

Decision Maker: Executive

For Pre-Decision Scrutiny by Care Services PDS Committee on:

Date: 13th October 2016

Decision Type: Non-Urgent Executive Key

Title: PUBLIC HEALTH COMMISSIONING INTENTIONS 2017/18

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Chief Officer: Dr Nada Lemic, Director of Public Health

Ward: Boroughwide

1. **Reason for report**

1.1 This report sets out the Public Health commissioning intentions for 2017/18.

2. **RECOMMENDATIONS**

2.1 **The Care Services PDS Committee is asked to note and comment on the contents of this report.**

2.2 **Subject to corporate saving decisions, the Council's Executive is asked to:**

- i) **Note the intention to extend the current contract for Adults and Young People Substance Misuse Services for one year to 30 November 2018 and that approval for this extension has been delegated to, and is to be agreed by, the Director of Public Health in consultation with the Portfolio Holder;**
- ii) **Approve one-year call-off contracts (1/4/17 to 31/3/18) currently under the Public Health Framework Agreement for:**
 - **Community Pharmacy Services for Substance Misuse; and,**
 - **Alere (Point of Care Testing) for NHS Health Checks.**
- iii) **Approve six month call-off contracts (1/4/17 to 30/9/17) currently under the Public Health Framework Agreement for:**
 - **Community Pharmacy for Sexual Health Service; and,**
 - **TDL (The Doctor Laboratory) for Sexual Health testing and diagnostic service.****So they align with the new Services currently tendered to start on 1 October 2017;**

- iv) Approve the continued use of Service Level Agreements for NHS Health Checks and Sexual Health Services offered by General Practitioners for a further year by granting an exemption as per sections 3 and 13 of the Council's contractual procedure rules;**
- v) Note the intention to continue to use the commissioning arrangements with Bromley Clinical Commissioning Group (CCG) through section 75 for provision of community services by Bromley Healthcare until 30 September 2017 when the contract will expire.**

Corporate Policy

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

1. Cost of proposal: Estimated cost £2,124k p.a.
 2. Ongoing costs: Recurring cost. £2,124kp.a.
 3. Budget head/performance centre: Director of Public Health
 4. Total current budget for this head: £15.5 million (2016/17)
 5. Source of funding: Public Health Grant
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Staff

1. Number of staff (current and additional): 19 FTE
 2. If from existing staff resources, number of staff hours:
-

Legal

1. Legal Requirement: Statutory requirement. Non-statutory - Government Guidance
 2. Call-in: Call-in is applicable
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Customer Impact

1. Estimated number of users/beneficiaries (current and projected): Boroughwide
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Ward Councillor Views

1. Have Ward Councillors been asked for comments? No.
2. Summary of Ward Councillors comments: N/A

3. COMMENTARY

Current Contract Value

Substance Misuse	£1,426k
NHS Health Checks	£ 100k
Community Sexual Health Services	£ 97k
General Practice Service Level Agreements	£ 550k

Total contract sum p.a. **£2,173k**

Estimated New Contract Value

Substance Misuse	£1,426k
NHS Health Checks	£ 100k
Community Sexual Health Services (6 months)	£ 48k
General Practice Service Level Agreements	£ 550k

Total contract sum p.a. **£2,124k**

Proposed Contract Period (including extension options)

- One year extension for Substance Misuse and NHS Health Checks contracts
- Six month extension for Community Sexual Health Services contracts to align with the new Sexual Health Early Intervention Services currently being tendered to start on 1.10.17
- One year GP Service Level Agreement for NHS Health Checks and Sexual Health Services

Context

- 3.1 Different contractual arrangements are used to commission third party organisations to deliver public health programmes. This paper sets out, for Members' approval, the commissioning intentions and contractual arrangements for Substance Misuse, NHS Health Checks and Community Sexual Health Services for 2017/18.
- 3.2 For these services, there are currently two standard contracts, eleven called off contracts from the Public Health Framework Agreement which was put in place since 2014, and 45 service level agreements (SLA) with General Practices (GPs). Details of these are set out in Appendix 1.
- 3.3 It is recognised that the proposed contractual arrangements discussed in this paper will depend on the corporate saving decisions. Members' approval at this stage merely provides public health commissioners the ability to respond flexibly according to those saving decisions.
- 3.4 Services outside the scope of this paper are Community Sexual Health Services, Health Visiting Service and National Child Measurement Programmes (NCMP). Commissioning intentions of these services received Executive approval (CS17018, CS17019, CS17021) and commissioners will undertake a full re-procurement to replace the existing block contract with Bromley Healthcare (BHC) which expires in October 2017. The procurement process is underway for these programmes and Members will be asked to approve contract awards in due course under separate reports.

