

**General Release**

<b>REPORT TO:</b>	<b>Councillor Alisa Flemming Cabinet Member for Children, Young People and Learners</b>
<b>AGENDA ITEM:</b>	<b>Public background paper to item 13a - Cabinet 20/11/17</b>
<b>SUBJECT:</b>	<b>Open Access Counselling Services for Children and Young People - Croydon Drop In Contract</b>
<b>LEAD OFFICER:</b>	<b>Barbara Peacock Executive Director of People Department</b>
<b>CABINET MEMBER:</b>	<b>Councillor Alisa Flemming Cabinet Member for Children, Young People and Learners and Councillor Simon Hall Cabinet Member for Finance and Treasury</b>
<b>WARDS:</b>	<b>ALL</b>

**CORPORATE PRIORITY/POLICY CONTEXT/AMBITIOUS FOR CROYDON**

***Relevant Corporate objectives:***

***Independence***

*To help people from all communities live longer, healthier lives through positive lifestyle choices*

*Work with partners to promote good mental health and deliver a more preventative and early intervention focused approach.*

*To help families be healthy and resilient and able to maximise their life chances and independence*

***Growth***

*To enable people of all ages to reach their potential through access to quality schools and learning*

***Enabling***

*To be innovative and enterprising in using available resources to change lives for the better*

*(Source: Corporate Plan 2015-18)*

Croydon Children and Families Partnership priorities clearly highlights Croydon's commitment and need to work to improve the emotional wellbeing and mental health of children and young people and ensure the right help is accessible for local children and young people provided at the right time.

The CCG's CAMHS Commissioning Strategy and Croydon's CAMHS Local Transformation Plan (LTP) until 2020/2021 are aligned.

Nationally, there has been an increasing focus in children's mental health within government policy highlighting its critical importance.

The economic case for investing in mental health support for children and young people is clear. A body of research indicates that effective intervention in the first or second episode of mental health difficulty experienced by the 0-21 year old age group not only leads to better outcomes and improved life chances for children and young people but also results in significant savings within services across local government, the NHS, justice system, schools and other services.

#### FINANCIAL IMPACT:

The service is provided by two voluntary sector agencies;

- Croydon Drop-In (CDI) and
- Off the Record (OTR),

The contracts are aligned to deliver a holistic service.

The funding for the current contracts are contained within existing children's social care budgets.

The annual value of the CDI contract is:

£150,000

The total value for the proposed contract term including a 12 month extension is:

£300,000

Total aggregate value since the contract started in 2016 will be:

£600,000 -

An increased reach, from 928 children supported to 1328 children supported, will be achieved as result of direct awards to both Off the Record and the aligned contract with CDI.

This represents a reduction in unit costs from £197 to £138 for CDI and Off the Record.

This provision ensures that a proportional number of children and young people will be supported effectively and efficiently, leading to a reduction in the number of young people requiring escalation to moderate and acute (tier 3 and 4) CAMHS provision, along with the added value of linking into other service strands provided by both services (including Outreach, Life Navigation, Online counselling and workshops).

There is an expected reduction in Do Not Attend rates, and there is an intention to deliver more therapeutic capacity across a wider geographical reach across the borough.

**KEY DECISION REFERENCE NO.: *Not applicable***

## **1. RECOMMENDATIONS**

The Leader of the Council has delegated to the nominated Cabinet Member for Children, Young People and Learning the power to make the decisions set out in the recommendations below:

- 1.1 To note the use of a waiver in accordance with Regulation 18 of the Council's Tenders and Contracts Regulations for the reasons set out in this report, and to approve a direct award of a contract to Croydon Drop In for the provision of open access counselling for children and young people for an initial term of one (1) year with provision for an extension of up to a further 12 months maximum term to commence on 1<sup>st</sup> April 2018
- 1.2 The contract with Croydon Drop In will be for a total contract value of £300,000. Annual value £150,000 (aggregate value from 2016 to 31st March 2020 £600,000);

