

Decision Maker: Executive

Date: 16th July 2014

Decision Type: Non-Urgent Executive Non-Key

Title: PUBLIC HEALTH CONTRACTS - ANNUAL UPDATE

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Chief Officer: Dr Nada Lemic, Director of Public Health

Ward: All Wards

1. Reason for report

- 1.1. This report provides the Executive with an update on the administration of Public Health contracts following the transition of existing contracts from Bromley Primary Care Trust (now abolished) to the Council on 1st April 2013. It follows the arrangements and authorisations that were previously agreed by the Executive in June 2013.
- 1.2. An update on the 2013/14 activity delivered by Public Health contracts is also provided along with detail on the contract arrangements for 2014/15 as agreed in the above report.
- 1.3. For the Genitourinary Medicine (GUM) service contract, arrangements for lower value contracts have been made with three providers to contract directly rather than through the existing section 75 agreement with Bromley Clinical Commissioning Group (CCG) given more competitive rates were able to be secured.

2. **RECOMMENDATION(S)**

That the Executive:

- (1) **note the considerable progress made to date on the administration of Public Health contracts with regards to a new framework agreement and new service level agreement with GPs and to authorise that:**

- 1a. **contracts with the local community provider can continue under a section 75 agreement with the CCG until the contract ends in March 2016 (subject to the provider continuing to meet the performance measures put in place by PH officers);**

1b. the main sexual health clinic contracts with our local south east London acute providers can continue to be administered under the same section 75 agreement for a further year while other options are explored; and

1c. allow the lead commissioner for sexual health services to contract directly with some out of borough providers that our residents use where the commissioner can secure a better rate on the Council's behalf.

(2) note the activity performance of Public Health contracts during 2013/14.

Corporate Policy

1. Policy Status: Existing Policy
 2. BBB Priority: Children and Young People; Excellent Council; Quality Environment; Supporting Independence.
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Financial

1. Cost of proposal: All covered under existing Public Health Grant.
 2. Ongoing costs: Recurring Cost. Contract management and financial support for Public Health will be part of 'Business as Usual' and will be covered through a general support recharge to Public Health.
 3. Budget head/performance centre: Director of Public Health.
 4. Total current budget for this head: £12.9 million (2014/15).
 5. Source of funding: Department of Health; Public Health Grant.
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Staff

1. Number of staff (current and additional): 23 FTE.
 2. If from existing staff resources, number of staff hours:
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Legal

1. Legal Requirement: Statutory Requirement
 2. Call-in: Applicable
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Customer Impact

1. Estimated number of users/beneficiaries (current and projected): No impact on services delivered by these contacts.
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Ward Councillor Views

1. Have Ward Councillors been asked for comments? Not Applicable
2. Summary of Ward Councillors comments: Not Applicable

3. COMMENTARY

- 3.1. Since 1st April 2013, the Council has held responsibility for Public Health under the Health & Social Care Act 2012. A number of contracts previously held by the Primary Care Trust to deliver their Public Health function were transferred over to the Council.
- 3.2. Public Health officers have then worked closely with procurement officers in ECHS to put in place an effective contracting plan for these areas of service. As a result of this work the contracts were broken up into four categories. Each category is explained below along with the status upon transfer, the current status and the activity delivered by each in 2013/14. All the below contracts are now correctly recorded and captured on the departmental contracts register for ECHS.

Category A: Standard contracts

- 3.3. The Council inherited 27 of these contracts with a total value of £2.6m. The majority of the spend was made up of a couple of core drugs and alcohol contracts (substance misuse contracts) with KCA and Crime Reduction Initiatives, who provided substance misuse intervention services to adults and young people. These contracts were awarded in 2010 by Bromley PCT as a 3 year contract with the provision to extend for a further 2 years. Executive previously agreed to this extension in June 2013 through the enactment under the existing specification of the contract.
- 3.4. The remaining 20 contracts valued at £800k in total were mainly non-clinical contracts with providers such as Slimming World, Age UK, The Metro and Bromley MyTime. All of these contracts were extended until the end of the financial year, ending on 31st March 2014.

New Contractual Arrangements

- 3.5. These remaining 20 contracts have now all been moved across on to a framework agreement put in place with the support of procurement. A report went to the Care Services PDS Committee in November 2013 which set out the proposed Public Health Services Framework to accommodate these contracts from April 2014.
- 3.6. This Framework is also being used by the London Borough of Bexley to administer some of their similar contracts. This revised framework approach, which is increasingly common in Local Authorities, allows a great deal of flexibility during a period where Councillors and service heads are reviewing and making key decisions around future spending commitments.
- 3.7. The Framework is proving to be a success and many neighbouring borough have sought Bromley's advice on how officers here were approaching the administration of PH contracts. This has however been a steep learning curve for both procurement and Public Health officers and there have been lessons learnt in the creation of the specifications and the services included.

