



Agenda item: 8
Paper no: 5

Title of Report:	Mental Health Investment Fund: 1. Annual Report and 2. Process to Allocate Remaining Funds	
Status:	TO APPROVE	
Committee:	Surrey-wide Commissioning Committees in Common	Date: 20/03/2024
Venue:	Woodhatch Place, 11 Cockshot Hill, Reigate, RH2 8EF	
Presented By:	Helen Coombes, Executive Director Adults, Wellbeing and Health Partnerships, Surrey County Council	
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Executive Summary:

1. This paper provides the annual report to the Committees in Common regarding funds allocated from the Mental Health Investment Fund (MHIF). It also makes recommendations on the process to allocate the remaining funds.
2. The MHIF is an all-age non-recurrent Surrey wide resource created by Surrey County Council in 2022 with £6m of funding allocated by SCC, and a contribution of £4.5m from Surrey Heartlands ICS bringing the total fund available to £10.5m.
3. Funds totalling £8.6m have to date been distributed through three principal routes:
 - a. Two open funding rounds administered by Surrey County Council, totalling £4.3m
 - b. A transfer of £1m to Community Foundation Surrey to match fund Community Foundations Mental Health Scale Up Fund
 - c. A transfer to adults and children’s integrated commissioning teams of £3.2m within authorised parameters.

The recommendation being presented is:

1. That the allocation of the £1.9m remaining funds is overseen by the executive sponsors (Executive Director for Adults, Wellbeing and Health Partnerships, SCC and Executive Director responsible for Adult Mental Health, Surrey Heartlands ICS) in a process led by heads of commissioning to co-design solutions to a small number of key problems Surrey residents currently experience.
2. As the period over which projects commissioned by the MHIF has extended to February 2027, it is also recommended that that the sum allocated to programme management and evaluation to include accelerating outcomes where possible is increased from £100,000 to £220,000. This is an increase from 1% to 2% of the

total fund. This will also provide oversight and due diligence to ensure the allocated monies are used for the stated purpose across the projects.

Governance:

Conflict of Interest: The Author considers:	None identified	✓
Previous Reporting: (relevant committees/ forums this paper has previously been presented to)	Committee name: Surrey Heartlands ICS Executive; 26/02/2024 Outcome: Noted Committee name: Surrey County Council CLT; 27/02/2024 Outcome: Noted Committee name: Surrey-wide Commissioning Collaborative; 01/03/2024 Outcome: Noted	
Freedom of Information: The Author considers:	Open – no exemption applies. Part I paper suitable for publication.	✓

Decision Applicable to:

Decision applicable to the following partners:	NHS Frimley ICB	
	NHS Surrey Heartlands ICB	✓
	Surrey County Council	✓

Recommendation(s):

The Surrey-wide Commissioning Committees in Common is asked to:

1. Note the annual report on the delivery of the Mental Investment Fund to date.
2. Agree the principles, process and decision making for the use of the remaining funds.

Reason for recommendation(s):

This fund was first formed in 2022 alongside a public commitment to focus on improving early help and prevention provision in an area of increasing need. The fund is a fixed amount and maximum value for money therefore needs to be made from its use.

There has been consistent feedback across multiple stakeholders that there is no appetite to repeat the same processes used to allocate the majority of the fund. We therefore need to identify a different process.

This reflects themes from recent events which have considered the strength of system partnership. There was consensus of the power and real impact when as a system we come together around specific challenges or problems backed up by funding on this scale. Within that definition of system partners, we include the voice of Surrey residents and people with a lived experience.

There is an appetite to focus on one or two problems or areas of need, including looking at opportunities to accelerate impact and not distribute/dilute the remaining funds too widely. Solutions to resolve the problems would be co-designed as a system. The recommendation also sets out the parameter of the allocations being made within a legally compliant process whilst not embarking on a fresh round of procurement.

