

Appendix 1 Further detail on the 2 Options proposed

1. Option 1: Variation to contract for a two year extension (preferred)

1.1 Positioning the current contract in the national landscape

The Government white paper Integration and Innovation: Working together to improve health and social care for all describes a changed landscape within which to commission and deliver NHS services. In addition to NHS commissioned services, this applies to NHS services commissioned by Local Authority Public Health commissioners. It aims to enable collaboration and collective decision-making and eliminate the need for competitive tendering where it adds limited or no value. It would enable the existing arrangement to continue where the incumbent provider is doing a good job.

The white paper outlines a lead in time of approximately two years to operational impact with some legislative changes envisaged from 2022. It is of strategic benefit to position the end of the current Public Health Community Nursing contract in line with these national changes..

1.2 Positioning the current contract in the Sussex context

Health Visiting and School Nursing is also provided by Sussex Community Foundation Trust in West Sussex. The current Public Health Community Nursing contract in West Sussex, is to March 2023 and there is a proposal in motion to request an extension to March 2024.

1.3 Strengthening the Midwifery Health Visiting pathway

The midwifery and health visiting pathway should be as seamless as possible for mothers and babies and their partners. With the merger of Western University Hospitals and Brighton and Sussex University Hospitals to form University Hospitals Sussex the delivery of midwifery services across Brighton & Hove and West Sussex will integrate. Creating the conditions to consider joint delivery of health visiting and school nursing across the same area may enable a health visiting pathway that better mirrors the options in accessing midwifery services in hospital and in accessing community based health services.

1.4 Integration with Families, Children and Learning

Families, Children and Learning is undertaking an Early Help Review which will make recommendations for early help service delivery in the early part of 2022. The Children's Centres form an integral part of the delivery of both health visiting and midwifery services; a significant element of the review will look at the role and structure of Children's Centres exploring options around the Family Hub model (multi-agency community offer). Extending the current contract will provide the alignment to build any planned changes into the new specification for the service.

1.5 The impacts of the pandemic – response and recovery

During the pandemic NHS prioritisation led to substantial reductions in capacity across the health system. In Brighton and Hove the Health Visiting service lost approximately 45% of Health Visitors deployed to acute and COVID testing roles for 4 months of 2020.

The School Nursing team had very limited access to schools and as a result 800 children in the spring of 2020 were not screened. The planned screening catch up for this academic year cohort was also cancelled as a result of the spring lockdown with limited options for catch up and only Year 6 screening able to be completed over the summer term. The impact of this will be felt for at least another year to 2023 as the service works to:

- meet new demand - Brighton & Hove midwifery service reporting a 25% increase in new birth bookings at quarter 4 2020/21;
- meet the needs of those requiring additional support increase (widening health inequalities);
- return to a full offer for those whose support has been reduced due to capacity and COVID restrictions on service delivery;
- catchup with screening and assessments for those missed due to lockdown restrictions.

COVID has exacerbated health inequalities and there are signs of the impact of less interaction with early years services and support in areas such as the 2/2.5 year old assessments which indicate a dip in language and socialisation skills for some children. Close working with Public Health, Children's Centres and Sussex Community Foundation Trust alongside stability in staffing and delivery are necessary if we are to address these deepening inequalities for children and families.

1.6 Ensuring stable conditions

Providing contract stability will avoid the impact on exhausted staff and processes of the additional work involved in tendering for such complex services and the concomitant impact on service delivery during that period of tender and contract uncertainty.

Sussex Community Foundation Trust has consistently met or exceeded targets and has shown willingness to flex and support areas such as school immunisation; it is fair therefore to assert that the most effective way to deliver COVID recovery and therefore meet the needs of families in the city is to create the conditions for stable continued delivery with this proven provider.

2. Option 2: Proceed with a full market tender for a new contract in time for April 2022

2.1 Running a full procurement process would reduce the risk of external challenge, as Regulation 72 would not be used. The procurement process would be undertaken by senior procurement officers, with support from a range of officers and subject matter experts in compliance with PCR 2015. There are a number of reasons why this is not the preferred option:

2.2. Lack of a viable provider market

Although the value of the contract is high, there are substantial fixed costs which may potentially render it unattractive to the market. The total annual contract value for last year was £4,746,881 and the salary element accounts for £4,224,599 – 90% of the staff pool are on NHS pay schemes which cannot be amended and would continue to be comparable in the event of a TUPE transfer. There is also a training element, equipment and travel costs, management costs and general administration costs which come out of the remaining portion, so the provider's potential profit is low. This may mean that there are no operators beyond the incumbent interested in providing the service.

2.3 Value for money

As detailed above, delivery of the service has little in the way of potential bottom line reductions, which may be realised in competitive procurement procedures for other contracts. There is little to no value for money argument in favour of competitive tendering. Additionally, the internal resource cost for BHCC would be high for a procurement project of this nature, particularly given the time pressure of completing by April 2022.

The duration of the contract awarded through a procurement procedure would need to be reviewed, as the White Paper will likely lead to significant policy changes. This may mean a shorter contract is sought to ensure flexibility to respond to these policy changes, further reducing the commercial viability of the service and the potential for increased value for money.

2.4 Would reduce partnership benefits

Whilst an open procurement procedure would allow commissioners to refresh the specification the service benefits listed in Option 1 would not be fully realised. Contracts would not be aligned with West Sussex and the opportunity to explore aligned partnership arrangements would be missed.