Category B: Clinical Commissioning Group Community block contract

- 3.8. Bromley's Clinical Commissioning Group (CCG) gained full authorisation from the national NHS Commissioning Board and are responsible for commissioning £369 million a year of Bromley's health care services out of a total healthcare pot for Bromley of around £600 million. One element of this commissioning is the CCG's Community block contract with Bromley Healthcare.
- 3.9. The contract is worth £31m a year over 5 years and is made up of 30 different service lines which are performance managed by the CCG. Five of these service lines came across to the Council as part of our Public Health responsibilities. These were:

- Contraception & Reproductive Health
- Health Improvement
- Smoking Cessation
- School Nursing
- The National Childhood Measurement Programme.

3.10. The total value of these services within the Community block contract is valued at £2.9m a year. Executive agreed for these services to be managed by the Director of Public Health through the s75 agreement with the CCG until 31st March 2016 when the contract expires. These services are tightly performance managed and there is an option to review and pull individual service lines out of the current block contract if performance problems are identified and appropriate notice is given. Because of this there has been no contractual changes required during this period.

3.11. The following updates the Executive on the performance of these service areas during 2013/14:

Contraception & Reproductive Health

3.12. The activity in this service continues to increase with a 13% growth during 2013/14 and the number of patients with complicated needs is also on the rise.

3.13. During 2013/14, the service delivered 7984 contacts providing a range of contraceptive methods to women of aged over 14 to over 44, along with health advice and education which is offered mostly to young women aged between 14 to 29. In addition, the service tested 661 service users for Chlamydia infection and successfully treated those that were positive.

Health Improvement - Sexual Health and Well Being service

3.14. Overall aim of the service is to provide a co-ordinated sexual health improvement and education programme for young people and those identified as at risk and vulnerable groups focusing on:

- Reducing prevalence of undiagnosed HIV
- Reducing prevalence of undiagnosed STIs and
- Reducing teenage pregnancy and unplanned pregnancy rates in Bromley.

3.15. There are three main components to the service – Relationships and sex education (RSE); Health promotion programmes; Specific and targeted health campaigns.

3.16. During 2013/14, the service delivered:

- Your Choice, Your Voice (local RSE programme) - 140 sessions (3080 year 9 pupils).
- Healthier Happier (workshops delivered in youth clubs, colleges and sixth forms) - 42 sessions (circa. 500 young people);
- Health Promotion (condom use among high risk groups) - circa. 32,000 condoms distributed;
- Health Promotion (training programmes for professionals, parents and carers) – 27 sessions (circa. 170 participants);
- Health Campaigns – annual sexual health campaign for young people (circa. 3500 young participants); and
- World Aids Day Campaign.

Health Improvement - HIV Community Nurse Specialist service

- 3.17. The Community Nurse Specialist team offers clinical care, advice and support in the community to People Living with HIV (PLHIV), their families and carers. The team works closely with the team of clinicians in GUM clinics to deliver a seamless service to PLHIV.
- 3.18. In 2013/14, the team delivered 1,146 contacts and visits in support of 285 PLHIV in the borough.

Health Improvement – Lifestyles service

- 3.19. Bromley Healthcare were contracted to deliver the following programmes in 2013/14:
- Mental Health and Wellbeing – 5 campaigns and programmes delivering school and community outreach programmes;
 - Lifestyles for Life resource pack – a resource for Primary care to further inform staff and patients about medical conditions and Bromley specific referral prevention programmes;
 - Health Campaigns and training – Motivational Interviewing training, modifiable risk factor lifestyle talks, junior citizen and physical activity training for primary care;
 - Pre-Diabetes physical activity intervention – Walking Away from Diabetes; and
 - Inequalities programmes – introduction and dissemination of the HELP card, Gypsy traveller health promotion and health checks and support for developing and designing new services for deprived groups in Bromley.
- 3.20. The Health Improvement team delivered 157 campaigns throughout 2013/14 and saw 6,534 people complete the above programmes and projects.

Smoking Cessation

- 3.21. The adult population (18+ years) in Bromley in 2012/13 was 241,896 with the current adult smoker population of 43,822 (18.1%). This is compared with 20.0% smoking prevalence for England in 2013. Smoking prevalence has been rising since 2009 (15.5%). Bromley has a known ex-smoking population of 86,429 (35.7%). The Bromley Healthcare Stop Smoking Service achieved 1027 quits in 2013/14.

