Cabinet

07 March 2017

Report Title: Public Health Contracts Waivers for 2017-18

Ward: All Wards

Strategic Director: Alison Comley

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Purpose of the report:

This report is to seek agreement to extend a number of public health contracts to March 2018 whilst the commissioning processes are completed.

Recommendation for the Mayor's approval:

To delegate authority to the Director of Public Health to extend the public health contracts listed in paragraphs 2 to 4 below for the period set out for each contract.

The proposal:

1. **Background**

Since the transfer of public health services to the council in April 2013, the public health teams have been working through the services we commission with a view to re-procurement processes being put in place where appropriate. The Commissioning and Procurement Group has, subject to cabinet approval, agreed to the extension of contracts for public health services for 2017-18.

Key decisions to commence procurement processes and award contracts for sexual health services and substance misuse services were taken at the Health & Wellbeing Board meetings on 17th February 2016 and 19th October 2016 respectively. To date, two of the largest contracts have been through a re-procurement process and new contracts have been awarded. Commissioning plans are in place for the remainder of the contracts with a view to completion during 2017-18. Contract extensions were required to ensure the continuation of public health services during 2017-18, as the contract end dates are 31st March 2017. A number of the contracts exceed the £500,000 threshold and comprise a key decision, as follows:-

2. **Contracts Requiring Extension – Sexual Health Services delivered in primary care**

As part of the specialist sexual health re-procurement, primary care practitioners (GPs and Pharmacies) delivering sexual health interventions were considered out of scope for the main service specification. Following advice from our legal and procurement colleagues, it was agreed that a separate process needed to be followed for these services. It has not been possible to complete this process within the original timescale of March 2017 completion. We commission these services through 145 separate annual contracts with different surgeries and pharmacies across Bristol to provide improved access to sexual health services as required under the Health and Social Care Act 2013. The delivery of these services will be reviewed to ensure the most effective and efficient use of resources in primary care e.g. a more centralised model may be used. Consideration of using a **Dynamic Purchasing System** will be undertaken during 2017-18, with a view to completion by 30th September 2017. The cumulative value of the contracts for a year is £578,384.

3. **Contracts Requiring Extension – Substance Misuse Services delivered in primary and secondary care**

The substance misuse team commissions some of our specialist drug and alcohol services from Avon and Wiltshire Partnership Mental Health Trust and other providers on behalf of public health. A significant proportion of this funding comes from the Public Health Grant. The rest of the services are commissioned by the public health team. All of these services are part of a procurement process which is already under way, with an anticipated completion date of 30th September 2017. The current contracts for these services end in September 2017.

The services commissioned by the public health team provide controlled drug prescribing (methadone and subutex) and dispensing and supervision of consumption of such drugs. This is only deliverable by GPs and pharmacies respectively and is the most cost effective place for lower level drug and alcohol problems to be addressed. It is also the most accessible venue for vulnerable, marginalised groups to be able to access services to treat drug and alcohol misuse and also access wider health services to deal with multiple health issues. These services are provided through 145 individual contracts with an annual value of £1,684,000. As part of the procurement process, a new pathway will be developed to provide integrated drug and alcohol services in primary care. The commissioning model will follow a **Dynamic Purchasing System**, in that any eligible, appropriately qualified primary care provider would be able to deliver the service and be paid on a cost per case basis.

Specialist substance misuse nurses in secondary care (UHB and NBT) provide substance misuse assessments of patients referred from other hospital departments as misusing substances and provide psychotherapeutic interventions, plan safe discharge, including referral to community services. They also provide training in screening and brief advice for substance misuse. There is also a specialist midwifery service which provides holistic care for pregnant women and their babies where there is a substance misuse issue. As part of the procurement process, a new pathway will be developed to provide integrated drug and alcohol services in secondary care. A separate lot will be offered as part of the re-procurement process for the specialist services. The annual value of the services is £155,579 (Taken with the expenditure to date, the extended contract value will exceed the key decision threshold).

4. **Contracts Requiring Extension – Healthy Lifestyle Services – various providers**

These services are currently commissioned as separate contracts across a variety of providers as set out below. A procurement process is underway to bring together all of these services under one contract to provide a holistic healthy lifestyle service, with an anticipated completion date of 31st March 2018. This will provide a better pathway for patients and may generate some economies of scale. The services which exceed the £500,000 threshold (having regard to the cumulative contract value) are as follows:-

- Weight Management centre – tier 2 weight management service for children and families, annual value £185,000
- Slimming World and Weight Watchers – Tier 1 weight management service for adults, annual value £100,000
- GP practices and pharmacies – stop smoking services, annual value £520,000
- GP practices and pharmacies and voluntary sector providers – health checks, annual value £350,000

All of the above contracts will end on 31st March 2017 unless an extension is granted.

Consultation and scrutiny input:

Specialist Sexual Health Services and Substance Misuse Services have been through the decision pathway of the council. This has included extensive consultation with relevant stakeholders as follows:-

a. Internal consultation:

- Neighbourhoods Leadership Team
- Strategic Leadership Team
- Cabinet briefings
- Health & Wellbeing Board
- Cabinet Member Briefings
- Neighbourhoods Scrutiny Commission

b. External consultation:

- Provider events
- Focus groups

All services listed above will be re-commissioned and consultation and equality impact assessments will form part of the process.

