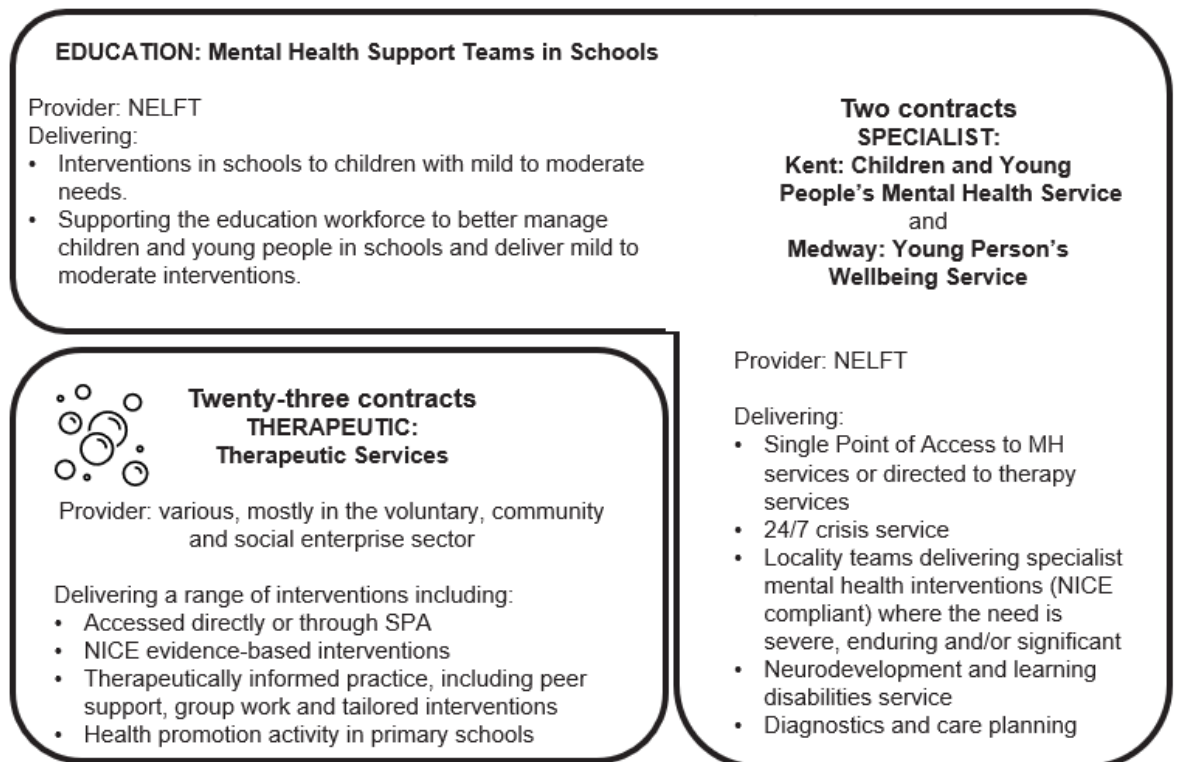


Diagram 2: Current Kent and Medway children and young people’s mental health services contracts

- 3.9. There are 74,522 under 18s in Medway and, based on local authority data, ONS data shows that there will be no significant change in this population over the next 10 years.
- 3.10. The national prevalence of mental health disorders in children and young people has increased by 7.8 percentage points between 2017 and 2023 but is starting to plateau (19.0% in 2022 to 20.3% in 2023).
- 3.11. This means that there are currently an estimated 10,181 children and young people with a probable mental health disorder in Medway. This figure is borne out by the demand and activity in the current services across Medway:
- Number of accepted referrals to current NHS commissioned services: 8,489 in the last 12 months

- Number of contacts with current NHS commissioned services: 32,500 contacts in the last 12 months
 - Number of accepted referrals to current NHS commissioned specialist services: 2,574 in the last 12 months
 - Number of under 18s on an NHS commissioned services caseload at any time: 850 mental health plus 700 neurodevelopment
 - Number of under 18s waiting for specialist mental health services (Dec-23): 132 (11 waiting over 18 weeks)
- 3.12. Waiting times for children and young people's mental health services are often thought to be much longer than they actually are. This is because the waits for neurodevelopment assessments (autism and ADHD) are often reported as mental health waits due to both being provided by North East London Foundation Trust (NELFT).
- 3.13. Overall, the specialist teams are meeting demand, with 92% of children and young people in Medway waiting under 18 weeks, (81% across the whole of Kent and Medway).
- 3.14. Please see Appendix C for further detail on the current population need and demand for services.