## **2. EXECUTIVE SUMMARY**

- 2.1. The current contracts for Open Access Counselling Service commenced in April 2016 and were extended for one year to 31st March 2018. There is no provision for further extension.
- 2.2. The purpose of this report is to advise CCB of the reasons why direct award is sought to be offered to the current providers (Croydon Drop-In and Off the Record) rather than testing the market through tendering or decommissioning the service. The contracts are aligned in terms of meeting the needs for counselling and performance delivery.
- 2.3. Both providers continue to deliver local services in line with the specification, and have strong relationships and reputations within Croydon as being reliable and accessible for children and young people. The direct awards would enable a further consolidation period and ensure services remain sustainable, consistent and grow to increase the delivery of emotional wellbeing and mental health provision for children and young people, offering a cost effective service.
- 2.4. The number of children and young people receiving a service will be increased by 43% from 928 to 1328 via the direct awards, achieved through remodelling of the services. This represents a reduction in unit costs from £197 to £138.
- 2.5. A commitment is given to review these services jointly with the CCG during the next financial year with a view to enabling better integration and joining up of services across the CAMHS pathways.
- 2.6. Croydon Drop-In and Off the Record form part of the wider Child and Adolescent Mental Health Service (CAMHS) community provision and work to Increase access to Children and Young People's Improving Access to Psychological Therapies (IAPT) initiative. The services provide counselling services, delivering evidence-based interventions for young people experiencing mild to moderate

emotional and mental health problems, aged 10-18 years. Young people can access these services by self-referral and they are an integral part of Croydon's Local Transformation Plan (LTP). Both services are part of Croydon's Emotional Well-being & Mental Health Single Point of Access (SPA).

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

<b>CCB Approval Date</b>	<b>CCB ref. number</b>
09/10/2017	CCB1282/17-18

### 3. DETAIL

3.1 In Croydon, children and young people's mental health and emotional wellbeing is delivered and supported through a broad spectrum of agencies from both the statutory and voluntary sector. Croydon's CAMHS Local Transformation Plan (LTP), supported by the children's integrated commissioning team, has the aim of ensuring all local agencies take a truly joint partnership approach to organising service delivery and delivering stakeholder engagement across all services with the views of children, young people and families playing a key and central role.

3.2. The estimated mental health need at each level based on this population size can be seen as:

	2015	2016	2017	2018	2019	2020	2021
Universal (15.0%)	14,031	14,235	14,428	14,612	14,779	14,945	15,115
Community (7.0%)	6,548	6,643	6,733	6,819	6,897	6,975	7,054
Complex (1.85%)	1,731	1,756	1,779	1,802	1,823	1,843	1,864
Acute	70	71	72	73	74	75	76
Total Child ren's popu latio n	89,000	100,000	101,000	101,500	104,000	105,000	106,000

3.3 A deeper appraisal of Croydon's local needs is included within the CAMHS Local Transformation Plan (LTP).

3.4 26.1% (106,000) of the population in Croydon is aged 0-19 years old. Within this population it is recognised that:

- 11% of Croydon children and young people have a diagnosable mental

health difficulty.

- 27% of children and young people present with mild to moderate difficulties e.g. anxiety, low mood, self-esteem issues and difficulties within family and peer relationships.
- 3.5. Within the borough there are a number of challenging socio-economic factors across a large geographical diverse cultural area, experiencing high levels of deprivation that increase the likelihood of children presenting with emotional and mental health difficulties. These factors include: living in poverty; children with complex needs; children in care, or subject to a child protection plan and being a young carer.
- 3.6. As part of the wider CAMHS LTP strategy the current contract providers offer the following:

**Croydon Drop In:**

- Open Access Counselling
- Life Navigator (Advice & Advocacy)