- 3.5 However, Members are asked to note the intention to continue to use the commissioning arrangements with Bromley Clinical Commissioning Group (CCG) through section 75 for provision of community services by Bromley Healthcare until 30 September 2017 when the contract will expire
- 3.6 The 2017/18 commissioning intentions for Genito-urinary Medicine (GUM) Services will be submitted under a separate report for Members' approval.

Proposed Commissioning Arrangements

Substance Misuse

- 3.7 Substance Misuse Service are made up of several components - Adults and Young People Substance Misuse Services; Supervised Administration of Methadone (SAM); Needle Exchange; Dual Diagnosis; Detoxification and Rehabilitation Placements.
- 3.8 The latter two components are excluded from this paper as the contractual arrangement for Dual Diagnosis is not due for renewal in 2017/18 and the placements for detoxification and rehabilitation are procured on a spot basis.
- 3.9 The Adults and Young People Substance Misuse Services were subject to a tendering process in 2015. New contracts worth £1.4m per annum were awarded to Change Grow Live (CGL) for a period of two years from 1 December 2015 to 30 November 2017 with a possible one year extension. The new services amalgamated a number of substance misuse services thereby making considerable efficiencies.
- 3.10 As the provider, CGL, continues to meet performance requirements and delivers efficiencies, it is proposed to extend the contract for a further year to 30 November 2018. Executive are asked to note the approval for this extension has been delegated to, and is to be agreed by, the Director of Public Health in consultation with the Portfolio Holder.
- 3.11 Both SAM and Needle Exchange Services are procured through the PH Framework Agreement and are provided by Community Pharmacies at locations which are easily accessible in the community and where services can be offered safely and securely with the opportunity to promote healthy living and well being. There are no other clinical providers that can cover such a wide geographical distance in Bromley.
- 3.12 The proposal is to continue with these arrangements and approval is sought from the Executive to extend the Community Pharmacy call off contracts for SAM and Needle Exchange services for a further year to 31 March 2018. The annual contract value is £29k for SAM and £15k for Needle Exchange.

NHS Health Checks

- 3.13 The NHS Health Checks Programme is a mandated Public Health Programme with the aim to prevent vascular diseases including heart disease, stroke, diabetes and kidney disease, and raise awareness of dementia. Various tests (blood pressure, cholesterol, body mass index) are used to assess individual's risk of developing heart disease and stroke.
- 3.14 Eligible patients are identified through GP registers which includes clinical information held by practices that is not available anywhere else. GP practices are therefore the main provider of NHS Health Checks.
- 3.15 The model of delivery in Bromley is a 'one stop shop' with Point of Care Testing (POCT) used for the cholesterol blood test which is an important part of the programme. POCT is a

diagnostic testing that is performed near to or at the site of the patient care. It involves taking a blood sample by pricking the patient's finger and is usually performed by appropriately trained non-laboratory staff. Using POCT ensures that the patient receives a complete check, and their level of heart disease and stroke risk and how to reduce it can be communicated face to face at the time of the assessment.

- 3.16 The provision of POCT in general practice has the potential to increase feasibility, acceptability and convenience of NHS Health Checks by reducing the need for multiple visits or repeat appointments, thereby reducing costs.
- 3.17 Alere is commissioned through the PH Framework Agreement to provide the equipment, consumables and training of POCT. They also provide a quality management service to ensure the accuracy of results. There are a very limited number of Providers of POCT. Alere is the only provider who applied to be appointed to the Public Health Services Framework. They have continued to make improvements to maintain their service quality in particular the quality management service which serves as a quality assurance needed by commissioner.
- 3.18 It is proposed to continue with these arrangements and approval is sought from the Executive to call off the Alere contract for a further 12 months to 31 March 2018 (annual contract value of £100k) and to continue the use of GP Service Level Agreements, see 3.25-3.28 below.