4. Current Challenges

- 4.1 While more than 33,000 children and young people in Kent and Medway receive mental health support from a range of NHS commissioned services annually, there are a number of challenges within the system that impact on quality of care and responsiveness such as increased demand, increased acuity, reducing workforce and emergence of new vulnerable groups and presentations. Most contracts were set-up prior to Covid and, as the impact of Covid on mental health continues to emerge, services are adapting well to meet the need, within the constraints of their specification and financial envelope.
- 4.2 Some of the key challenges we face include:
- Increasing complexity and seriousness of mental health needs children and young people have. Children and young people have been presenting with more complex needs across all pathways from early intervention to acute and urgent. In Kent and Medway, increased investment and multi-agency focus on the crisis and urgent pathway has seen a positive reduction in children and young people spending unnecessary time in hospital or inpatient care.
 - Challenges in recruitment and retention of specialist mental health professionals. There are challenges nationally regarding recruitment and retention of the workforce, exacerbated by our proximity to London. One of the most significant challenges is the lack of stability in the VCSE sector, due to short-term or reducing contracts, which disables providers and individuals to build capacity and take risks in entering emerging areas of workforce development, skill and competency.

- National and local financial challenges. Early intervention, social and environmental support has reduced across a range of statutory agencies in recent years. The consequence of this reduction in investment and services directly impacts children and young people and stimulates increased demand for specialist mental health services.

5. Advice and analysis

- 5.1. All NHSKM children and young people's mental health contracts with current providers of services in Kent and Medway are due to expire by the end of August 2025. This presents an opportunity to streamline contracting arrangements and reduce the number of existing contracts (without reducing service provision).
- 5.2. In Medway, there is encouraging evidence that a systemic approach to coordinating investment and contracting arrangements has led to increased therapeutic community-based care where children's needs are met earlier. Consequently, there has been a sustained decrease in children waiting for specialist mental health input and a reduction in specialist caseload. This is an indicator that children are receiving the right care outside of specialist mental health services in a coordinated way. The learning from Medway and other areas of improvement in Kent are informing the approach to addressing the challenges around demand and complexity.
- 5.3. The new contracts will deliver NICE-compliant interventions and pathways for children and young people, as services do currently. There will be the same (or greater) capacity in the system, and the services that children, young people and families rely on, will continue to be provided. Through the new contracts, providers will be required to embed a culture of collaboration, so that the workforce is better connected, better able to target help at the right time to help prevent children and young people becoming seriously unwell, and able to provide specialist care when needed.
- 5.4. The new contracting arrangements will address a number of challenges. By implementing clinical and non-clinical roles designed to be flexible and collaborative and targeted towards young people of Kent and Medway to become the workforce of the future. Stability and retention across all services under a robust clinical framework will improve responsiveness of services through greater coordination of provision and practitioners for the benefit of children and their families. Streamlining and entwining contracts and specifications to ensure appropriate and adequate service delivery is intended to increase access and availability of services, and reduce waiting times for specialist mental health services whilst improving navigation and patient experience. Evidence of system coordination has seen sustainable and positive impacts in Medway and within the crisis and complex pathway across Medway and Kent.
- 5.5. Under the new contracting arrangements, children and families will be able to directly refer into therapeutic services and access specialist mental health services through a single point of access that uses a shared telephone number and referral form. Education settings and primary care will be able to

refer as they do now. In addition, they will have more opportunities to speak to clinical experts through a consultation phone line and networking events.

- 5.6. Alongside engagement with children, young people, families and carers, professionals and providers and the market engagement activity, the clinical reference group (CRG), comprised of children and young people's mental health specialists, has reviewed and assessed the new contract proposal to ensure the implementation of:
- evidence-based and appropriate clinical care
 - child and family-led design
 - whole system approach which values VCSE sector as key partners
 - holistic and early intervention approaches
 - evidence-based, i-THRIVE and trauma informed interventions.
- 5.7. The future contracts for children and young people's mental health will be similar to the current arrangements. The new contracts will not see a reduction in NHS investment, expected volumes of activity, or changes to clinical pathways or clinical interventions. The future contracts would deliver the following components:
- Children and Young People's Mental Health: Education
 - This contract will predominately deliver the national Mental Health Support Teams programme, supporting children and young people in identified education settings by providing low to moderate interventions for emotional wellbeing needs. In addition, the contract would support the educational workforce to better support children and young people with mental health/emotional wellbeing needs so that all education settings, including academies, can access information and advice as required.
 - The new contract would see growth of the Kent and Medway contract value from £6m to £9m by 2028 due to the national investment into this programme increasing.
 - Children and Young People's Mental Health: Therapeutic
 - This contract will provide brief interventions to children and young people with mental health/emotional wellbeing needs, with a focus on creative therapies and therapeutically informed practice.
 - This contract will enable a number of future providers to collaborate under one contract, thereby reducing the current 23 contracts into one partnership contract that would function on a Health Care Partnership footprint. Additionally, there would be a small grants innovation funding function and personal health budgets, to ensure responsive and localised support for children and young people.
 - Children and Young People's Mental Health: Specialist services
 - This contract will provide evidence-based interventions for children and young people with moderate to severe mental health/emotional wellbeing needs.
 - This contract would be on an integrated Care System (ICS) footprint and have increased capacity to deliver advice and consultation to partners including primary care and education settings.