**Off the Record:**

- Open access counselling

**Detail of wider service provision provided by both services detailed below:**

- 3.7. **Croydon Drop-In:** provide advice, life navigation and counselling support, offering drop-in assessment and short-term interventions to support children and young people from 10-18 years, with capacity to offer services to young adults to 25 years. The service consists of a small core paid staff team and unpaid volunteer counsellors (70% of the staff team) delivering the counselling service from Croydon's main community base.
- 3.8. Croydon Drop-In also offers a schools based counselling service and an outreach service to schools and local community sites, visiting areas identified as 'hot-spots' through a mobile Talk Bus provision delivering advice, support and health promotion work within Croydon. Through enhanced CAMHS LTP funding there has been an increase in staffing capacity to support and develop additional schools based counselling.
- 3.9. **Off the Record:** provide counselling support through walk-in and appointment based assessments and interventions to support young people from 14-18, with funding through Adult Mental Health (CCG) supporting counselling support for young adults to 25 years. The service has a team of core paid staff and unpaid volunteer counsellors (35% of the staff team), and through CAMHS LTP funding have recently increased their counselling staff capacity and established SkyLine (Online Counselling) and SkyCast (Online Platform providing psycho-education workshops and information). Off the Record also are delivering a Black & Ethnic Minorities Mental Health Community Workers Project, working towards increasing access and engagement of BME children and young people within counselling and mental health services.
- 3.10. Both services have been able to add social and financial value within their services, through developing volunteer programmes and encouraging mentorship and participation engagement with children and young people who have experienced the service, linking into wider borough and London wide projects.

**Performance of Existing Contracts**

- 3.11. The expenditure is expected to and delivers approximately a third of the total counselling at this level of intervention in the borough (928 young people in 2016-17). The remaining counselling is funded through a combination of Local Transformation Plan funding, which is time-limited until 2020/2021 via the CCG from NHS England, and Adult Mental Health commissioning of Off The Record.
- 3.12. The majority of young people present with difficulties due to anxiety, low mood, low self-esteem and difficulties within family and peer relationships, which are often treated appropriately and effectively through short term (6-12 sessions / 3-6 months) intervention, in line with recommended IAPT therapeutic models and NICE guidelines.
- 3.13. Within the current contract period demand has risen by approx. 20% and the providers have increased capacity through re-modelling and further recruitment to address this within the contract at no additional cost to the Council.
- 3.14. Both services are situated in a community base close to central Croydon, resulting in young people from north and south of the borough requiring to travel to access counselling.
- 3.15. Over the course of the contracts, the services have delivered the following performance:

Performance indicator	Croydon Drop-In		Off the Record	
	15/16	16/17	15/16	16/17
No of CYP in counselling service	182	217	538	598
No of CYP online counselling	N/A	N/A	*Online webinars only, counselling not in operation in 2015-16	50 (From May 2016) 139 attended online webinars
No in schools counselling	124	151	N/A	N/A
Nos in life navigator service	50	59	N/A	N/A
DNA rates (%)	12	9.5	13.6	Counselling: 13.5% Online: 25.7%
Cancellation rates (%)	14	14	17.5	Counselling: 19.3% Online: 3%

- 3.16. The services have also delivered a number of improvements, during the tenure of the current contracts:
- Flexibly adapted walk-in assessment model to respond more appropriately to needs of young people accessing the service and to avoid challenges in relation to wait times for assessment sessions.
  - Developed systems to more effectively manage DNAs and cancellations to ensure best use of counselling resources.
  - Increase in numbers of BME young people accessing service.

- Increased number of sessions being offered across the year following recruitment of additional volunteer counsellors.
- Increased numbers of children and young person in counselling service with lowering age threshold to 10 years of age.
- Offering family involvement in counselling work where appropriate for child or young person.
- Developing internal strategies to link counselling to outreach and life navigation streams of work.

### **Service improvements as a result of the direct awards**

- 3.17. The aim for 2018 -19 is to increase the number of children and young people receiving counselling services via the two contracts from 928 in 2016-17 to 1328. This will be achieved through remodelling of the services and represents a significant increase in VFM (See financial impact section).
- 3.18. The proposed direct award contract period from April 2018 – March 2020, will afford us the opportunity to align the Local Authority services specifications with the CCG, which will provide a seamless integration of provision, through assessment, treatment and discharge for children and young people.
- 3.19. The awards will also enable Commissioners across the CCG and LA, to align the funding envelopes, creating greater stability for the voluntary sector. There needs to be further work regarding transition to adult mental health services for those young people who need on-going support. We are planning a number of workshops with providers (statutory and voluntary), commissioners and young people to develop the commissioning and procurement strategy for future service provision beyond April 2020.
- 3.20 Both contracts continue to deliver value for money, which will increase as a result of these direct awards. They are offering effective known evidence based treatments which work to the National Standard and Values Framework “Delivering with and Delivering Well”. During consultation with young people, both services have had positive feedback, with young people liking the easy and responsive access to therapeutic services. Target reach will increase through the renegotiation from 928 to 1328 through the two contracts. Thus even further improving VFM.
- 3.21 The provision of a break clause to potentially take effect before the end of the initial contract period has been considered. This is rejected following discussion with legal due to potential financial risk of the provider claiming compensation for early contract termination. In addition, the joint review with the CCG will take a number of months to complete and any tender posted and thus any potential advantage of early termination is unlikely to be achieved.