1. Annual Report

- 1.1 The MHIF is a joint fund established by Surrey County Council and Surrey Heartlands ICB in September 2022 consisting of a £6m contribution from Surrey County Council and a £4.5m contribution from Surrey Heartlands ICB.
- 1.2 The fund originated through a direct allocation from the 2022/23 council tax to stop vulnerable populations falling further behind. There was public support for allocating council tax increases to targeting areas of need that were causing real concern for Surrey residents.
- 1.3 The MHIF is a Surrey wide, all age resource to enable the delivery of the outcomes in Priority Two of the Health and Wellbeing Strategy. This priority area is focused on prevention, removing barriers, and supporting people to become proactive in improving their emotional health and wellbeing. The fund is for new and/or expansion of existing non-statutory services.
- 1.4 In September 2022 the process, governance and criteria for the fund were agreed by CiC.
- 1.5 In June 2023 allocations of £2m were agreed to Integrated Commissioning for schemes which align to the criteria and a specific award of £1.2m to a schools-based needs intervention programme.
- 1.6 In December 2023, Committees in Common approved the transfer of responsibility and accountability for the MHIF jointly to the Executive Director for Adults, Wellbeing and Health Partnerships, Surrey County Council and Joint Chief Medical Officer and Executive Director Adult Mental Health, Surrey Heartlands ICB. The authority was specific to the allocations already agreed by CiC with an expectation to return and agree the process for remaining funds. A report on the allocation of funds to date is provided to inform the decision-making process for remaining funds.
- 1.7 The Mental Health Prevention (MHPB) MHIF Oversight Sub-Group provides oversight and assurance specifically for the MHIF in the form of the quarterly reporting from the round 1 and round 2 schemes. As commissioner overseen projects go live intelligence from contract oversight and assurance will also feed into the oversight group in a proportional way. The Sub-Group has so far met in September and December 2023 and has provided active suggestions as to how the oversight function of the programme can be iterated whilst remaining proportionate to the scale of the funding awards.
- 1.8 The core purpose of the Mental Health Prevention Board is to support the Surrey System to move forward on the most important priorities for prevention and early intervention in mental health. It influences the criteria, delivery and evaluation and provides oversight to the MHIF Oversight Sub-Group. Four progress reports have been provided on MHIF to the MHPB in 2023.
- 1.9 The MHIF featured as a spotlight in the Priority 2 reporting to the Health and Wellbeing Board in 2023. Further assurance was sought and provided about the allocation to commissioners and that the criteria remain consistent across the fund. The next spotlight item is due in March 2024.
- 1.10 The Mental Health System Committee receives regular reports from the MHPB, which the MHIF has featured at regular intervals. This Committee oversees and provides assurance to the ICS Executive that the system is working to deliver, improve and transform mental health services to the population of Surrey.

2. Use of Funds to date

2.1 Figure 1 MHIF Allocated Funds provides a breakdown of the funds allocated/committed to date. Of the £10,500,000 fund £8,614,887 is either spent, committed, or allocated.

Committed expenditure		
Community Foundation for Surrey	£999,999	Paid 22/23
Round one bids	£797,969	Payments being made as per agreed schedule
Round two bids	£3,471,405	Payments being made as per agreed schedule
Surrey Wellbeing Partnership	£1,200,000	Payments being made as per grant agreement
Integrated Adults Mental Health commissioning team	£634,918	Safe harbours project committed
MHIF programme manager x 2 years	£140,000	Overheads likely need to be increased
	£7,244,291	
Approved allocations but not yet committed		
Integrated Adults Mental Health commissioning team	£365,082	Approved by CiC, remaining allocation pending
Integrated Children's commissioning team	£1,005,514	Approved by CiC, allocations proposal expected
	£1,370,596	
Remaining MHIF funding		
ICB	£718,138	
SCC	£1,166,975	

Figure 1 MHIF Allocated Funds

- 2.2 Funds started to be paid to individual schemes in April 2023 but analysis of the distribution of commitments shows that the majority of the funds will actually be spent between January 2024 and January 2025 as the greater sums have been awarded more recently. Figure 2 in the annex show the distribution of funding over time.
- 2.3 Projects started delivery from April 2023 but round 2 contracts continue until February 2027, a longer duration than originally anticipated. This was driven by the type of bids that were received and being able to fund a project for the length of time required to make the intended impact for those residents. This extends the life of the programme overall and also impacts when final reports from the individual schemes are received to contribute to the evaluation of the impact and outcomes. Mapping of the projects and funding shows that the majority of benefit will be experienced by Surrey residents from February 2024 and January 2026. See figure 3 for the mapping over time.
- 2.4 Analysing the populations who will be helped by the projects we can see an equal split of funds within rounds 1 and 2 between children, young people and families (47%) and adults (45%), with older adults having benefited the least (8%). However when the other allocations are included the percentage for children, young people and families increases to 60% and adults reduces to 35% and older adults to 4%.
- 2.5 Analysing the neighbourhoods who will be helped by the new investment we can see a relatively equal distribution across the key neighbourhoods, with a slightly higher proportion in Reigate and Banstead. See figure 4 in the annex. We can also see a good spread of benefit for priority populations with the exception of over 80's and those in care homes. See figure 5 in the annex for detail.

