1. Summary

1.1. This report and its sister paper sets out the approach to developing and implementing 'early help hubs', now renamed Family Support Services, which will include multi-agency services operating in local communities across Somerset.

In 2016 full council adopted the Somerset Children & Young People’s Plan 2016-2019 (CYPP) which included a priority to ‘establish early help hubs in local communities offering multi-agency integrated services that identify and support children and families who need additional help and can intervene quickly’.

The CYPP also includes agreed actions to develop proposals for the future use of children's centre buildings in the context of an ‘integrated early help offer’.

The development of the family support service aims to:

- Achieve better outcomes for families; engaging hard to reach families and providing services where they need them
- Provide more effective services; reducing duplication and providing more community based support and guidance
- Provide consistent and coherent services for families in order to tackle health and social inequalities
- Protect frontline services by reducing management and business support functions, and overhead costs associated with buildings
- Respond to the end of the government Troubled Families grant in 2020, and the reduction in DoH grant for public health

1.2. It is proposed that the Family Support Service will be developed over three phases:

**Phase 1** (2018/19) addresses the development of the Family Support Service and the delivery of a co-ordinated and coherent “early help offer” utilising local community venues including children’s centre buildings, this is addressed in the sister paper to this one.

**Phase 2** (2019/20) will address the integration of Public Health Nursing(health visitors and school nurses) with SCC’s getset service, this paper addresses the recommendations to deliver this objective.

**Phase 3** will consider the integration of additional services to achieve a holistic ‘think family’ model and possibly integration with other relevant services.

This paper considers the development of phase 2 and the best approach to
achieving the integration of currently separate services into the integrated Family Support Service.

A detailed options appraisal has been undertaken on the two most feasible options:

Option 1: Development of an Integrated Family Support Service delivered by Somerset County Council. This option would require bringing Public Health Nursing Services into the council and integrating these and the current getset Services into the new Family Support Service.

Option 2: Development of an Integrated Family Support Service through an external provider, procured through a competitive OJEU compliant competitive process.

This paper presents the options appraisal which has been undertaken to inform the decision making regarding how the Family Support Service will be delivered from 1st April 2019.

2. Issues for consideration / Recommendations

2.1. The Committee is asked to:

Consider and scrutinise the options appraisal and proposal to bring Public Health Nursing Services into Somerset County Council (SCC) to develop the new Family Support Service in house from existing getset services and Public Health Nursing.

3. Background

3.1. As agreed in the Children and Young People’s Plan, Somerset County Council has a vision to create ‘an integrated service that provides seamless support to the needs of children and their families: where needs are met as early as possible by appropriately skilled professionals’ now referred to as a Family Support Service.

In 2016 full council adopted the Somerset Children & Young People’s Plan 2016-2019 (CYPP) which included a priority to ‘establish early help hubs in local communities offering multi-agency integrated services that identify and support children and families who need additional help and can intervene quickly’.

The CYPP also includes agreed actions to develop proposals for the future use of children’s centre buildings in the context of an ‘integrated early help offer’. The development of the family support service aims to:

- Achieve better outcomes for families; engaging hard to reach families and providing services where they need them
- Provide more effective services; reducing duplication and providing more community based support and guidance
- Provide consistent and coherent services for families in order to tackle
health and social inequalities

- Protect frontline services by reducing management and business support functions, and overhead costs associated with buildings
- Respond to the end of the government Troubled Families grant in 2020, and the reduction in DoH grant for Public Health

The services proposed for integration in phase 2 are Public Health Nursing Services (Health Visiting and School Nursing) and getset Services. A brief outline of the current services is provided below:

**Public Health Nursing** (0-19 years) in Somerset is delivered by an external provider, Somerset Partnership NHS Foundation Trust. Following enactment of the Health & Social Care Act on 1st April 2013 the Local Authority became responsible for the commissioning of the School Nursing Service (the 5-19 year old service). Funding for this service is contained within the annual Somerset Public Health ring fenced grant. Somerset Public Health is an associate commissioner to the CCG with this provider, for the School Nursing service. The current contract ends in March 2019.

From October 2015, the Local Authority also became responsible for the commissioning of the Health Visiting Service (the 0-5 year old service). The resource envelope for Health Visiting is also now included as part of the Public Health Grant. In November 2015, the Department of Health announced cuts to the Public Health Grant, a proportion of these savings (£1million) has been planned to be taken from the HV budget by 2019/20.

The current provider’s Children and Family Services (including Health Visiting and School Nursing) were rated as good by the CQC in September 2016.