Community Sexual Health Services

- 3.19 Apart from Bromley Healthcare, other providers are commissioned to deliver sexual health services in the community - Community Pharmacies to deliver some sexual health programmes and the Doctor Laboratory (TDL) to provide a laboratory testing and diagnostic service.

Community Pharmacies

- 3.20 A number of Community Pharmacies are commissioned from the PH Framework Agreement to offer Chlamydia screening and treatment and Emergency Hormonal Contraception (EHC) for young people. These are vital programmes that aim to control STIs, prevent transmission and reduce teenage pregnancies.
- 3.21 Community Pharmacies operate from accessible locations where these services can be offered with the opportunity to deliver safe sex messages in a discreet and confidential manner. There are no other clinical providers that can cover such a wide geographical distance in Bromley.

Laboratory Service

- 3.22 The Doctors Laboratory (TDL) is commissioned through the PH Framework Agreement, to provide a free self-sampling postal laboratory service that links directly with an internet ordering facility. Postal tests are dispatched directly to people's homes, therefore maximising opportunities for Bromley residents to access chlamydia and other STI screening. Tests are processed within set timescales and facilitate a pathway to inform service users about how to access treatment if needed.
- 3.23 TDL continues to provide a high quality laboratory testing service and value for money by offering the dual testing of chlamydia and gonorrhoea at no extra cost and without any price increase since the start of the contract. The price remains at £13.50 per test which is similar to prices paid by other London Boroughs.

3.24 These services will be re-procured as part of the Sexual Health Early Intervention Services following Executive approval on 20 July 2016 (CS17018). To align with the new Services currently tendered to start on 1 October 2017, approvals are sought to call off the Community Pharmacy and the TDL contracts for Sexual Health service for a further six months to 30 September 2017. The total contract value of these services for six months is £48k (£13k for Community Pharmacies and £35k for TDL).

General Practice Service Level Agreements

3.25 In 2015 Executive approved an exemption of the contract procedure rules in order that the Council could enter into one year Service Level Agreements (SLAs) with GPs to support the delivery of NHS Health Checks and Sexual Health Services.

NHS Health Checks

3.26 As statutorily required, NHS Health Checks are offered to all those who are eligible once every 5 years. Eligible patients can only be identified through GP registers which includes clinical information held by practices that is not available anywhere else. Once eligible patients are identified, GP practices are required to manage the invitations and to update the register. For this process, practices are paid an administration fee of £6 per check regardless of providers. The actual checks itself can be carried out by other providers.

3.27 Other providers including a number of Community Pharmacies and an outreach service were procured in the past through the PH Framework to ensure accessibility. However, their inability to meet the statutory requirement of ensuring test results are transferred back to the patient’s clinical record held by GP practices had been an ongoing issue. This had also been identified by internal audit as an area of risk.

3.28 As a result of these and budget reductions, these providers have been decommissioned and GP practices remain the main provider of NHS Health Checks. GP practices continue to achieve significantly more checks than any other previous providers and offer value for money. Both their price and cost of provision (with administration fee added) are lower when compared to other providers (table 1):

Table1: No. of Checks Carried out by Provider and Costs during 2015/16

Provider	Checks carried out	Price per Check	Total Cost per Check (Includes £6 admin fee to GPs)*
<i>Checks carried out by Providers</i>			
GP Practices	5994	£16.00	£22.00
ToHealth	1851	£39.92	£45.92
Community Pharmacies	274	£28.02	£34.02
<i>Total Checks</i>	8119		

** Administration fee for all checks are payable to GP practices regardless of providers. The fee covers the management of invitations, NHS Health Check register, data entry including data transfer from other providers and necessary follow ups as a result of the check.*

Sexual Health Services

3.29 General practitioners in Bromley are commissioned to offer opportunistic STI screening to their patients who do not have symptoms but are at risk of an infection and to offer HIV testing to new patients at registration. Regular testing for at risk population is recommended

by the National Institute of Health and Care Excellence (NICE) and helps to control and avoid transmission of STIs.