3. Community engagement and promotion of the fund

- 3.1 There has [public facing announcements](#) with the outcome of both open funding rounds to date.
- 3.2 With the majority of funds committed the focus in 2024 shifts into delivery and there is an ambitious joint plan for monthly stories about the individual projects to promote awareness and accessibility as well as providing further information to existing providers within the landscape of mental health prevention.
- 3.3 Consideration will be given to how to incorporate the projects into existing directories and signposting platforms to aid public awareness.

4. Evaluation of impact and outcomes

- 4.1 The commitment in the original paper outlining the MHIF to CiC was to evaluate the impact and outcomes of the fund against the Priority Two outcomes by 2030. Evaluation of outcomes which are preventing demand will also include a return-on-investment evaluation in the context of demand modelling. The methodology to enable a future evaluation will be based upon that used across priorities 1, 2 and 3 of the Health and Wellbeing Strategy. A logic model is a visualisation tool for monitoring the process of change which separates cause (if we do this) and effect (then this will happen) by identifying inputs, the outputs, outcomes (or differences) and the impact (measurable improvement which affects system value).
- 4.2 All schemes have identified KPIs and a range of qualitative and quantitative indicators. There is an in-built premise that by intervening earlier this can prevent escalation of needs requiring statutory intervention and support, which overall is a more cost-effective way of meeting the needs of residents. Where relevant we are asking schemes to capture what impact the intervention has had on use of wider services and what the person might have done instead.
- 4.3 To date all schemes have identified the priority population and key neighbourhoods within the Health and Wellbeing Strategy that will benefit. Applying this methodology will be the programme focus from January 2024 with a clear plan to evaluate and provide interim reports developed.
- 4.4 To note resources to undertake evaluation activities were not included in the previously approved allocation of programme resources.

5. Options for allocation of the remaining funds

- 5.1 A robust log of lessons learnt was collated from the participants of the open funding rounds and has informed the development of potential options. There was a high degree of consensus across the feedback. Key themes:
 - A formal procurement process is not conducive to identifying specific problems and asset-based commissioning to provide the solution.
 - There was generally a lack of innovation and partnership working across the schemes, partially attributable to the process.
 - Engagement and collaboration are key to getting the best out of the sector
- 5.2 Further engagement about the long list of options identified the following:

- Consensus that the landscape has changed rapidly since 2022 and a strong desire to want to focus on here and now problems.
- Lack of consensus over what the most pressing here and now problems are, although challenges in access was the area most often mentioned.
- Consensus over retaining the main criteria/principles of non-statutory provision focussing on early help/prevention.
- There is a tension between wanting to see the investment benefiting Surrey residents as quickly as possible and identifying and delivering a compliant process supported legally to allocate this funding. The recommendation balances both these requirements.

5.3 Direct feedback and engagement was incorporated into the development and evaluation of the options for the remaining funds to refine them into a single recommendation with accompanying principles and outline process.

6. Recommendation:

1. That the allocation of the £1.9m remaining funds is overseen by the executive sponsors (Executive Director for Adults, Wellbeing and Health Partnerships, SCC and Executive Director responsible for Adult Mental Health, Surrey Heartlands ICS) in a process led by heads of commissioning to co-design solutions to a small number of key problems Surrey residents currently experience.
2. As the period over which projects commissioned by the MHIF has extended to February 2027, it is also recommended that that the sum allocated to programme management and evaluation to include accelerating outcomes where possible is increased from £100,000 to £220,000. This is an increase from 1% to 2% of the total fund. This will also provide oversight and due diligence to ensure the allocated monies are used for the stated purpose across the projects.
3. Delivered according to the following principles:
 - The remaining funds should be used for larger initiatives and benefit as broad a population distribution as possible.
 - The principle of focussing on early intervention and preventions as outlined in priority 2 of the HWB Strategy remains.
 - The principle of funding non-statutory provision remains, though we would want to consider opportunities for partnerships in delivery if that supports sustainability and better outcomes/accelerated innovation.
 - Introducing the principle of co-design to identify as a system the specific challenges and problems to address with the remaining funds.
 - Delivery should not extend beyond the current end date of the programme of February 2027.
 - Monies will be allocated through a legally compliant process.