**getset services** were established in 2014 encompassing children’s centre services (universal and targeted support for 0-4 year olds) and family support work for families with children aged 0-19 years. The service is countywide and delivered in family homes, community buildings and in children’s centre buildings.

The service delivers the national DCLG troubled families programme which aims for key partners for example, councils, health, education, DWP, police, youth offending service etc. to work together to identify and support the most complex families that tend to draw on a vast array of services. Historically services have worked in isolation and focused primarily on the member of the family requiring a service i.e. a child or an adult, whereas the programme advocates a key worker approach who co-ordinates appropriate support for the entire family, understanding the impact of parental issues on children and vice versa. The aim is for this “think family” approach to be embedded in the family support services model.

getset is just one service providing early help for children and families in Somerset.
As agreed in the Children and Young People’s Plan, Somerset County Council has a vision to create ‘an integrated universal health and targeted early intervention service that provides an holistic response to the needs of children and their families: where needs are met as early as possible by appropriately skilled professionals’ now referred to as a Family Support Service.

Model - The proposal is for a locality approach, providing an early help and universal health and well-being integrated team for children and young people aged 0-19 (up to 25 years for children with additional needs). The teams will be made up of a multi-disciplinary core team with links to other members of a wider multiagency team to support children and families in a local area. The service will deliver evidence-based interventions and will be measured on the impact of its outcomes. This will provide support to children and families across all tiers, from universal up to tier 4 child protection.

This integrated approach has been reviewed by The Early Intervention Foundation (Getting It Right For Families)\(^1\). It identifies several benefits to working in an integrated way including:

- Increased understanding, trust and cooperation between different services.
- Better communication and consistent implementation of services.
- Less duplication of processes across agencies.
- More responsive and appropriate services.
- Improved cognitive or school performance.
- Improved general physical health.
- Enhanced social behaviour.
- Improved parenting or family relations

In areas where integration across health and care in the early years is mature (Swindon & Islington for example) there is recognition that integration takes considerable time and consistent leadership. The literature summaries the key challenges and barriers to integrating services, listed below. These have all been considered when looking at the best option for achieving integration of services:

- Workforce and cultural differences
- Information, data sharing and connectivity
- Organisational change
- Boundary issues
  - Inspection framework
  - Commissioning
  - National policy

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4. OPTIONS APPRAISAL

4.1 Methodology of the Options Appraisal

The options appraisal used for this proposal was conducted in two phases:

a. Initial feasibility assessment
b. Detailed options appraisal

4.2 Feasibility:

The initial feasibility assessment was undertaken by Somerset County Council Commissioning Board. The options and considerations are summarised below:

<table>
<thead>
<tr>
<th>Option</th>
<th>Comments</th>
<th>Progression to full options appraisal</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 – Service developed in house</td>
<td>Feasible</td>
<td>Yes</td>
</tr>
<tr>
<td>2 – Service developed through competitive procurement process</td>
<td>Feasible</td>
<td>Yes</td>
</tr>
<tr>
<td>3 – Service developed through new organisational vehicle</td>
<td>Feasible to achieve an integrated service, but unachievable in timescales and not considered economically viable for comparatively small service scope</td>
<td>No</td>
</tr>
<tr>
<td>4 – Service developed by Somerset Partnership</td>
<td>Not feasible, services would need to be competitively procured to avoid risk of legal challenge</td>
<td>No</td>
</tr>
<tr>
<td>5 – Do nothing – services continue to be commissioned separately</td>
<td>Not feasible, integrated service model would not be achieved</td>
<td>No</td>
</tr>
</tbody>
</table>

Table 1 – Feasibility Assessment Options

Feasibility of Option 1 - integrated family support service delivered in house

- Other councils have undertaken this, but many are smaller borough councils in urban areas e.g. London Boroughs of Camden, Newham, Windsor and Maidenhead, City of York, Redcar and Cleveland Borough Council. Suffolk County Council and Swindon Borough Council undertook this over 5 years ago using section 75 agreements and so the process was different, but
outcome the same.

- The Local Government Association has produced case studies and guidance for local authorities who are considering in-sourcing Public Health Nursing. This has been shared with commissioners and considered as part of the options appraisal process. For example
- Barnsley Borough Council have shared their experiences following a failed procurement which resulted in them bringing the Health Visiting service in house recently, that has also informed the options appraisal.
- In addition a South West commissioning support network provides a forum to share experiences across the region as other local authorities embark on this process.