Other options considered:
Not to extend the contracts. This would put us in breach of the terms of the public health grant.
Risk management / assessment:

FIGURE 1

The risks associated with the implementation of the *(subject) decision* :

No.	RISK Threat to achievement of the key objectives of the report	INHERENT RISK (Before controls)		RISK CONTROL MEASURES Mitigation (ie controls) and Evaluation (ie effectiveness of mitigation).	CURRENT RISK (After controls)		RISK OWNER
		Impact	Probability		Impact	Probability	
1	Possible challenge from other potential providers	**High**	**Medium**	Ensure commissioning processes take place during 2017-18 to mitigate against risk of challenge	**High**	**Low**	Becky Pollard
2	Risk that cost of new services will exceed the funding available in the public health grant	**High**	**Medium**	Set clear funding envelop for potential bidders which takes account of the reduced levels of funding.	**High**	**Low**	Becky Pollard

FIGURE 2

The risks associated with <u>not</u> implementing the *(subject) decision*:

No.	RISK Threat to achievement of the key objectives of the report	INHERENT RISK (Before controls)		RISK CONTROL MEASURES Mitigation (ie controls) and Evaluation (ie effectiveness of	CURRENT RISK (After controls)		RISK OWNER
		Impact	Probability		Impact	Probability	
1	All of the above services are either mandated or targeted at the most deprived citizens in our communities. If no services in place for those most at risk of poor health outcome:-	**High**	**High**	Agree to waivers for one year	**High**	**Medium**	Becky Pollard

	• Sexual health – STIs would increase, risk of outbreaks, increase in teenage conceptions and unwanted pregnancies • Substance misuse - Crime would increase. Drug / alcohol users would relapse causing problems in communities / families etc. • Healthy lifestyles – increase in poor health outcomes for people in our most deprived communities and adverse impact on health and social care services.						
2	Failure to comply with statutory duty to provide mandated services (sexual health services and health checks)	**High**	**High**	As above	**High**	**low**	Becky Pollard
3	Failure to comply with conditions of public health grant	**High**	**High**	As above	**High**	**low**	Becky Pollard
4	Public health outcomes will not be met	**High**	**High**	As above	**High**	**low**	Becky Pollard

Public sector equality duties:
Before making a decision, section 149 of the Equality Act 2010 requires that each decision-maker considers the need to promote equality for persons with the following "protected characteristics": age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation. Each decision-maker must, therefore, have due regard to the need to:
i) eliminate discrimination, harassment, victimisation and any other conduct prohibited under the Equality Act 2010.
ii) advance equality of opportunity between persons who share a relevant protected characteristic and those do not share it. This involves having due regard, in particular, to the need to:
- remove or minimise disadvantage suffered by persons who share a relevant protected characteristic.
- take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of people who do not share it (in relation to disabled people, this includes, in particular, steps to take account of disabled persons' disabilities);
- encourage persons who share a protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.
iii) foster good relations between persons who share a relevant protected characteristic and those who do not share it. This involves having due regard, in particular, to the need to tackle prejudice and promote understanding.

Where recommissioning has already begun, equality impact assessments will have been carried out. For those services which are commencing during 2017-18, this will form part of the commissioning process.

Eco impact assessment
Not applicable
Resource and legal implications:

Finance

The financial value of the contract extensions recommended to be approved from 1 April 2017 have been itemised in the report. Revenue budgets approved by the Director of Public Health are in place to support this expenditure within 2017/18. There are no revenue implications for financial year 2016/17 arising from this report.

a. Financial (revenue) implications:

Advice given by **Robin Poole – Finance Business Partner**
Date **23rd February 2017**

b. Financial (capital) implications: Not applicable
Advice given by **Insert name / job title**
Date **Insert date**

Comments from the Corporate Capital Programme Board:
Not applicable
c. Legal implications:
These contracts are schedule 3 services and therefore subject to the light touch regime under Public Contracts Regulations 2015. Most, in view of their value, will be caught by the Regulations by virtue of aggregation. It will therefore be necessary to publish an advert in the OJEU and to run a compliant procurement process, where appropriate. Advice is being provided to the client department with a view to this taking place as soon as possible; however the council also has a statutory duty to provide most of these services, as well as being required to comply with the conditions of the public health grant in relation to all of them and therefore direct awards appear to be the only alternative as a bridging measure.
The re-procurement of the services in the longer term will also need to be compliant with the 2015 Regulations.

Advice given by **Eric Andrews - Solicitor**
Date **22nd February 2017**

d. Land / property implications:
Not applicable
Advice given by **Insert name / job title**
Date **Insert**

e. Human resources implications:
Not applicable

Advice given by **Insert name / job title**
Date **Insert**

Appendices:
Appendix 1 - insert title of appendix
Appendix 2 - insert title of appendix etc.

Access to information (background papers):
HWB Paper 17th February 2016 – Sexual Health Re-procurement
HWB Paper 19th October 2016 – Substance Misuse Re-procurement
CPG Paper