### **Contract monitoring**

- 3.22. The contracts are subject to quarterly monitoring arrangements and annual review.
- 3.23. A commitment is given to review these services jointly with the CCG during the next financial year with a view to enabling better integration and joining up of services across the CAMHS pathways.

#### **4. CONSULTATION**

- 4.1 Off The Record and Croydon Drop-In have strong service user feedback loops ensuring an opportunity to obtain the views of young people accessing their services.

Feedback to date:

Off The Record:

- *I think it is a very good place that people who need a service like this have a safe place to come and receive what they need.*
- *This service had changed my life forever. My entire outlook on life is so different and I will benefit from the help I received here for the rest of my life.*
- *I am a more happy and open person and I believe in myself, coming to OTR has helped me to learn to trust other people.*

Croydon Drop-In:

- *Everything was good about my care. Before we encountered Drop-In we felt alone with our problems. They helped the whole family, counselling for the younger members and referrals to help myself.*
- *I am more confident and I value myself more and I can walk towards my goals.*
- *Drop-In gave me a safe place to talk freely and openly, and feel ok about myself.*

- 4.2. Therefore young people will endorse the recommendation to directly award the contract to two trusted voluntary sector providers.

- 4.3. Feedback from wider CAMHS LTP consultation has included practitioners and allied partners, further supporting the plan to directly award the current providers and includes:

- Continued improvement in addressing waiting times within the Specialist CAMHS service and the impact on Open Access Services to be able to deliver a more appropriate mild to moderate level service in a timely way, aware that children and young people requiring additional support can be escalated quickly and more effectively between CAMHS services.
- Establishing an integrated borough wide Single Point of Access has improved working relationships between CAMHS services ensuring an accessible front door for children and young people, who are being prevented from falling through gaps in services. With shared information governance across the partnership with CAMHS, Early Help, and voluntary sector providers offering joint decision making and most appropriate evidence based support is offered.



- Providing a more comprehensive service to Looked After Children, as Off The Record's Compass service is more integrated with the Specialist CAMHS and statutory services, and work in underway to develop a robust referral pathway for children and young people experiencing trauma.

4.4. The LTP refresh will be submitted at the end of October 2017, it is a living document, with further and on-going consultation planned this will be considered and reflected within service planning and delivery going forward.

## 5 FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

5.1. The economic case for investing in mental health support for children and young people is clear. A body of research indicates that effective intervention in the first or second episode of mental health difficulty experienced by the 0-21 year old age group not only leads to better outcomes and improved life chances for children and young people but also results in significant savings within service across local government, the NHS, justice system, schools and other services.

### 1 Revenue and Capital consequences of report recommendations [NOTE: do not split table over 2 pages]

	Year	Medium Term Financial Strategy – 3 year forecast		
	2016/17	2017/18	2018/19	2019/20
	£'000	£'000	£'000	£'000
<b>Revenue Budget available</b>	150	150	150	150
Expenditure				
Income				
<b>Effect of decision from report</b>	150	150	150	150
Expenditure				
Income				
<b>Remaining budget</b>	0	0	0	0
<b>Capital Budget available</b>				
Expenditure				
<b>Effect of decision from report</b>				
Expenditure				
<b>Remaining budget</b>				

### 2 The effect of the decision

The two direct awards until 2020, will align with the statutory Local Transformation Plan recommissioning strategy for Children and Young People, which the Director of People, has scrutiny and oversight of. It will ensure that

CYP do not experience a gap in direct therapeutic provision within community CAMHS; this will prevent escalation to specialist CAMHS who will continue to work with the most vulnerable and unwell CYP in the borough.

There will be no increase in revenue spend, rather there will be greater efficiencies and even better value for money. An increased reach, from 928 children supported to 1328 children supported, will be achieved as result of the direct awards.