**Feasibility of Option 2** - integrated family support service delivered by an external provider.

- A Soft Market Testing Event was held on 26th September 2017 which gave those organisations with an interest in delivering any future services an opportunity to inform and shape future options. The event was attended by seven different organisations from the Public, Private and Voluntary and Community Sectors. Their feedback was positive further highlighting the benefits of integration, ‘interventions happening at an earlier stage’ and ‘there is a single point of entry for families’ and agreement with the proposed model.
- SCC undertook to gather the views of interested organisations as part of the wider consultation for these services and held workshops at the event which asked attendees to comment on the strengths, weaknesses, opportunities and threats related to the proposed integrated service model. The comments received during the workshops have been used to inform the commercial considerations of the options appraisal.

**Detailed Options Appraisal Methodology:**

The methodology used to undertake this options appraisal was taken from the Chartered Institute of Public Finance and Accountancy (CIPFA)\(^2\). This options appraisal was informed by the current evidence base and experience of other Local Authorities that had implemented either of these decisions.

**Gathering Information:** The criteria against which options were judged are listed in Table 2.

<table>
<thead>
<tr>
<th>Considerations</th>
</tr>
</thead>
<tbody>
<tr>
<td>A: Ability to deliver the vision/objectives</td>
</tr>
<tr>
<td>B: Cost of delivering this option – considered separately</td>
</tr>
<tr>
<td>C: Financial Benefits of this option (Cash savings, cost avoidance)</td>
</tr>
<tr>
<td>D: Non-Financial Benefits of this option (Performance, Service to customers)</td>
</tr>
<tr>
<td>E: Ability to deliver statutory duties</td>
</tr>
<tr>
<td>F: Our ability (SCC) to deliver this option</td>
</tr>
<tr>
<td>G: Commercial/Procurement implications for this option</td>
</tr>
<tr>
<td>H: Does this contractual option provide the ability to be flexible with the model and the</td>
</tr>
</tbody>
</table>
integration of health and social care

| I: Risk of this option | J: Perceived social value associated with this option | K: Organisational Considerations – capacity to deliver, achieve and sustain plus any learning or considerations from cumulative impacts group etc |

Table 2: Criteria against which options would be judged

**Scoring**

Each of the options were scored against the criteria above on a range of 1-5 as follows:

1 = Significant disadvantage compared to current arrangements  
2 = Some disadvantage compared to current arrangements  
3 = No significant advantage or disadvantage compared to current arrangements  
4 = Some advantage compared to current arrangements  
5 = Significant advantage compared to current arrangements

**Weighting**

Not all of the considerations are equally important and so a process of weighting was undertaken by the Public Health and Children's Commissioners supported by those who contributed to the options appraisal, in particular HR

The considerations that were given the highest weighting were:

- Consideration A: Ability to deliver the vision/objectives
- Consideration D: Non-Financial Benefits of this option e.g. Performance, Service to customers
- Consideration H: Does this contractual option provide the ability to be flexible with the model and the integration of health and social care

Financial considerations were not scored as part of the options appraisal but form part of the decision making process.

The detailed options appraisal can be seen in Appendix 1 and the summary of scores and weightings can be seen in Appendix 2. After weighting the scores for individual options were as follows:

**Integrated family support service delivered in house** = 109/140  
**Integrated family support service delivered by an external provider** = 95.5/140

**4.4 Financial case**

The financial costings of the integrated service have been informed by the current expenditure of the existing services, the required savings for the reductions in

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2 General Guidance on Options Appraisal (12/02/2010) Appendix A4.3. CIPFA
national grants and the financial projections of rationalising buildings costs as detailed in the associated paper.

A number of assumptions have been made in the costings assessment:

- For PHN the costings have been based on the information that was provided to SCC in 2015 ahead of the transfer of community responsibilities from NHS England to SCC.
- The staff costs have been calculated on the current staffing levels for getset and the skill mixed staffing for PHN once the previously agreed savings have been achieved.
- IT has been costed for bringing this service in house based on operational licenses required for a suitable case management system and matched hardware requirements. It is assumed under Option 2 that these costs will be covered by an overhead charge applied to the contract value at 12% (based on current market rates)

The financial information at point of transfer did not contain detailed information regarding the costs covered by overheads. For the options appraisal the direct costs of delivering this service have been estimated on a worst case scenario basis. It has been assumed that no existing assets would be acquired from the current provider for option 1 and that the costs of buying assets would be covered within external provider’s overhead costs.

Given the current position within each service it is thought unlikely there would be a need for compulsory redundancies and if there were, the redundancy costs under each option are expected to be broadly similar and not therefore influence the options appraisal.

