


Executive Decision Report

Decision maker(s) at each authority and date of Cabinet meeting, Cabinet Member meeting or (in the case of individual Cabinet Member decisions) the earliest date the decision will be taken		
	Cabinet Member for Children Families and Young People Date: 27 July 2017	 City of Westminster
Report title (decision subject)	SECTION 76 ARRANGEMENT FOR SPEECH AND LANGUAGE THERAPY	
Reporting officer	Rachael Wright-Turner, Director of Commissioning, Children's Services	
Key decision	No	
Access to information classification	General Release	

1. EXECUTIVE SUMMARY

- 1.1. Our local offer of Speech and Language Therapy (SaLT) for Children and Young People is provided by Central London Community Healthcare (CLCH). This service is jointly commissioned by the local Clinical Commissioning Group (CCG) and the Local Authority. The CCG fund approximately 80% of the service, while the Local Authority are responsible for 20%.
- 1.2. Following the completion of Phase 1 of a transformation programme being undertaken with the provider, a reduction in funding has been achieved and in 2017/18 the local authority's contribution to the Speech and Language Service will be £389,800.
- 1.3. In-line with the joint approach being taken for the transformation programme and future commissioning activity, we are seeking approval to transfer the local authority funding to the CCG via a Section 76 agreement which will enable us to develop a single joint specification for the delivery of the service.
- 1.4. This will result in one single contract for the service, which the CCG will hold with the provider and will name Westminster City Council as a partner. The local authority will retain the right to remove the funding via agreed notice periods. The contract will cover the period April 2017 - March 2019, with a one-year notice period for termination.

2. RECOMMENDATIONS

- 2.1. That approval be given to the Council's contribution of funding for the Speech and Language Therapy Service (totalling £389,800) to be included in the Council's overall Section 76 agreement with the local Clinical Commissioning Group.

3. REASONS FOR DECISION

- 3.1. The pooling of local authority and CCG resource will simplify and clarify the responsibilities of the Speech and Language Therapy Service and will result in a more robust and efficient contract monitoring process that will allow the local authority to hold the provider to account more easily.

4. BACKGROUND

- 4.1. Our local offer of Speech and Language Therapy (SaLT) for Children and Young People is provided by Central London Community Healthcare (CLCH). This service is jointly commissioned by the local Clinical Commissioning Group (CCG) and the Local Authority.

- 4.2. The LA, the CCG and CLCH recently undertook a joint review of the Speech and Language Therapy service, which included input from local schools, key stakeholders and an independent expert. This review concluded that, while the quality of intervention provided by the service is high, there were long waiting times for assessment and support. Furthermore, service structure and capacity issues meant that a graduated approach to support for a wider group of children with a range of needs was not possible. The review also found that spending on children's SLT services across the three boroughs was significantly higher than in comparable areas.
- 4.3. In response to this review, CLCH are working jointly with the LA and the CCG on a programme of transformation to improve the overall model for delivering speech and language therapy. This is being undertaken in two phases:
 - Phase 1: Productivity and efficiency of the service
 - Phase 2: Developing new models of delivery
- 4.4. The focus of Phase 1, which will be completed in April 2017, is for CLCH to refine their business processes to remove inefficiency from their systems – enabling them to reduce waiting times for assessment and intervention, while also reviewing their historical staffing arrangements to put in place a new structure that is more flexible and is able to deliver against changing demands.
- 4.5. The focus of Phase 2 is to develop new models of delivery at the early years and school age phases. This will be based on a graduated approach to support, which will be able to provide the right level of support at the right time for a greater range of children and young people and deliver improved outcomes across the system.
- 4.6. We are taking a co-production approach to this development process, and initial workshops have taken place to discuss the strengths and weaknesses of current delivery models and begin to establish the principles by which new models will be developed. This process is ongoing and our aim is to have a new delivery model in place by September 2018.

5. PROPOSAL AND ISSUES

- 5.1. Approximately 80% of the funding for the Speech and Language Service is provided by the CCG, while 20% is provided by the LA.
- 5.2. Following the completion of Phase 1 of the transformation programme, a reduction in funding has been achieved and therefore the local authority's contribution to the Speech and Language Service will be £389,800 in 2017/18.
- 5.3. In-line with the joint approach being taken for phase 2 of the transformation programme and future commissioning activity, we are seeking approval to transfer the local authority funding to the CCG via a Section 76 agreement and develop one joint specification for the delivery of the service.

