



Health and Adult Social Care Overview and Scrutiny Committee

20 August 2025

Contract Award for Integrated All Age Mental Health Services in Medway

Report from: Ed Waller, Chief Strategy and Partnerships Officer and Chief Delivery/Commissioning Officer (interim), NHS Kent and Medway

Author: Sue Mullin, Associate Director for Children's Mental Health and Louise Clack, Deputy Director for Adult Mental Health, NHS Kent and Medway

Summary

This report provides assurance to the Health and Adult Social Care Overview and Scrutiny Committee regarding the recent decision to award a new Integrated All Age Mental Health Services (IAAMHS) contract. It outlines the rationale for this contract award, confirms our commitment to service continuity and workforce stability, and details how the contract safeguards Medway's voice in future service development. The report also sets out how statutory duties around service variation and engagement will be met throughout the life of the contract.

1. Recommendations

- 1.1. This report and substantial variation assessment (Appendix 2*) has been developed on the basis on the award of the Integrated All-Age Mental Health Services contract to KMPT. There will be no changes to service delivery, clinical models, premises or access points due to this contract transfer and as such, it has been assessed that this action of contract award does not constitute a substantial variation requiring formal public consultation at this point.

**not included in this pack but can be seen within the agenda of 20 August 2025*

- 1.2. However, it is likely that pathways and services may change over time and that that will require engagement and consultation as appropriate. The plans for service development will be shared with the Committee and stakeholders in advance to seek support that ensures that local populations are engaged and heard.

2. Budget and policy framework

- 2.1. The new contract provides the opportunity to support the wider system ambition for a more integrated and sustainable mental health service in the long term, in line with the Fit for the Future: NHS 10-Year Plan (2025). The Plan explicitly promotes integration as a route to better outcomes, reduced duplication, and improved value for money. It also commits to ending artificial age boundaries, especially in mental health, stating that *“care should follow the person, not the organisational boundary.”*

3. Background

- 3.1. The current provider of Medway’s Young People’s Wellbeing Services (MYPWS) and All Age Eating Disorder Services (AAEDS), North East London NHS Foundation Trust (NELFT), has indicated its intention to exit Kent and Medway. In response, NHS Kent and Medway (NHSKM) has undertaken a process to secure a sustainable provider capable of maintaining clinical safety, continuity of care and protecting the workforce.
- 3.2. The expiry of the current contracts provides an opportunity for the ICB to strategically align this service provision into an Integrated All Age Mental Health Service. This in part, has been driven by feedback from Medway children and families over the years, who have regularly highlighted the challenges they face during transition.
- 3.3. From the outset, the ICB has focussed on clinical safety, service continuity, and protection of the existing workforce as its top priorities. A multi-disciplinary Contract Task and Finish Group was established, comprising representatives from Children and Young People’s commissioning, Adult Mental Health and All Age Eating Disorders commissioning, Contracts, Finance and Legal teams. This group oversaw the process and ensured that every option was assessed for delivery risk, operational feasibility and compliance.
- 3.4. Given the complexity of the service, the highly specialised nature of clinical delivery, and the imperative to avoid disruption to care, the ICB has undertaken activity to identify the appropriate procurement route and process.

3.5. The outcome of this process identified Kent and Medway NHS and Social Care Partnership Trust (KMPT) as the only capable provider able to meet the full range of requirements in terms of experience, infrastructure, workforce and clinical governance. As a result, the ICB applied Direct Award A under the PSR (Regulation 6(3)), which permits direct award to a provider where:

- The services are not materially different from existing provision
- There is a single capable provider in the context of the local market
- The route offers the lowest delivery risk and best assurance of continuity and safety

This approach aligns with statutory duties around procurement and public value and has been recorded through the ICBs governance processes.

3.6. KMPT's selection was further strengthened by their proven track record in delivering integrated mental health models across the Kent and Medway system, including the Mental Health Together programme and the At-Risk Mental State Service (ARMS) and Early Intervention in Psychosis (EIP) services for adolescents and adults. These models demonstrate KMPT's ability to operate across service boundaries, work collaboratively with partners, and support vulnerable young people through transition points.