**Transitional costs**: There are transitional costs expected for each option in 2018/19 and Year 1. For Option 1 these relate to an estimated transitional cost of £300,000, relating to project management and IT transfer and management. The establishment of clinical policies and procedures would be overseen by the creation of a new operational lead post, which would be required to deliver a safe and effective clinically-led service, costed at £98,000 including all on costs

Option 2 will incur procurement and project management costs, IT and staff transfer costs and some initial set up costs, estimated to be approximately £300,000, based on similar projects.

**IT**: It is likely both options will require IT transformation to facilitate different ways of working and allow the service to run more efficiently. The costs of this for the in house option have been estimated based on costs of RIO provision, SAP licenses and hardware and support to enable agile working. This is based on a worst case scenario in that we will not take on existing assets. The IT costs for an external provider have been assumed to be covered by the overhead costs applied at a rate of 12%, in line with current market rates.

**Overheads**: For Option 1, the in house provision, direct costs have been calculated based on the available headcount of staff within the public health nursing and getset service, informed by the ‘non-pay costs’ presented by Somerset Partnership at the point of contract transfer in 2015 e.g. travel,
consumables and current getset service budgets.

For option 2 a market rate of 12% of overheads have been applied to the total service expenditure.

**Clinical Governance:** There will be a need to ensure that robust clinical governance arrangements are in place to deliver a clinically-led service. This will need to include clinical leadership and supervision, clinical policies and procedures and appropriate management infrastructure. SCC already has a clinical governance system in place to support externally provided public health services through some joint working with Somerset CCG. This existing system will require significant strengthening if the service is brought in-house, this will be achieved by establishing an operational manager, business analyst with experience of NHS Digital reporting and a patient safety manager.

5. **Consultations undertaken**

5.1 The Children and Young People’s Plan 2016-2019 was fully consulted on in its development, final agreement and approval. The plan clearly sets out the agreement to develop integrated early help hubs and to consider the future use of children’s centre buildings.

It is vital that any change is guided by the analysis of relevant data and the views and voices of service users, staff, partners and wider stakeholders.

Initial discussion about the proposed development of what were then described as family hubs began with staff in getset and the Public Health Nursing Service in Spring 2017. Staff workshops explored what an integrated service model might look like and what it could achieve. These sessions enabled established good practice (such as the Healthy Child Meetings, young parent’s programmes and health and wellbeing clinics in secondary schools) to be discussed and the principles applied to other aspects of family support.

Staff across both the getset and Public Health Nursing Services were positive about the opportunities service integration offered, and actively engaged with the debate.

To ensure the voice of service users, partners and key stakeholders is reflected in the final proposal a formal consultation was mandated by non-key decision in September 2017. Following production of initial proposals for the new family support service and the development of family centres, this formal consultation was undertaken from 25th September to 1st December 2017.

A range of engagement methods were used for the consultation, including an online questionnaire, drop-in sessions at accessible community venues, focus groups with identified target groups and briefings for staff, SCC members and key partners and stakeholder. The consultation was widely publicised via
traditional and digital media, and generated significant public interest.

Consultation and briefings with Elected Members, Chairs of Scrutiny, and Opposition Spokespersons were also undertaken as part of this activity.

5.2 Equalities

Equality considerations have been considered, the following have been identified.

PHN staff will be eligible for TUPE into SCC and the necessary regulations will be followed as part of this process. As part of this process we will work with their current employer to understand any reasonable adjustments that are currently in place or are currently being implemented. We will then work with the member of staff to make sure these are still valid and any changes that need to be made on an individual case by case basis.

6. Options Appraisal findings and Recommendations

6.1. Following a rigorous options appraisal, Option 1, the development of the integrated service within Somerset County Council has shown benefits in comparison to an externally procured approach. Primarily, these benefits lie in the ability of the model to be more flexible as the integrated service is developed, particularly into phase 3.

This option also provides a more complete pathway of service for the most vulnerable children and families due to the in house provision of children’s social care and public health services and close association of the Local Authority with education services.

There are risks and barriers to overcome for both options as detailed in the options appraisal.

From the evidence presented, either option is feasible.

From the options appraisal, bringing the service in-house scores 109/140; delivering this service externally scores 95.5/140 and so Option 1 would be the preferred option.

Options 1 & 2 both represent cost pressures to the organisation in the short term. Past year one, option 1 is considered to be almost within the current budget.

Option 1 – developing an Integrated Family Support Service delivered by SCC is the preferred option and it is recommended that this option is progressed in principle to a full business case.

7. Background papers

REPORT.pdf

Appendices:
Appendix 1: Family Support Service - Options Appraisal
Appendix 2 Family Support Service – summary scores and weighting

Note  For sight of individual background papers please contact the report author