School nursing

- 3.22. The immunisation programme and school entry health checks all met their targets within 2013/14.
- 3.23. The Healthy Schools pilot was highly successful with 54 schools signed up and 24 already with Healthy Schools awards. There is good involvement of schools in the work and this is now integrated into the School Nursing service as part of their routine work. The pilot on the health needs of home-educated children is still ongoing for another year but initial findings are very useful and demonstrate the usefulness of a non-stigmatising team like this in working with some of the most vulnerable children in the borough.

National Childhood Measurement Programme

- 3.24. This programme has met and exceeded the nationally set target for child measurement during 2013/14 with 3,608 in Year R (94.9% coverage) and 3,087 in Year 6 (92.9% coverage) all measured for their height and weight.

Category C: Sexual Health Clinics (acute)

- 3.25. Part of the Council's prescribed functions for Public Health is the delivery of sexual health services – Sexually Transmitted Infection (STI) testing and treatment. Bromley residents can currently go for a check-up at a sexual health clinic anywhere in the country. That clinic invoices LBB based on a nationally agreed tariff. The open access nature of these 'contracts' continues to make this the most difficult of the budgets to manage.
- 3.26. However, for the local sexual health clinics and those in inner London, GUM services form part of the block acute contracts which were negotiated and managed by Bromley CCG. In 2013/14 the provision of this service was continued through Bromley CCG as part of their £150m acute contract which is negotiated on an annual basis
- 3.27. Following Executive approval to continue with this arrangement in 2013/14 a s75 agreement with the CCG was established. The actual spend on GUM services in 2013/14 was £1.6m funded directly from the Council's Public Health Grant. During 2013/14, approximately 6,500 first attendances and 4,500 follow up appointments have been delivered by GUM providers.

New Contractual Arrangements

- 3.28. For 2014/15, the budget for sexual health services totals £3,623,040 with £1,579,790 allocated specifically for GUM services. Officers are proposing to continue to utilise the s75 agreement with the CCG for GUM services offered through the major South East London acute providers, King's College Hospital NHS Foundation Trust and Guy's and St. Thomas' NHS Foundation Trust. Both providers manage the majority of GUM services for the borough, with contract values totalling £1,173,752.
- 3.29. Three other providers offer GUM services with estimated values requiring formal contracting arrangements. The estimated total value of all three contracts for 2014/15 is £235,785. The three providers consist of Barts & The London NHS Trust, Chelsea & Westminster Hospital NHS Foundation Trust and Imperial College Healthcare NHS Trust. Early market testing by the lead commissioner for sexual health services revealed that contracting directly with these providers allows the Council to secure more favourable prices for 2014/15 than the standard rates available through the annual National Tariff and also more favourable than rates secured through local CCG's contracts. It is estimated that potential financial savings on procuring directly is around £16,650 for 2014/15 (based on 2013/14 activity).
- 3.30. In order to procure directly, the requirement to be exempt from tendering for these services as per the Council's Contract Procedure Rules is necessary and has been authorised by the Portfolio Holder of Care Services.
- 3.31. The Council is still obliged to cover costs from providers who provide GUM services to any attending Bromley resident across the country. Outside of those providers identified above, the estimated contract values with all other providers (most outside London) negate the need for formal contracting arrangements. Service provision without these arrangements are subject to Non-Contractual Arrangement (NCA) rates which are based on an annual National Tariff proposal.

Category D: Service Level Agreements with General Practices and Pharmacies

- 3.32. The Director of Public Health relies on the provision of preventative services by GP surgeries and pharmacies. The Department of Health encourages the set up of a number of local incentive schemes known as Locally Enhanced Services (LEs) for GP surgeries and local pharmacies to help target and tackle local health issues through early referral and intervention

programmes. Without GPs participation many Public Health services could not be delivered as they hold the local patients lists and have direct access to patients being targeted by these programmes.

- 3.33. The Council inherited around 10 of these LES's which were subsequently transferred as Service Level Agreements with a total value of £700k that local GPs and pharmacies could have signed up to. Each GP or pharmacy voluntarily put themselves forward for doing one or more of these LES's on an annual basis.
- 3.34. In 2013/14, general practices provided 2,900 Long Acting Reversible Contraception (LARC) methods, sexual health advice and chlamydia screening to their registered patients. For pharmacies, they saw 2,210 patients, offering sexual health advice, screening and emergency hormonal contraception to local residents under the age of 25.
- 3.35. In 2013/14, 92,080 residents in Bromley aged 40-74 years were eligible to receive an NHS Health Check. One fifth of eligible residents should be invited each year to a Check and this was achieved with 23,867 (25%) people offered. A total of 9,028 residents are recorded as having received an NHS Health Check in 2013/14 with 7,764 (86%) having their Check within their GP Practice as part of this Partnership arrangement. Overall uptake of NHS Health Check in Bromley compared with the eligible population was 9% which is the same as the England average for 2013/14.