Delivered within the following outline process:

- Executive sponsors with Heads of commissioning will facilitate a round table session which includes community representatives, place leaders, VCSE leaders and NHS providers to agree investment target areas that reflect some of the current pressures and collectively agree two to three problems statements relating to the here and now.
- The problem statements will provide the scope to map which existing contracts within P2 have the capacity and flexibility to address the identified need through variation or extension within the legal procurement parameters. Consideration for grants through key voluntary sector partners will also be considered in order to maximise opportunity to allocate monies.

7. Consultation:

- 7.1 No public engagement/consultation is required.
- 7.2 There has been engagement with a range of stakeholder in the development of these recommendations starting with feedback from panel members across statutory and non-statutory organisations involved in rounds 1 and 2 of the procurement process.
- 7.3 Commissioning, legal, finance and procurement input has also been sought in developing a feasible recommendation.
- 7.4 We have also incorporated the outcome of dialogue with representatives from the VCSE Alliance.
- 7.5 More formal discussions at the Strategic Commissioning Collaborative have also helped to shape the recommendation.

8. Risk Management and Implications:

Type of risk	Risk	Implication	Mitigation
Financial – value for money	The funds will further depreciate and ‘buy’ less for Surrey residents if a decision and action is not taken to allocate	The funds will ‘buy less’ as time goes on and provide less value for money from income received in 2022	Rapid implementation of the approved process
Financial – value for money	The financial impact of the schemes funded by the MHIF is unclear	The benefits derived from the MHIF are unclear meaning future investment decisions are less well informed	The evaluation process for the MHIF schemes will include clear assessment of their financial impact and benefits
Reputational	The MHIF was a joint commitment to the public in 2022 and there is a direct accountability to demonstrate how the money is improving outcomes. Evaluating	If the decision to allocate funds is not supported there is a risk this accountability to the public is not met	Delivering an evaluation that aligns to the Health and Wellbeing Strategy methodology of defining and

Type of risk	Risk	Implication	Mitigation
	impact and outcomes is not currently resourced.		quantifying outcomes and benefits.
Failure of delivery	Taking an all-age view there is a wide range of areas of challenge and need this fund could be targeted at. There is a risk that a co-design process does not provide a consensus on the most pressing problems	A deliverable solution is not identified within a reasonable timeframe	Data on the use of funds to date can be used to inform the process and narrow the range of issues

9. Financial and ‘Value For Money’ Implications

- 9.1 The MHIF monies are held in SCC’s reserves and are allocated out against approved expenditure.
- 9.2 It is expected that the projects funded out of the MHIF will have a range of whole system benefits through investment into preventative services therefore requiring less expenditure on mental health treatment and support services in subsequent years than would otherwise be required while also improving outcomes for Surrey residents. It will be important for the Mental Health Improvement Delivery Board to closely monitor the delivery of targeted outcomes and associated benefits, and for the financial impact of schemes to be assessed as part of the evaluation process.

10. Section 151 Officer Commentary

- 10.1 Significant progress has been made in recent years to improve the Council’s financial resilience and the financial management capabilities across the organisation. Whilst this has built a stronger financial base from which to deliver our services, the increased cost of living, global financial uncertainty, high inflation and government policy changes mean we continue to face challenges to our financial position. This requires an increased focus on financial management to protect service delivery, a continuation of the need to be forward looking in the medium term, as well as the delivery of the efficiencies to achieve a balanced budget position each year.
- 10.2 In addition to these immediate challenges, the medium-term financial outlook beyond 2023/24 remains uncertain. With no clarity on central government funding in the medium term, our working assumption is that financial resources will continue to be constrained, as they have been for the majority of the past decade. This places an onus on the Council to continue to consider issues of financial sustainability as a priority, in order to ensure the stable provision of services in the medium term.
- 10.3 In this context the Section 151 Officer can confirm that the remaining MHIF monies not yet committed of £1.9m are held in the Council’s reserves and will be deployed to fund approved expenditure in line with MHIF governance.
- 10.4 The Section 151 Officer recognises that effective deployment of MHIF monies should have whole system benefits that would support financial sustainability

across the system as well as delivering improved outcome for residents. The Section 151 Officer would emphasise the importance of tracking the impact of the deployed MHIF monies so learning can be used to ensure future allocations maximise whole system benefits and value for money.