- 5.4. This approach will simplify and clarify the responsibilities of the service and will result in a more robust and efficient contract monitoring process that will allow the local authority to hold the provider to account more easily.
- 5.5. It will result in one single contract for the service, which the CCG will hold with the provider and will name Westminster City Council as an individual partner. The local authority will retain the right to remove the funding via agreed notice periods. The contract will cover the period April 2017 - March 2019, with a one-year notice period for termination.
- 5.6. If approved, the process will be formalised via a Section 75/76 agreement, which details funding that is transferred from the LA to the CCG and vice versa.
- 5.7. The majority of the funding on the Section 75/76 agreement relates to Adult Social Care. Children's Services Commissioners have liaised with the CCG and Adult Social Care colleagues to confirm the process for adding the Speech and Language Therapy funding onto the 17/18 agreement. This process will include corporate governance sign-off via the overarching Adult Social Care process, with input from Children's Commissioners where required.

6. OPTIONS AND ANALYSIS

- 6.1. An alternative option is to continue with the current arrangement, whereby the service provider has a separate contract and specification from the LA and the CCG for delivery of the service. This option has not been pursued as it is in conflict with the joint approach we are taking to the service transformation and also the joint commissioning principles that the Children's Services Commissioning Directorate are following as a whole for services that support children with special educational needs and disabilities, as per the intentions of the Children and Families Act 2014.

7. EQUALITY IMPLICATIONS

- 7.1. There are no changes to service delivery arising from the recommendations contained in this report. There are therefore no expected equality implications.

8. LEGAL IMPLICATIONS

- 8.1. The Head of Legal Services notes the contents of the report.
- 8.2. There is provision under Section 76 of the National Health Services Act 2006, as amended, for a local authority to make payments to a Clinical Commissioning Group in connection with the performance of prescribed functions.

- 8.3. The Cabinet Member for Children, Families and Young People has power under Part 7, Appendix 4 of the Constitution to approve the recommendations set out in this report.

9. FINANCIAL AND RESOURCES IMPLICATIONS

- 9.1. It has been agreed with the provider (CLCH) that the local authority's contribution the Speech and Language Therapy service during the financial year 2017/18 will be £389,800. This represents a reduction of £72,000 based on the contribution in 2016/17.

Local Authority Contribution 2016/17	£461,800
Reduction agreed with provider	£72,000
Local Authority contribution 2017/18	£389,800

- 9.2. There are no further specific savings targets identified within the medium term financial plan for this budget line.
- 9.3. £389,800 will be transferred to the Clinical Commissioning Group via a Section 76 agreement and this will cover the duration of 2017/18.
- 9.4. Joint service transformation activity has the potential to result in further financial reductions. Therefore, the total amount to be included in the Section 76

Rachael Wright-Turner
Director for Commissioning, Children's Services

For completion by the **Cabinet Member for Children, Families and Young People**
Declaration of Interest

I have <no interest to declare / to declare an interest> in respect of this report

Signed: _____ Date: _____

NAME: _____

State nature of interest if any

(N.B: If you have an interest you should seek advice as to whether it is appropriate to make a decision in relation to this matter)

For the reasons set out above, I agree the recommendation(s) in the report entitled **Section 76 Arrangement for Speech and Language Therapy** and reject any alternative options which are referred to but not recommended.

Signed

Cabinet Member for Children, Families and Young People

Date

If you have any additional comment which you would want actioned in connection with your decision you should discuss this with the report author and then set out your comment below before the report and this pro-forma is returned to the Secretariat for processing.

Additional comment:

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If you do not wish to approve the recommendations, or wish to make an alternative decision, it is important that you consult the report author, the Head of Legal and Democratic Services, Chief Operating Officer and, if there are resources implications, the Director of Human Resources (or their representatives) so that (1) you can be made aware of any further relevant considerations that you should take into account before making the decision and (2) your reasons for the decision can be properly identified and recorded, as required by law.

Note to Cabinet Member: Your decision will now be published and copied to the Members of the relevant Policy & Scrutiny Committee. If the decision falls within the criteria for call-in, it will not be implemented until five working days have elapsed from publication to allow the Policy and Scrutiny Committee to decide whether it wishes to call the matter in.