3.7. KMPT is also the only provider with:

- Established estate across the region, enabling mobilisation without the delays, costs or risks associated with finding and securing new facilities
- A large-scale clinical workforce (over 3,600 staff) with the internal flexibility to absorb the additional services while protecting continuity
- Embedded clinical governance structures already aligned to local safeguarding, quality and risk frameworks
- Experience operating mental health services within Medway and strong relationships with public health, education, and social care partners

In preparation of this, KMPT is now working closely with NELFT to co-develop a joint mobilisation plan, ensuring a clinically safe, orderly and transparent transition by 1st April 2026.

3.8. **New Provider Partnership:** KMPT and NELFT: KMPT will work closely with NELFT to ensure a smooth transition and safe handover, drawing on the existing clinical infrastructure and staffing models.

3.9. This focus on stabilisation allows services to continue without disruption. However, it also creates opportunities for better alignment across the system, particularly in supporting young people aged 16 to 25. These individuals are often at risk of falling between child and adult services, and the move toward an all-age model is part of a longer-term strategy to close that gap and improve continuity of care.

3.10. **Engagement and Assurance on Medway Voice:** As service models emerge and the opportunity for integration develops, there may be future service changes where the threshold for substantial variation is met. To ensure this is managed appropriately, the contract includes a requirement for KMPT to adhere fully to the agreed protocols for managing service change, including public engagement and formal consultation where applicable. The following requirements are contractually embedded:

- Co-production with children, young people and families in local areas, including Medway
- Local governance and named local leadership within the KMPT delivery model
- Routine engagement with primary care, schools, children's services, public health and other key stakeholders
- Alignment with statutory duties relating to substantial variation and consultation

3.11. **Contract Management and Safeguards:** The Integrated All-Age Mental Health Services contract will be managed in line with the NHS Standard Contract, which includes robust levers to ensure safe and effective service delivery. KMPT will be required to meet agreed Key Performance Indicators (KPIs), activity levels, and comply with clinical safety and safeguarding standards as a condition of the contract.

3.12. Should issues arise, a full suite of contract management mechanisms will be in place, including formal performance management routes, escalation procedures and service improvement notices. The contract includes a termination clause, which may be enacted in the event of sustained non-delivery or serious concerns around quality or safety.

3.13. To strengthen local accountability and ensure early stability, the ICB is working to assess an incentive payment approach within the overall financial envelope. This mechanism would support KMPT to:

- Secure immediate service stability following mobilisation
- Prioritise engagement with local partners, schools and young people
- Deliver phased integration over the lifetime of the contract

These measures are being developed to reinforce expectations of performance, transparency, and local responsiveness from the outset of delivery.

4. Advice and analysis

4.1. The award of the Integrated All Age Mental Health Services contract to KMPT ensures that the contract delivers a range of immediate benefits to children, young people and families and people with an eating disorder in Medway. The overriding priority throughout the contracting process has been to maintain continuity of care while securing a safe, stable and future-ready service model.

4.2. Continuity of Care

- Children and young people and people with an eating disorder will continue to access services through the same referral routes and clinical pathways.
- All efforts will be made on behalf of KMPT, NELFT and the ICB to ensure minimal impact in the scope of services or clinical offer due to the pressures of transition.
- Existing staff will transfer to maintain therapeutic relationships, with joint mobilisation between KMPT and NELFT to support a smooth handover.
- Clinical governance, safeguarding processes and quality oversight are being aligned to avoid any gaps or risk during the transfer.

4.3. Local Provider with Commitment to Medway

- KMPT is a Kent and Medway-based provider, already embedded in the local health and care system.
- The contract explicitly requires delivery model that responds to place, with a named leadership function within KMPT's structure to champion local needs.
- KMPT will work closely with Medway education, public health, social care, youth justice and children's services, ensuring that the service remains aligned with local priorities and responsive to emerging challenges.

4.3. Improved Transition for 16–25-Year-Olds

- A significant benefit of the new contract is the opportunity to close the gap between children's and adult mental health services, particularly for the vulnerable 16–25 cohort.
- KMPT will be required to co-develop integrated, developmentally appropriate pathways that ensure smoother transitions and reduce the risk of disengagement during critical life stages.