11. Legal Implications – Monitoring Officer

12. Equalities and Diversity

12.1 The use of the MHIF is specifically being used to focus on priority populations and key neighbourhoods specified in the Health and Wellbeing Strategy. This priority area is focused on prevention, removing barriers, and supporting people to become proactive in improving their emotional health and wellbeing.

12.2 Any relevant commissioned services will need to complete an equalities impact assessment (EQIA).

Consulted:

Committee name: Surrey iCab
Meeting date: 05/03/2024
Outcome: Approved

Committee name: Surrey County Council CLT
Meeting date: 27/02/2024
Outcome: Noted with no comments

Committee name: Surrey Heartlands ICS Executives
Meeting date: 26/02/2024
Outcome: Noted with no comments

Annexes:

- Figure 2 1 Distribution of funding over time across round 1 and 2
- Figure 3 1 Project timelines round 1 and 2 schemes
- Figure 4 1 Distribution across key neighbourhoods
- Figure 5.1 Distribution across priority populations

Sources/background papers:

- Surrey All Age Mental Health Investment Fund Arrangement – Surrey Wide Commissioning Committees in Common – 21/09/2022
 - Surrey All Age Mental Health Investment Fund (MHIF): process for use of funding - Surrey Wide Commissioning Committees in Common – 28/06/2023
 - Mental Health Investment Fund Delegated Decision Making – 13/12/2023
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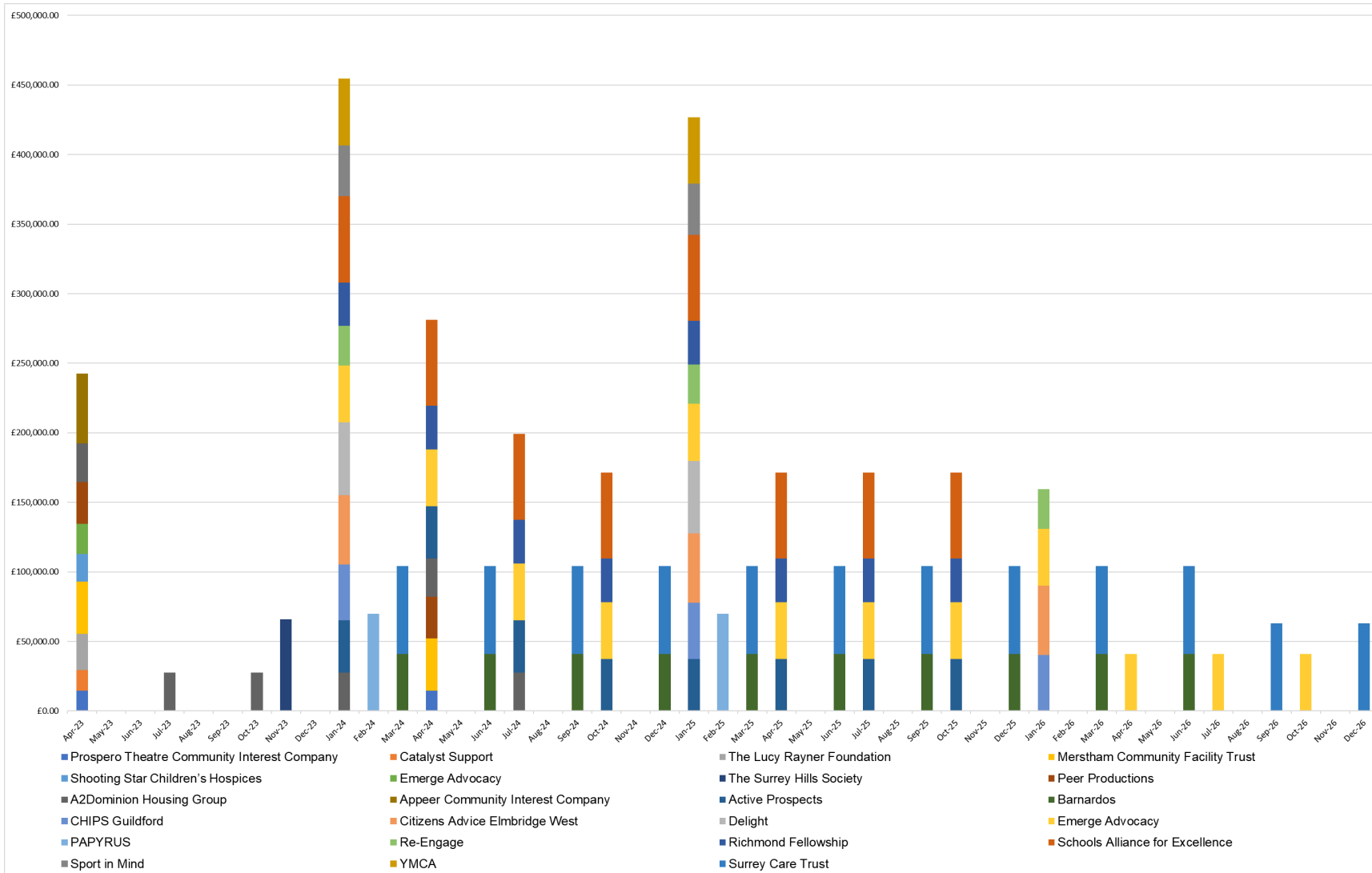