- 3.30 Practices are also commissioned to increase the uptake of Long Acting Reversible Contraception (LARC). LARC is a more cost effective, non-user dependent method. It is recommended by NICE as an effective method to prevent unplanned pregnancies, including teenage conceptions. Bromley's rate of LARC insertion by GPs, which is ranked the second highest in London, plays an important role in the continued reduction of teenage conception rates in the borough.
- 3.31 The implementation of these SLAs has streamlined the commissioning activity of these services as well as improving the contract and budget monitoring processes and payment arrangements. All 45 GP practices in the Borough have signed up to deliver one or both elements of these services during 2016/17 which have an estimated total value of £550k.
- 3.32 GP participation in these Public Health Programmes remains vital as GP Practices hold patient list covering the local population and have direct access to those patients that Public Health programmes seek to target. Participation also supports the Local Authorities obligations of Wellbeing under the wider Health and Social agenda and is supported by the CCG.
- 3.33 This paper proposes that a continuing exemption from the Council's contract procedure rules for one year be granted to support the continuation of these programmes. No significant changes to these programmes are planned and the total value will remain at £550k.

Framework Agreement

- 3.34 The Public Health Framework was put in place in April 2014 with an estimated annual value of £800,000. A two year extension to the Framework to 2nd March 2018 was approved by the Executive (CS15925).
- 3.35 As commissioning intentions are subject to corporate saving decisions, the framework approach gives flexibility to commissioners as there is no commitment to call off any services from the appointed providers.
- 3.36 However, both the number of services called off from the Framework and their values have reduced significantly since 2014. The number of contracts called off from the Framework in 2016/17 has reduced to eleven with an estimated spend of £242k.
- 3.37 Commissioners will review the Framework Agreement, which is due to end on 2nd March 2018 and make recommendations for commissioning services which are currently still actively called-off from the Framework.

4. PROCUREMENT

- 4.1 This report is in relation to the business processes that will be established or maintained to administer existing contracted services. Authorisation to commission these services remains with Members working within the stipulations and statutory responsibilities laid out in the Public Health grant. The work is in accordance with the Health and Social Care Act 2012 and The Local Authorities (Public Health Functions and Entry to Premises by Local Healthwatch Representatives) Regulations 2012.

5. MARKET CONSIDERATION

- 5.1 The market for these services was tested in 2014 using the Public Health Service Framework and again in 2015 with the tendering of Adults and Young People Substance Misuse Services. It is intended to consider the market when commissioners review the Framework Agreement and other contractual arrangements prior to their expiry dates.
- 5.2 With regard to GP Service Level Agreements, commissioners will review the current arrangement and explore the potential of GP Alliance as a new entrant in the provider market. Recommendations, which will be incorporated in the 2018/19 public health commissioning intentions, will be made for Members' consideration.

6. LOCAL POPULATION PROFILE

- 6.1 The range of public health programmes and services are delivered to specific populations and eligible patients in the borough according to service specific criteria.

7. STAKEHOLDER CONSULTATION

- 7.1 None carried out as no significant changes are proposed in this paper.

8. SUSTAINABILITY / IMPACT ASSESSMENTS

- 8.1 None carried out as no significant changes are proposed in this paper.

9. POLICY IMPLICATIONS

- 9.1 The proposals set out in this report are consistent with current policy and is in line with the proposal for the Council's Public Health Budget 2016/17 and 2017/18.
- 9.2 The Council's Contract Procedure Rules (CPR 5.3) require that "Where the value of the intended arrangement is £1,000,000 or more the Executive will be *Formally Consulted* on the intended action and contracting arrangements."

10. FINANCIAL IMPLICATIONS

- 10.1 Public Health commissioners continue to work within the budget allocated for public health services. 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.
- 10.2 The Public Health Grant is a central government grant which is ring-fenced. The Department of Health grant allocation for Bromley was £15,478k in 2016/17. However, there will be a reduction in the Grant in 2017/18 to £15,096k. Work has been conducted by the Public Health team on identifying the savings towards these reductions.
- 10.3 The table below outlines the financial impact of the decisions on the 2017/18 financial year. Funding is currently available for these extensions/exemptions.

