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To: CCG Clinical Leaders and Accountable Officers

26 September 2016

Dear colleagues,

### **Funding for children and young people's mental health**

Whilst we are making important progress in improving access to effective mental health services for children and young people, there is still much to do and public and political interest remains high. In July, we published a detailed plan – *Implementing the Five Year Forward View for Mental Health* – that set out how new funding should be invested to increase access and improve quality, with a clear trajectory to meet 35% of need in the community by 2020/21.

The implementation plan also clarified the additional money for CCGs to support delivery of their local transformation plans for children and young people's mental health. This funding increases each year to 2020/21, and our objective is to maximise the amount available for frontline services that benefit children, young people and their families.

In keeping with this objective, and recognising the pressures which are faced by localities in transforming their services, we have reviewed and reprioritised spending on nationally-led programmes and I am pleased to be able to announce that we have identified an additional £25 million which can be made available for CCGs in 2016/17.

This further funding is in addition to the £149 million of new money already allocated to CCGs for children and young people's mental health in 2016/17. It brings forward the expected uplift in baseline funding to meet the published level of new monies in 2017/18 (£170 million) one year early, whilst also providing additional non-recurrent funding to support transformation this year.

As with all allocations of new money, it is critical that CCGs are able to demonstrate the impact of this investment. It is expected that these funds will support CCGs to accelerate their plans and undertake additional activities this year to drive down average waiting times for treatment, and reduce both backlogs of children and young people on waiting lists and length of stay for those in inpatient care. In order to secure release of the full additional funding, CCGs will be asked to provide details of how they intend to improve average waiting times for treatment by March 2017.

It is also expected that this funding will:

- support CCGs to continue to invest in training existing staff through the CYP IAPT training programme, including sending new staff through the training courses. CYP IAPT collaboratives are recruiting to training places now, so CCGs should be identifying with their partners the staff to send on training course and any additional resources required to release staff; and,
- accelerate plans to pump-prime crisis, liaison and home treatment interventions suitable for under 18s, with the goal of minimising inappropriate admissions to in-patient, paediatric or adult mental health wards. This should include working with NHS England specialised commissioning teams to develop integrated pathways.

CCGs are free to pool this funding across a wider geography to support activity linked to local transformation plans for mental health (LTPs) or sustainability and transformation plans (STPs), provided that this is used for the purposes above.

To support local planning and delivery we intend to issue the additional funds in two payments. Payment of the first half of the funding will be allocated to all CCGs in October 2016 on a fair shares basis.

By 31 October, CCGs will be expected to submit locally-held data on their current average waiting times for treatment to NHS England regional offices, together with an outline of their planned steps to reduce waits, and a target for improvement against the baseline by March 2017.

Subsequent payment of the second half of the funding will be made in January 2017, subject to CCGs demonstrating progress towards their improvement targets. Information on waiting times will be cross-referred with data submitted to the Mental Health Services Data Set, which are expected to become available shortly. Use of this additional spending for children and young people's mental health will also be monitored through the existing CCG finance tracker.

I understand that CCGs are busy updating their local transformation plans and incorporating these into relevant sustainability and transformation plans. I should be grateful for your support in making the most of this additional funding over the remainder of this year and continuing our shared aim of improving these critical services.

Yours faithfully,



**Claire Murdoch**  
**National Mental Health Director, NHS England**