4.4. Tailored Support for Vulnerable Groups in Medway

- The service specification continues to incorporate enhanced support for key vulnerable groups, including:
 - Children known to the Youth Justice system
 - Pupils at Rivermead Community Special School (due to high mental health needs of students)
 - Children in care and care leavers
 - Children and young people known to social services
- These enhancements reflect the local intelligence held by Medway Council's Partnership Commissioning and build on work presented to the Medway's Children Overview and Scrutiny Committee in January and March 2024.

4.5. No Downgrade or Disruption to Offer

- This is not a redesign of services. The current offer will transfer, and service continuity is contractually protected.
- There will be no downgrading of access, investment or quality. All key services will remain available to Medway families in their current form, with clinical teams supported to remain in post.

4.6. Visibility and Voice for Medway

- The contract includes a requirement for KMPT to establish regular engagement mechanisms with Medway's schools, children's services, young people and families.
- This ensures the ongoing visibility of local needs and allows services to evolve in line with local priorities, while also satisfying the legal duties around substantial variation and consultation.
- Medway residents and professionals will have a direct role in shaping any future improvements, backed by robust governance and oversight arrangements.

4.7. Workforce Stability

- KMPT has the scale and existing infrastructure to absorb the MYPWS and AAEDS workforce without destabilisation.
- Communication and engagement with transferring staff are underway to support retention, morale and continuity of care.
- As a long-term contract holder, KMPT will also be able to plan for future workforce development, training and career pathways that support local recruitment and retention.

4.8. Partnership working in Medway

- The contract includes a requirement for KMPT to work in collaboration with system partners including Medway Local Transformation Plan Partnership and Medway Mental Health Leads Partnership.
- KMPT will also work collaboratively with Boards such as the Youth Justice Board, Medway's Safeguarding Children Partnership and Medway SEND Partnership Board.

4.9. **Ensuring Stability and Safety**

This contract has been deliberately structured to ensure a stable and clinically safe transfer of services, followed by a phased and locally led approach to integration. The aim is to protect what is working, avoid unnecessary disruption, and create space for thoughtful, co-produced improvements

4.10. **Workforce Stability and Clinical Continuity:**

- KMPT will retain or recruit staff with the relevant skills and experience, with a commitment to maintaining existing clinical relationships and minimising change for children and families.
- A joint mobilisation plan between KMPT and NELFT has been developed to manage the safe and orderly handover. This includes workforce mapping, safeguarding alignment, and shared oversight of risk and quality.
- Clinical supervision, safeguarding frameworks, and governance arrangements are being reviewed and aligned to ensure a seamless continuation of care from 1st April 2026.
- Clear messaging and engagement with existing staff are being prioritised to support retention and morale during the transition. The contract's long-term duration allows for investment in workforce development, shared training programmes, and future system-wide capability building.

4.11. **Planned and Phased Integration**

The transition to an integrated model will be deliberate, staged and grounded in co-production. It will not involve immediate changes to clinical delivery. Instead, it will follow a phased trajectory with safeguards and milestones written into the contract.

KMPT will be required to develop a plan for areas of development and integration, which would define whether integration is based on age, geography or pathways, by April 2026. This would set out a plan for delivery including engagement, co-production and if appropriate consultation. Plans will be shared with the Committee and wider stakeholders.

Additionally, KMPT will be required to demonstrate progress through regular contract monitoring, including quarterly reporting on integration benefits and delivery against their Service Development and Improvement Plan (SDIP).

4.12. **Commitment to Engagement and Service User Voice**

Any future changes to service delivery will only be made following appropriate engagement and, where required, formal consultation in line with legal duties relating to substantial variation.

The contract includes binding requirements to co-produce service improvements with children, young people, families and professionals. This includes:

- Routine engagement with schools, primary care and local services
- Involvement of lived experience in pathway redesign
- Evidence of how engagement has shaped priorities and practice

No changes will be made without meaningful involvement from the Medway community, and assurance processes are in place to monitor this commitment.

This combined approach ensures that the initial period is about stability, not redesign. Integration will be carefully phased, locally governed, and rooted in the needs and voice of Medway's population.