Figure 2 1

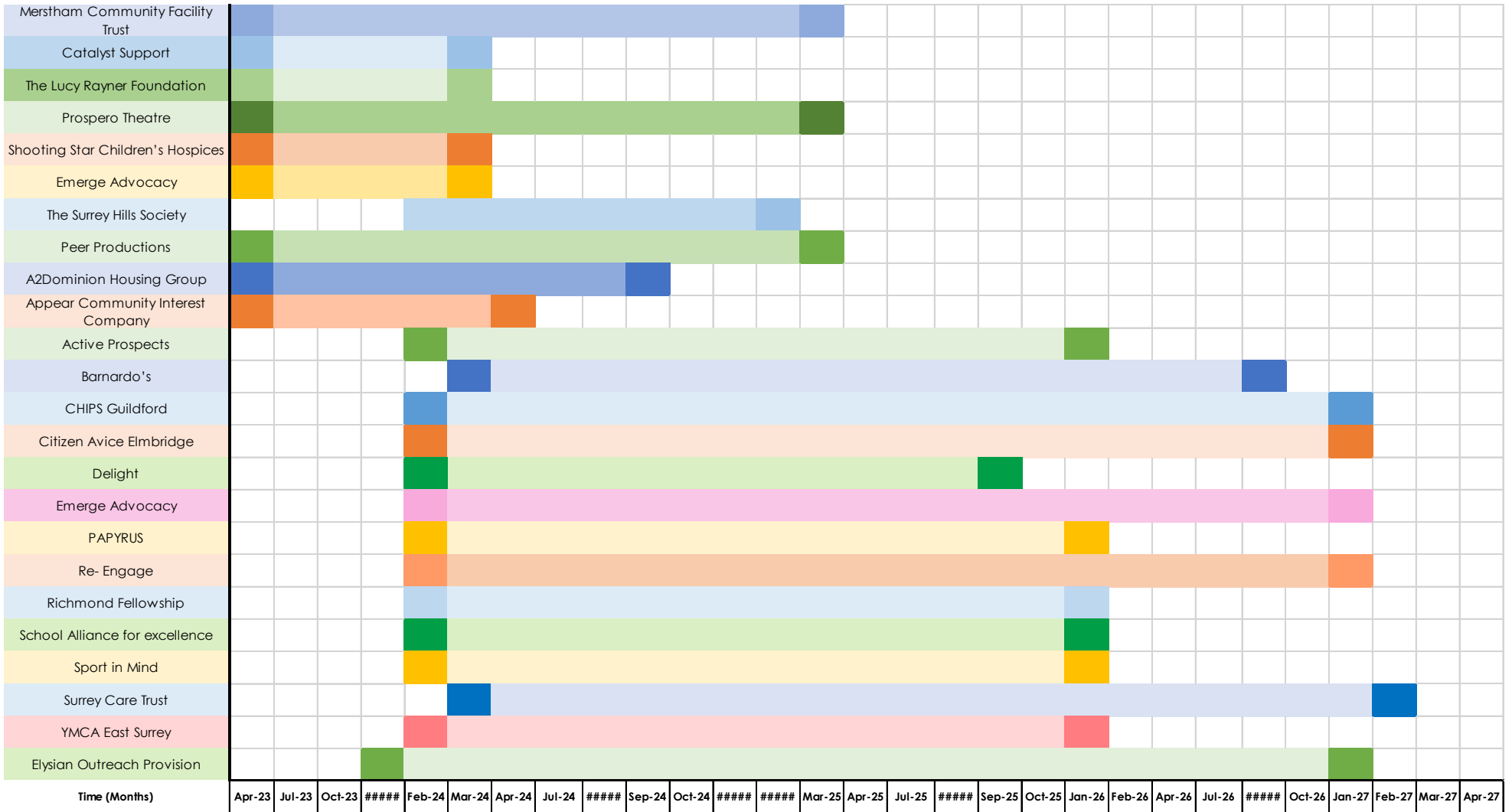


Figure 3 1

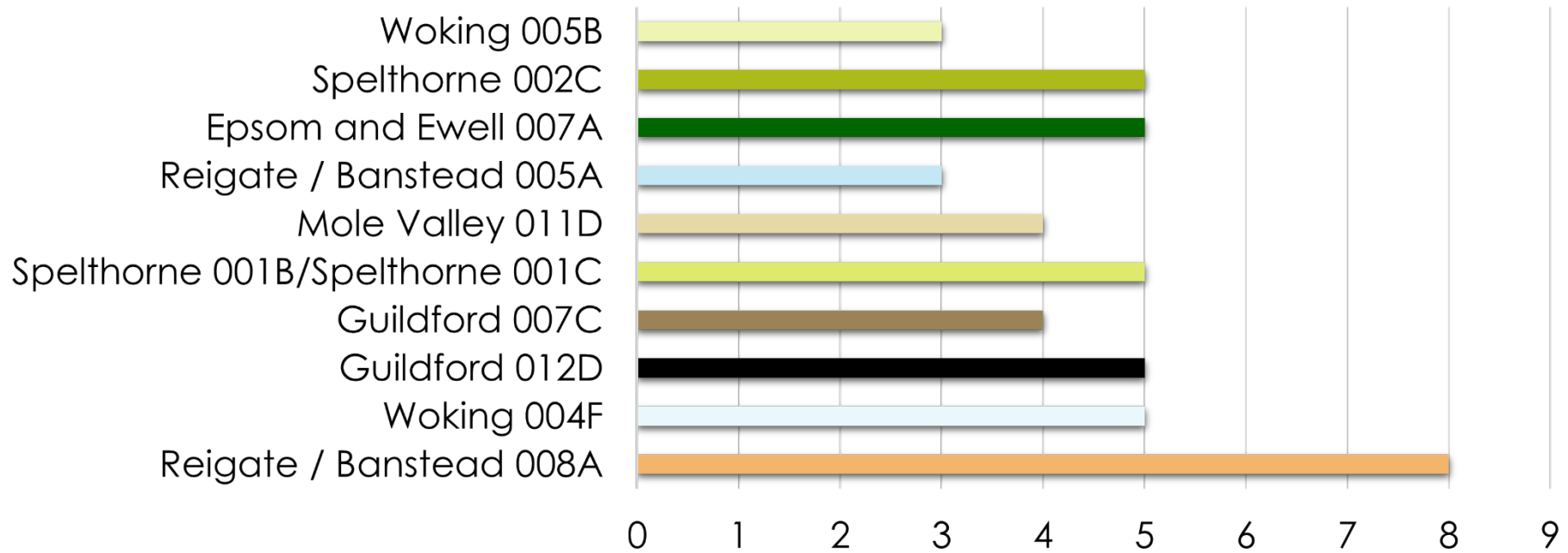


Figure 4 1



Figure 5 1

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