- 5.8. The three contracts would each be awarded for a ten-year term with an option to extend by a further three years. This 'contract for a generation' approach will build stability of service and enable workforce stability and growth. Feedback from the market, particularly the VCSE and private sector confirms that longer-term contracting is essential to grow capacity and competency within the workforce, with the example of similar models of long-term connected contracts and delivery operating in Surrey ICB.
- 5.9. Contracts will be awarded at the same time (March 2025). A six-month joint mobilisation period across all three contracts will take place between March and August 2025. All contracts will be contract-managed by NHS Kent and Medway. They will have regular service reviews built in at fixed points (Years 1-3; Years 4-6; Years 7-9; Years 10-12) to: review progress in the previous three years; agree to any changes to future delivery based on learning from previous years; and consider any legislation/guidance that has been introduced or is due to be introduced that may impact on service delivery.
- 5.10. The three proposed contracts would work in partnership to ensure that children and young people across Kent and Medway are able to seek appropriate support for their mental health and emotional wellbeing in a timely manner. The aim of this approach is to ensure a higher volume of early intervention, preventative services and early support are readily available and accessible and to reduce the referrals and waiting times within specialist mental health services.
- 5.11. There would be new requirements within all three contracts for providers to work together to deliver:
- partnership arrangements to support rapid assessment of need and navigation to the most clinically appropriate service
 - a workforce plan that addresses recruitment, retention, attrition and succession planning between specialisms and contracts
 - shared workforce training and competency development within the future providers and a responsibility to support the wider workforce to develop their competencies and confidence
 - shared data, intelligence and outcome measures to measure impact, including an ambition for shared records and tracking of impact and quality of interventions
 - shared approach to communications, engagement, lived experience and digital leadership.
- 5.12. Diagram 3 below provides further detail on the proposed new contracting arrangements:

Future NHS contracts: changed functions underlined

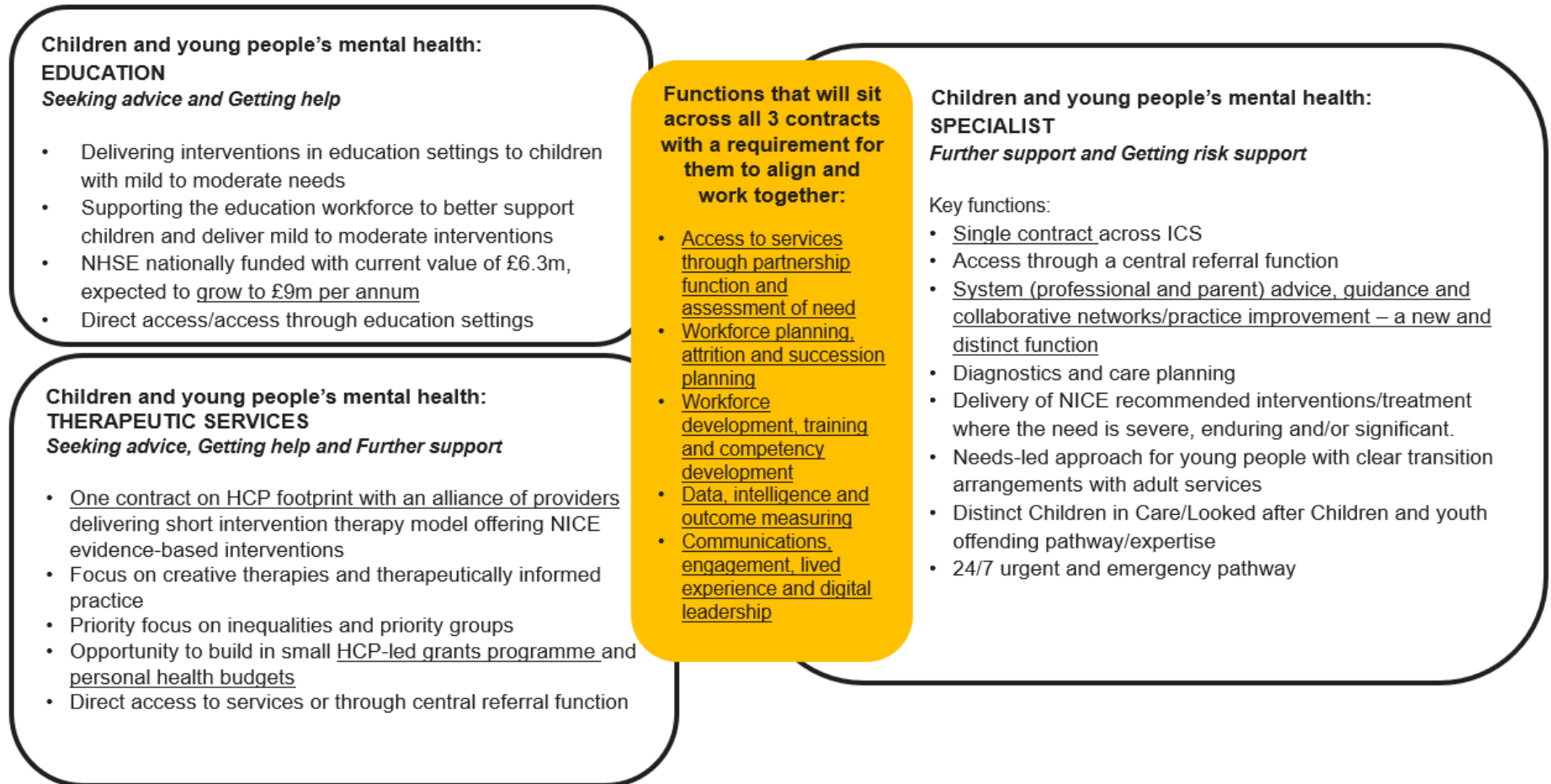


Diagram 3 Proposed new contracting arrangements for Kent and Medway children and young people's mental health services

5.13. Having delivered a children and young people's mental health transformation programme that has seen benefits outlined in Appendix A, we need to ensure that we continue to bring improvements to the system through the new contracting arrangements. The impact of the proposed future offer would be to:

- reduce the current children and young people's mental health contracts from 24 to three
- reduce inequity caused by historic commissioning arrangements
- create an environment of stability with long-term contracting, particularly within the therapeutic sector
- deliver an integrated approach with partners to improve outcomes for children and families
- give professionals and parents access to advice, guidance and collaborative networks/practice improvement (a new and distinct function)
- use the i-THRIVE Framework to implement shared language to describe and navigate the information and support on offer
- enable training, workforce development and networks for all adults to support their understanding of children and young people's mental health
- provide an 'innovation fund' to grow new ideas and approaches at place, and personal health budgets to holistically support children and young people.

5.14. All contracts would:

- share KPIs and outcomes
- share a communications and engagement strategy and delivery plan
- employ lived experience leads and implement the Lived Experience Framework (currently in development)
- work together to mobilise at the same time
- work together to explore opportunities to develop one record system in the longer-term.

5.15 The procurement timeline enables alignment between NHS Kent and Medway's Community Services' transformation year and the six-month mobilisation period for the future children and young people's mental health contracts (from April 2025 to September 2025), as well as the 2025/26 school academic year. Next steps and indicative timeline are as follows:

- Service specifications will be finalised in April 2024 once the comprehensive programme of engagement concludes (including formal market engagement and relevant scrutiny committees), and all feedback has been reviewed and cross-referenced
- The Invitation To Tender will be published in early June 2024
- Bids will be evaluated between July – September 2024, noting that children and young people will be part of the evaluation panel
- Providers will be notified of outcome by December 2024
- Contracts will be awarded in March 2025
- Mobilisation will take place for all new contracts between March – August 2025
- New services will go live on 1st September 2025.

6. Workforce

- 6.1. The children's mental health recruitment issues that are seen nationally are especially felt within Kent and Medway due to the proximity to London where staff can earn higher salaries. The geography of the county is varied: some areas are highly populated while other areas are rural. The county is mostly bordered by the coast, meaning there are less opportunities for staff to move or work in Kent and Medway from neighbouring counties.
- 6.2. Under our proposed new approach, future providers would be required to work together, with the Royal Colleges, the NHSE national mental health team, medical school, colleges and universities, to develop long-term strategies to attract and grow a workforce made up of the current children and young people of Kent and Medway. The future contracts will embed the system enablers that have been put in place through the children and young people's mental health transformation work which are outlined in the following sub-sections.