5. **Risk management**

- 5.1. The decision to award the Integrated All Age Mental Health Services contract to KMPT was taken with a full and clear understanding of the potential risks associated with provider transition, service continuity, and safeguarding the distinct needs of the Medway population. These risks have been actively considered and mitigated through the structure of the contract, the mobilisation approach, including an assurance framework, and the governance framework that will oversee delivery.
- 5.2. One key priority is to maintain therapeutic relationships during the transfer from NELFT to KMPT. KMPT are required to work jointly with NELFT during the mobilisation period, with a strong focus on retaining existing staff and clinical teams. By maintaining continuity in personnel, the aim is to ensure that individuals currently receiving support do not experience unnecessary changes to their care relationships. In addition, targeted communication and support will be provided to families to manage expectations, reduce anxiety and ensure a seamless transfer.

5.3. A second priority relates to the visibility of local needs within a broader, ICS-wide delivery model. KMPT will be contractually obliged to deliver services through a localised, place-based model with dedicated leadership and reporting lines. Medway Partnership Commissioners have reviewed the service specification, ensuring that areas of enhanced support for Medway children and young people are explicit and protected. There are also clear requirements for regular engagement with Medway stakeholders, including schools, children's services and young people themselves. Local data and intelligence will inform improvement plans and ongoing service development, ensuring that Medway's voice is not only protected but actively shapes delivery.

5.4. The ICB has secured senior-level commitment from KMPT and NELFT to ensure mobilisation oversight and delivery supported at Chief Executive level across all agencies. The new contract must be operational by 1st April 2026 to ensure continuity of critical services. Dedicated resource has been ringfenced across all organisations to ensure an effective, timely mobilisation, and a joint mobilisation plan is in development. Progress will be tracked through formal programme management and regular reporting to the ICB.

Risk	Description	Action to avoid or mitigate risk	Risk rating
Clinical consistency and stability	Ensuring therapeutic relationships are fully maintained during transition to KMPT	KMPT is required to work jointly with NELFT during mobilisation to retain staff where possible and maintain continuity of care. Clear communication and support will be provided to children, young people and families during the handover period.	CIII
Local needs represented in service delivery	Potential for reduced visibility of local needs in an ICS-wide model	The contract includes dedicated local leadership, local reporting lines, and mechanisms for ongoing engagement with stakeholders, schools and families. Local data will inform improvement plans.	CIII
Delivering on time	Meeting agreed timeframes for mobilisation to avoid any risk in transfer in services	ICB, KMPT and NELFT have committed senior leadership at CEO level. Ringfenced mobilisation resource and oversight arrangements are in place to ensure the new contract is operational by 1 April 2026.	CII

For risk rating, please refer to the following table

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

D Rare	IV Minor
--------	----------

6. Consultation

- 6.1. Preparatory work for the new contract has already begun, with joint planning and engagement underway between NHS Kent and Medway, KMPT and NELFT. A formal mobilisation period will commence in September 2025 and run through to the go-live date of 1 April 2026. This six-month period has been deliberately structured to allow for comprehensive mobilisation.
- 6.2. A detailed mobilisation plan will be finalised, setting out timelines, roles and responsibilities, workforce transfer processes, safeguarding handovers and communication requirements. Updates will be shared with the Health and Adult Social Care Overview and Scrutiny Committee, to maintain transparency and enable continued challenge and oversight.
- 6.3. Engagement with children, young people, people with an eating disorder and families and professionals will not stop at mobilisation. Instead, this period will also be used to plan and implement an ongoing engagement infrastructure, ensuring that Medway residents remain directly involved in shaping the future of their mental health services. The co-production mechanisms developed through earlier work on the Medway Therapeutic Alliance will inform this, providing a strong foundation for involving young people and people with an eating disorder in meaningful and ongoing dialogue.
- 6.4. From April 2026 onwards, KMPT will be responsible for delivering services in line with the contract and service specifications.
- 6.5. In summary, the contract does not mark the end of a process but the beginning of a carefully phased programme of stabilisation, engagement and future service development and improvement. This ensures that the mental health services provided to Medway's population are safe, sustainable, and reflective of local needs and voices.

7. Climate change implications

- 7.1. None identified.

8. Financial implications

- 8.1. No financial implications identified. The contract values from existing contracts will move to the new Integrated All Age Mental Health contract.

9. Legal implications

9.1 None relevant to this report.

Lead officer contact

Sue Mullin, Associate Director for Children's Mental Health, NHS Kent and Medway

Appendices

Appendix 2: SV Assessment - *not included in this pack but can be viewed on the agenda of 20 August 2025.*