

PURPOSE: Key decision**MEETING:** Cabinet**DATE:** 14 July 2020

TITLE	Children’s Community Health Partnership contract extension and additional funding for staff pay award.		
Ward(s)	<i>All</i>		
Author: Anne Colquhoun Bridget Atkins	Job title: Principal Public Health Specialist Principal Commissioning Manager		
Cabinet lead: Asher Craig Helen Godwin	Executive Director lead: Jacqui Jensen		
Proposal origin: <i>BCC Staff</i>			
Decision maker: <i>Cabinet Member</i> Decision forum: <i>Cabinet</i>			
Purpose of Report: Purpose of Report: <ul style="list-style-type: none"> To request agreement to the extension of the contract for the provision of Children’s Community Health Services (CCHS) by 5 years until April 2028. To request agreement to fund the agenda for change pay increase for Public Health Nursing staff. 			
Background The contract for CCHS was awarded to Sirona in April 2017 on a 5 year plus optional 5 year extension basis. Sirona care and health were the Prime Provider, working in partnership with Bristol Community Health (BCH), Avon and Wiltshire Mental Health Partnership NHS Trust (AWP) and United Hospitals Bristol (UHB). Following the award of the adult community services contract to Sirona in April 2020, Bristol Community Health were unable to continue to provide children’s services and therefore, from April 2020 the functions and staff carried out by BCH under the CCP contract have been transferred to Sirona and BCH ceased as an organisation. Sirona have requested a decision from the commissioners that an extension to the full 5 years will be agreed, to ensure alignment with adult community services provision and ensure stability for transferred staff as well as being able to commit to longer term planning and cost savings. The BNSSG CCG is the lead commissioners of the CCHP contract and has indicated that they would like to extend the contract for the additional 5 years and would like confirmation from the Local Authorities as a new procurement process would need to begin immediately if the extension was not agreed. The Directors of public health in BNSSG have indicated to the CCG that they would be supportive of the extension. All commissioners are satisfied with Sirona’s performance. The joint commissioners of this contract are Bristol Local Authority and South Gloucestershire Local Authority and NHS England (only for childhood immunisations). Bristol local Authority commissions as part of this contract 0-19 public health nursing services including family nurse partnership, school nursing and health visiting services. Bristol City Council contributes £8.65m a year from Public health grant and £1.81m from children’s commissioning, giving a total of £10.46m annually. The total value of the contract is £34.6m per annum total from all commissioners.			
Agenda for Change Pay award funding - £563,000 (recurring) In 2018 the Government agreed an agenda for change 3 year pay award (6.5% over 3 years) for all staff on Agenda for			

Change pay grades. This included all public health nursing staff funded through the public health grant. For the first 2 years funding for the pay award was paid directly to providers from the Department of Health. This year the award was specifically included in the public health grant paid to local authorities, to be passed on to the Providers. This is now an on-going cost that will be funded through the public health grant.

Evidence Base

- The agreement at this stage to the 5 year extension will enable a greater ability on the part of Sirona to offer stability to incoming staff who were TUPED from BCH.
- Commitment to premises as a longer term plan will enable an adult and children wide analysis of where services are best placed and integrated.
- Offer an ability to seek investment partners, especially in the field of technology, who are often looking for longer term relationships
- Reduce costs at both commissioner and provider level associated with procurement processes.
- Avoid the service development void experienced during procurement as both provider and commissioner attention is focussed on development not procurement.
- stability both for service users and for staff thereby enabling the delivery of a high quality solution for a longer period
- Negate the need to hold back funding for re-tendering within a relatively short period of time
- Opportunity for commissioners to build longer and more lasting relationships with providers thereby increasing chances of on-going high performance; better relationships often lead to fewer incidents and or issues of poor performance. In addition, a greater shared understanding of our service models and requirements will enable us to both look for areas of consolidation across existing services as well as the potential addition of new service offerings to deal with fluctuating demand and costs more flexibly knowing we have a longer period over which to absorb the variances
- Greater opportunity for efficiencies in non-critical/non pay activities where this is more efficient as suppliers are more likely to want to do business with a stable, long term partner
- The joint development of meaningful KPIs and outcome measures which might not materialise for a number of years but which could demonstrate the real added value that the services give to children, young people and families in our communities.