	2017/18
	£000
Substance misuse - Extension of contracts for one year	1,426
NHS point of care testing - Extension of contracts for one year	100
Sexual Health Community Pharmacy - Extension of contracts for six months	13
Sexual Health - Laboratory testing service Extension of contracts for six months	35
Continued use of SLA agreement for NHS health checks and sexual health services	550
	2,124

- 10.4 There are no savings arising from these decisions. However there is predicted to be savings arising from the re-procurement of the sexual health early intervention services and this has been reported previously to the Executive.
- 10.5 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 the Grant 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.
- 10.6 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.
- 10.7 There is also a statement of assurance that needs to be completed and signed off by the Chief Finance Officer and Director for Public Health at year end. The expenditure for Public Health services will be included within the overall audit of the council's statement of accounts and the Council needs to evidence that it spends the Grant on public health activities across the Council.
- 10.8 2016/17 spending decisions are subject to Member approval as part of the Medium Term Financial Strategy/budget setting process. Therefore the 2016/17 budgets for these contracts are indicative until that time.

11. LEGAL IMPLICATIONS

- 11.1 This report uses existing legal frameworks, such as the scheme of delegation, to manage and administer the responsibilities placed on the Council.
- 11.2 The need to follow the guidance in paragraph 13 of the Ring Fenced Public Health 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.”*

- 11.3 As is condition 3 of the Grant Conditions:

“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”).”

- 11.4 There is independent audit and provision for claw back if the money is not spent appropriately.
- 11.5 Education, care and health services are subject to the application of the “light touch” regime under the Public Contracts Regulations 2015.

Non-Applicable Sections:	Personnel Implications
Background Documents: (Access via Contact Officer)	<p>Report CS14018 – Appointments to the Framework for Various Public Health Services, February 2014</p> <p>Report CS14134 – Gateway review of Substance Misuse Services, May 2015</p> <p>CS15925 Public Health Commissioning Intentions 2016/17, Oct 2015</p> <p>CS16025 – Gateway Review of Health Visiting and National Child Measurement Programme, March 2016</p> <p>CS16008 Gateway Review of Sexual Health Services, March 2016</p> <p>CS17018 Gateway Review-Procurement for a Sexual Health Early Intervention Service, July 2016</p> <p>CS17019 Commissioning Strategy – Health Visiting and Family Nurse Partnership, July 2016</p> <p>CS17021 – Procurement Strategy – National Child Measurement Programme, July 2016</p> <p>Bromley Local Authority HIV, sexual and reproductive health epidemiology report (LASER): 2014</p> <p>A Framework for Sexual Health Improvement in England, Department of Health, March 2013</p>

APPENDIX 1

Contracts seeking One Year Extension					
Contract Type	Service	Provider	Contract End Date	Extension Sought	Estimated Annual Value £'000
Substance Misuse					
Standard	Adult Service	Change Grow Live	30-Nov-17	12 months	1,382
Standard	Young People's Service				
Framework	Supervised Administration of Medicine	Boots	31-Mar-17	12 months	1
Framework	Supervised Administration of Medicine	Paydens	31-Mar-17	12 months	5
Framework	Supervised Administration of Medicine	PharmaBBG	31-Mar-17	12 months	23
Framework	Needle Exchange	Boots	31-Mar-17	12 months	1
Framework	Needle Exchange	Paydens	31-Mar-17	12 months	2
Framework	Needle Exchange	PharmaBBG	31-Mar-17	12 months	12
					1,426
NHS Health Checks					
Framework	Point of Care Testing	Alere	31-Mar-17	12 months	100
Contracts seeking Six Month Extension					
Contract Type	Service	Provider	Contract End Date	Extension Sought	Estimated 6 month value £
Sexual Health					
Framework	Laboratory Testing Service	The Doctor Laboratory	31 Mar 17	6 months	35
Framework	Sexual Health	Boots	31-Mar-17	6 months	4
Framework	Sexual Health	Paydens	31-Mar-17	6 months	2
Framework	Sexual Health	PharmaBBG	31-Mar-17	6 months	7
					48

GP Service Level Agreements seeking Three Year Extensions					
Contract Type	Service	Provider	Contract End Date	Extension Sought	Estimated Annual Value £
SLA	NHS Health Checks	44 General Practices	31-Mar-17	36 months	550
SLA	Sexual Health	45 General Practices			
				Total	2,124