New Contractual Arrangements

- 3.36. Executive approved the exemption of these Agreements from the Council's Contract Procedure Rules in June 2013 and the treatment of them as partnership arrangements from April 2014 under powers granted to the Director of Public Health under the Scheme of Delegation.
- 3.37. Working on this basis, officers have been able to draw up one GP Service Level Agreement to be able to effectively contract services directly with Practices for the delivery of:
- Sexual health services
 - Substance misuse services
 - NHS Health Checks.
- 3.38. 45 out of 49 GP practices have signed up to deliver one or more of the above services. The work has streamlined the process which takes place on an annual basis, improving the contract monitoring, payment arrangements and budget monitoring as reflect in PH's audit report.
- 3.39. For pharmacies, the use of the Public Health Procurement Framework as referred to in paragraph 3.5 was utilised to deliver the three services above rather than a Service Level Agreement following advice from NHS England on the commercial entity of pharmacies. The full list of Approved Providers can be found in the February 2014 report '*Appointments To The Framework For Various Public Health Services*'.

4. POLICY IMPLICATIONS

- 4.1. This report is in relation to the business processes established to administer the existing contracted services. Authorisation to commissioning these services remains with Members working within the stipulations and statutory responsibilities set out in the Grant. The work is in accordance with the Health and Social Care Act 2012.

5. FINANCIAL IMPLICATIONS

- 5.1. The Public Health Grant has been set by the Department of Health using estimates of public health baseline spending in 2011, along with a fair shares formula based on the recommendations of the Advisory Committee for Resource Allocation.
- 5.2. The Public Health Grant is a central government grant which is ring-fenced until 2015/16. The Department of Health grant allocation announced for Bromley is £12,953,600 in 2014/15.
- 5.3. The grant conditions require quarterly financial reporting to the Department of Health against a set of standardised budget reporting lines and the expenditure must be explicitly linked to the Health and Wellbeing Strategy, Public Health Outcomes Framework and the Joint Strategic Needs Assessment. The Council will need to show that it spends £12.9m on Public Health related expenditure. The reporting categories are sufficiently flexible to allow local decisions about what services are commissioned to be reflected sensibly. The Grant can be used for both revenue and capital purposes.
- 5.4. The expectation is that funds will be utilised in-year, but if at the end of the financial year there is any under spend this can be carried over, as part of a Public Health Reserve, into the next financial year. In utilising those funds the next year, the grant conditions will still need to be complied with.
- 5.5. There is also no year-end specific Public Health Grant claim that needs to be completed and signed off by the Chief Finance Officer. The expenditure for Public Health services will be included within the overall audit of the council's statement of accounts and we need to evidence that we spend £12.9m on public health activities across the Council.

6. LEGAL IMPLICATIONS

- 6.1. This report uses existing legal frameworks, such as the scheme of delegation, to manage and administer the responsibilities placed on the Council.
- 6.2. Given the need to follow guidance then paragraph 13 in the grant letter is key:

(13) "In giving funding for public health to local authorities, it remains important that funds are only spent on activities whose main or primary purpose is to improve the health and wellbeing of local populations (including restoring or protecting their health where appropriate) and reducing health inequalities."
- 6.3. As are condition 3 and 9 of the grant:
- 6.4. This is reinforced in the grant conditions which state that *"the grant must be used only for meeting eligible expenditure incurred or to be incurred by local authorities for the purposes of their public health functions as specified in Section 73B(2) of the National Health Service Act 2006 (as amended by the Health and Social Care Act 2012) ("the 2006 Act")"*.
- 6.5. There is independent audit and provision for claw back if the money is not spent appropriately.
- 6.6. The Services are contained within part B of Schedule 3 to the Public Contract Regulations 2006 as amended and as such aren't subject to the full EU procurement system. There is always a modest residual risk of challenge where contracts are let without competition. However given the overall strategy outlined in this and the previous reports, successful challenge on this issue is not considered to be a material risk at this stage.

Non-Applicable Sections:	PERSONNEL IMPLICATIONS
Background Documents: (Access via Contact	Report CEO1210 - Public Health Transfer Of Contracts, November 2012.

Officer)	Report - Public Health Administration of Contracts, June 2013. Report CS13047 - Public Health Procurement Framework, November 2013. Report CS14018 - Appointments To The Framework For Various Public Health Services, February 2014.
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