Key risks and consequences of not extending the contract will be:

- The CCHS contracts are jointly commissioned by 4 commissioning organisations and there are in excess of 15 different service specifications. The recommissioning process is therefore complex and took 3 years from commencement to contract start. The process, led by BNSSG Clinical Commissioning Group required a dedicated team of project managers, procurement specialists with financial support and it consumed considerable time of all service managers/ commissioners. The cost of the dedicated recommissioning team and the project was £650,000 over 3 years of which BCC paid a proportional amount. If the contract duration is longer then there will not be a need to repeat the process for possibly 8 years.
- There are significant financial challenges with this contract and our provider is committed to working with commissioners to do everything possible to meet these and deliver a high quality service for all children, young people and their families. Knowing that there is a potential for a longer term partnership would enable Sirona to manage risk and enable us to deal with fluctuating demand and costs more flexibly, particularly looking at better alignment and savings associated with also holding the adult services contract
- Sirona, as Prime provider have been awarded the adult services contract with a value of over £100m annually. There is a risk that they would be unwilling to enter into a procurement process at this time and we do not know if other providers would be in a position to tender for this contract.
- Sirona have developed a system to respond to Covid -19 outbreaks both internally but also to support adult social care in managing positive cases and infection control in care homes. As another outbreak is possible, extending the contract with the current provider enables established partnerships and systems to be built on and strengthened.

Cabinet Member / Officer Recommendations:

That Cabinet:

1. Approve and authorise the Executive Director People in consultation with the Cabinet Members for Communities (Public Health, Public Transport, Libraries, Parks), Events and Equalities and Adult Social Care to take all steps necessary to extend the Children's Community Health Services contract until April 2028 at an estimated cost of £10.46m per annum.
2. Approve the use of additional funding from the Public Health grant of £563,000 per annum until April 2028 to meet the Agenda for Change pay award.

Corporate Strategy alignment: The contract is in place to Improve physical & mental health and wellbeing and reduce inequalities in health. A number of outcomes delivered by this contract are corporately reported including reducing the percentage of people in Bristol who report below national average Mental Wellbeing; Increasing breastfeeding initiation rate; Reporting on breastfeeding at 6-8 weeks as a percentage of all children with a known feeding status.

1. **City Benefits:** Extension of the contract makes economic sense
2. Enabling a provider to invest in longer term projects and be in a position to apply for additional resources
3. Stability of a workforce when there are shortages of public health nurses

Consultation Details: The proposal to extend the contract has been discussed at commissioner meetings, amongst the Directors of Public Health and at CCG Board Meetings.

Background Documents: *CCHP overarching Contract*

Revenue Cost	£11,031,726 per annum	Source of Revenue Funding	Public Health Grant (£9.22M) General Fund (£1.81M)
Capital Cost	£	Source of Capital Funding	
One off cost <input type="checkbox"/>	Ongoing cost <input checked="" type="checkbox"/>	Saving Proposal <input type="checkbox"/>	Income generation proposal <input type="checkbox"/>

Required information to be completed by Financial/Legal/ICT/ HR partners:

1. Finance Advice: The extension of the contract for the provision of Children's Community Health Services can be funded from within existing Public Health Grant monies £8.65m and Children's commissioning budgets of £1.86m (per annum). Additionally, the Agenda for Change costs of £563,000 per annum can be fully funded from Public Health Grant monies.

Finance Business Partner: Denise Hunt, Finance Business Partner, 18th June 2020

2. Legal Advice: Provided the extension is in accordance with the terms of the original contract no procurement issues arise. It is understood that all other terms and conditions (including the specification) are to remain unchanged.

Legal Team Leader: Eric Andrews, Team Leader, Legal Services, 11th June 2020

3. Implications on IT: No anticipated impact on IT Services

IT Team Leader: Simon Oliver, 4th June 2020

4. HR Advice: The report, which is concerned with extending the contract for Children's Community Health Services, does not have any HR implications for Bristol City Council employees.

HR Partner: Lorna Laing, HR Business Partner, 9th June 2020

Procurement Advice: The request to extend the contract is in line with the contract terms and conditions. The Contract allows for the increase the contract price, with negotiation between the Authority and the provider. As the Council is extending this contract for a period of 5 years, discussions should take place to how to reduce/limit the costs of any price increases.

Category Manager: Gina Smalley – 4 th June 2020		
EDM Sign-off	Jacqui Jensen	03/06/20
Cabinet Member sign-off	Asher Craig/ Helen Godwin	05/06/20
For Key Decisions - Mayor's Office sign-off	Mayors Office	09/06/20

Appendix A – Further essential background / detail on the proposal	NO
Appendix B – Details of consultation carried out - internal and external	NO
Appendix C – Summary of any engagement with scrutiny	NO
Appendix D – Risk assessment	NO
Appendix E – Equalities screening / impact assessment of proposal	NO
Appendix F – Eco-impact screening/ impact assessment of proposal	NO
Appendix G – Financial Advice	NO
Appendix H – Legal Advice	NO
Appendix I – Exempt Information	NO
Appendix J – HR advice	NO
Appendix K – ICT	NO
Appendix L – Procurement	NO