This represents a reduction in unit costs from £197 to £138.

In addition, there is an expectation that the number of young people escalated to tier 3 and 4 service will be reduced, plus a reduction in Do Not Attend rates and there is an intention to deliver more therapeutic capacity through the CDI contract.

### **3 Risks**

The decision to not invoke the direct award will significantly undermine the work of the Croydon Local Transformation Plan as the desired outcomes will not be achieved without the Open Access Counselling Service Offer, which has been agreed and signed off by the Local Authority, Health and Wellbeing Board, and the Clinical Commissioning Group (CCG). This would undoubtedly result in additional pressure on CAMHS tier 3 services, increased cost and existing waiting times for assessment and potentially treatment, creating a risk of returning to longer waiting times for children and young people.

There is a risk that recommissioning services from the market through a competitive procurement, may have a negative impact on the current local third sector providers who are financially reliant on the current contracts. This risk could be mitigated by working with the voluntary and community sector through market development to ensure any potential providers from this sector are ready to tender in 2019. If the future service provision, is competitively procured from the market, the specification and contract will be tailored to encourage third sector participation.

### **4 Options**

**That the LA goes out to open competitive tender. This is not recommended by commissioners as cited in sections 2 and 3 immediately above.**

### **5 Future savings/efficiencies**

The direct award represent better value for money than the current contractual arrangements deliver.

Further planning is currently underway as detailed within the LTP for 2018 to develop a Vulnerable Child Pathway and align services more effectively and efficiently to provide responsive needs led based care.

Unit costs for these services will on award be comparatively low. CCG benchmarking with comparable CCGs, indicates that tier 2 unit costs range from £136 (Lewisham) to £187 (Ealing). Work continues to be ongoing to achieve further non-cashable efficiencies through more efficient working and planning the extension of the service delivery.

Approved by: Josephine Lyseight Head of Finance

## **6. COMMENTS OF THE COUNCIL SOLICITOR AND MONITORING OFFICER**

- 6.1 The Director of Law comments that the proposal set out in this report seeks to support the Council's duty to achieve Best Value pursuant to the Local Government Act 1999.

Approved by: Scott Couzens, Lawyer on behalf of the Director of Law & Monitoring Officer

## **7. HUMAN RESOURCES IMPACT**

- 7.1 This report recommends a direct award to the current (third party) service providers. This means the service provisions would remain as they are currently and there would be no direct HR considerations arising from this report for Croydon Council staff.

Approved by: Deborah Calliste, Head of HR – People Department Lead, on behalf of the Director of Human Resources

## **8. EQUALITIES IMPACT**

- 8.1 The EIA is being reviewed, but no adverse effects are anticipated

## **9. ENVIRONMENTAL IMPACT**

- 9.1 N/A

## **10. CRIME AND DISORDER REDUCTION IMPACT**

- 10.1 CAMHS are part of the Youth Crime Board, all new KPIs require providers to work, monitor and support the needs of CYP that are in contact with the Criminal Justice System. All providers have safeguarding policies that refer disclosures of domestic violence to social care and the Family Resilience Service.

## **11. REASONS FOR RECOMMENDATIONS/PROPOSED DECISION**

- 11.1 The recommendations in this report support the achievement of the administration's ambition to protect the most vulnerable and to enhance the life chances of children and families.
- 11.2. The economic case for investing in mental health support for children and young people is clear. A body of research indicates that effective intervention in the first or second episode of mental health difficulty experienced by the 0-21 year old age group not only leads to better outcomes and improved life chances for children and young people but also results in significant savings within services across local government, the NHS, justice system, schools and other services.
- 11.3. The two direct awards represent better value for money than the current contractual arrangements deliver.

## 12. OPTIONS CONSIDERED AND REJECTED

### 12.1 Open competitive tender

- Rejected - due to the reasons set out in paragraphs 5 3 in the finance section above.

### 12.2. Decommission the service

- Rejected - children and young people's emotional and mental health needs would not be effectively met, escalation to tier 3 CAMHS would be inevitable and waiting time would rise accordingly.

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**BACKGROUND PAPERS - LOCAL GOVERNMENT ACT 1972: exempt**

**APPENDIX:** none