7. Risk management

Risk	Description	Action to avoid or mitigate risk	Risk rating
The Future Market	The market profile, their appetite and capacity to engage with a procurement process is not fully known until the procurement process has commenced.	To mitigate as much risk as possible, we have undertaken market research and offered two opportunities for potential providers to engage in contract design sessions. There will be one further formal market event on the 20 March 2024, and every provider will be offered an individual session to follow-up to try to stimulate as much interest as possible.	BII
Impact on services and workforce	Changes to contracts and services can cause concern within the workforce and this can impact service delivery and in turn child and young person's experience.	Risk will be mitigated through open and regular communications with the current service providers to ensure that they are aware of the process that is being undertaken and timescales.	CII

Risk	Description	Action to avoid or mitigate risk	Risk rating
Increased demand for specialist mental health services through changes to system investment	Changes to the availability of funding both nationally and locally will impact the level of support and interventions available to families, education settings and the wider provider sector. The concern is that with reducing health promotion, earlier intervention, social and resilience support, there will be an even greater demand for children and young people's mental health services.	Close working with national and local partners to understand where changes to investment may be made and an assessment of impact will support planning and risk mitigation.	BII

Likelihood	Impact:
A Very likely	I Catastrophic
B Likely	II Major
C Unlikely	III Moderate
D Rare	IV Minor

8. Engagement

- 8.1 There is a strong track record in Kent and Medway of engaging with those who use the children and young people's mental health services. The engagement and lived experience leads ensure that a wide range of engagement takes place on a regular basis. This work is part of 'business as usual' and provides a strong foundation on which we can build when specific programmes of work, like the new contract arrangements, need and want to draw on engagement insights and mobilise additional activity designed to support the development of services.
- 8.2 We continue to work with children, families, partners and stakeholders to develop services that focus on specialist mental health, therapeutic earlier support and mental health support in education settings. Last year we reviewed all the evidence we had gathered over the previous 18 months, over 60 reports featuring the experience and views of thousands of children and young people and their families.

We also worked throughout the summer and autumn, at events, summer activities and groups and meetings to actively engage 487 children, young people and young adults, carers and staff, resulting in 981 written contributions, one poem, one drawing, five podcasts, and ten short films.

Using a variety of media, channels, and events we contacted over 100,000 people and cascaded the information through various newsletters and networks.

The views and insights provided by this work and the feedback from our clinical reference group and providers has informed future contracts. See Appendix D.

9. Climate change implications

- 9.1. The NHS are committed to net zero targets and have set two ambitions, one in relation to direct NHS emissions and one in relation to emissions the NHS can influence. These expectations are passed on via contracts to ensure that the whole supply chain conforms to the ambitions.

10. Financial implications

- 10.1. In 2023/24, NHS Kent and Medway's budget for children and young people's mental health provision totalled £37.857m, of which £6.050m (17%) was utilised for provision in Medway.
- 10.2. Medway Council has contributed £588,345 annually to the specialist services mental health contract (Medway Young Person's Wellbeing Service delivered by NELFT and Young People's Substance Misuse Services subcontracted to Open Road) since 2017.
- 10.3. Medway Council have confirmed that they will not be contributing £588,345 to the future contracts. The impact of this reduction has been mitigated with confirmation from Medway Council colleagues that this budget will be utilised to support the emotional wellbeing, mental health and substance misuse pathway (outside of NHS contracting arrangements).
- 10.4. NHS Kent and Medway has established that the proposed total financial envelope for the three 13-year contracts is £501.452m (values based on 2023/24 contract prices with no uplifts or pay assumptions included).
- 10.5. Contract values will be largely in proportion with the current values, the most significant investment in the Specialist contract. Contract values will be finalised and released with the service specifications once completed.

11. Legal implications

- 11.1 There are no legal implications for Medway Council as a result of this report.

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Appendices

Appendix A: Achievements against the NHS Long Term Plan

Appendix B: Summary of Current Contracts

Appendix C: Current Population Need And Demand For Services.

Appendix D: Summary of Engagement Activity

Background papers

NHSM Long Term Plan: <https://www.kmhealthandcare.uk/transformation-projects/children-young-people-and-young-adults-emotional-wellbeing-and-mental-health>