

Subject:	Renewal of Public Health Contracts		
Date of Meeting:	11th July 2013		
Report of:	Director of Public Health		
Contact Officer:	Name:	Dr Tom Scanlon	Tel: 296555
	Email:	Tom.scanlon@brighton-hove.gov.uk	
Ward(s) affected:	All		

FOR GENERAL RELEASE.

1. SUMMARY AND POLICY CONTEXT:

- 1.1 The Health and Social Care Act 2012 sets out a vision for public health in local government with new responsibilities and new legal requirements. The transfer of the public health function to upper tier and unitary authorities included a specialist public health team led by a director of public health and funded by a ring fenced Department of Health Grant. A report on the transition was considered by the Policy and Resources Committee at its meeting in January 2013 and its recommendations approved.
- 1.2 Contracts for the provision of health services, previously held by Brighton and Hove PCT, also transferred to the city council on 1st April 2013 and are managed by the public health team. These include contracts with the three main NHS providers in Brighton and Hove; local GP practices, pharmacies, and a range of voluntary and third sector organisations.
- 1.3 As part of the transfer, the majority of ongoing contracts were assigned an end date of March 2014. This report sets out the commissioning proposals in relation to these contracts.

2. RECOMMENDATIONS: That the Policy and Resources Committee:-

- 2.1 Approves the proposals for the renewal of public health contracts as set out in paragraphs 3.6 – 3.9 of this report;
- 2.2 Approves the procurement of the lifestyle weight management and the stop smoking services contracts described in Appendices D and E respectively;
- 2.3 Agrees to a twelve month extension of the existing contracts for sexual health and substance misuse and alcohol services referred to in paragraphs 3.7.4- 3.7.5 and described in Appendices F and G respectively.
- 2.4 Grants delegated authority to the director of public health to:
 - 2.4.1 conduct a competition through a mini-prospectus for the mental health promotion contracts referred to in paragraph 3.9.1 and described in Appendix H.

2.4.2 award contracts for the lifestyle weight management and the stop smoking services on the basis of price and quality evaluation criteria.

3. RELEVANT BACKGROUND INFORMATION/CHRONOLOGY OF KEY EVENTS:

3.1 The Brighton and Hove public health team transferred from Brighton and Hove PCT to the city council on 1st April 2013, as part of the government's reorganisation of NHS Commissioning Bodies. The city council has been awarded a ring fenced grant of £18,185,400 for 2013/14 rising to £18,694,600 in 2014/15 for its public health responsibilities. It is required to report spend against the following categories:

3.2 *Prescribed functions:* sexual health services, NHS health check programme, local authority role in health protection, public health advice, national child measurement programme; and *non-prescribed functions:* obesity, physical activity, drug and alcohol misuse

3.3 In addition, local authorities will be assessed against a public health outcomes framework; the vision is to improve the nation's health and wellbeing, and improve the health of the poorest fastest.

3.4 All relevant health improvement commissioning contracts were also transferred to the city council from Brighton and Hove PCT at the time of transition and continue to be managed by the public health team. The majority of these contracts were awarded end dates of March 2014 to enable a smooth transfer across the organisations, and will now be managed in line with city council contract management policies and procedures. A review of the current arrangements with the council's legal and procurement teams identified the need for a clear plan going forward to ensure continuity of services, best value for money, and to make the most of the new opportunities within the city council for joint working.

3.5 There are three sets of contracts currently in place.

3.5.1 NHS Block Contracts

For 2013/14 the city council is an associate commissioner to block contracts held by Brighton and Hove CCG with the three main local NHS Trusts for public health services. There is no end date to a block contract; a notice period of 6 months must be given to providers to stop or change a service. It is intended that arrangements be put in place from for contracts to be held by the city council with each of these providers for the services commissioned. See appendix A for details.

3.5.2 Local Enhanced Services

For 2013/14 the public health local enhanced services described in Appendix B, are commissioned by NHS England Area Team but managed and funded by the city council. From April 2014 the city council will commission these services directly from 47 GP practices and 36 local Pharmacies.

3.5.3 *Service Specific Contracts*

There are a total of 50 contracts with local organisations ranging from £5,000 per year to £505,500 per year in place and due to expire in March 2014, with a total annual value of £6,740,377. See Appendix C for details.

3.6 *Proposals for Public Health contract renewals:*

As the majority of public health contracts transferred from the NHS to the city council with end dates of 31st March 2014, the overall strategy is to manage the procurement process in a staged and co-ordinated way to maximise public health gain while avoiding significant service disruption. Most services will be reprocured within this financial year, with contracts awarded based on price and quality evaluation criteria. Other services, listed in 3.7.4 and 3.7.5 below, will be reviewed and redesigned before they are recommissioned.

3.7 There are four services with high value contracts that will be recommissioned within the next two years. These are:

3.7.1 *(i) the lifestyle weight management service*

Current contract of £505,500 with the Food Partnership. See Appendix D for details

3.7.2 *(ii) the stop smoking service*

Current contracts of £447,178 are in place with Sussex Community NHS Trust and Western Hospitals NHS Trust (£75k for the purchase of nicotine replacement therapy). See Appendix E for details

3.7.3 Contracts for the lifestyle weight management and stop smoking services will be advertised and re-procured within this financial year with a start date for new contracts from April 2014. All proposals in relation to these services will be evaluated using price and quality evaluation criteria.

3.7.4 *(iii) Sexual Health Services*

Current contracts of £4m are in place for clinical sexual health services. The two main services are: The Claude Nicol genitourinary medicine (GUM) clinic with Brighton and Sussex University NHS Hospital Trust, and the Morley Street contraception and sexual health (CASH) clinic with Sussex Community NHS Trust. See Appendix F for further details

3.7.5 *(iv) Substance Misuse and Alcohol Services*

Current contracts of £5m are in place for substance misuse and alcohol services. There are three main providers of substance misuse and alcohol services in Brighton and Hove. These are: Sussex Partnership NHS Foundation Trust (SPFT), CRI, Brighton Oasis Project (BOP) women only service. See Appendix G for further details

3.7.6 The proposal is that the current contract arrangements for the sexual health and substance misuse and alcohol services are extended for a further twelve months to enable a full review and redesign before going out to tender.

3.8 *Local Enhanced Services*

It is considered that these services are currently best provided by local clinicians and the intention is to continue current arrangements but under new terms and conditions more suited to the council. Contracts will be awarded directly to GP practices and pharmacies on the basis of a waiver to Contract Standing Orders authorised by the director of public health, for one year with a planned review of each enhanced service during 2014. In addition, a review of the provision of local enhanced services will be undertaken in 2015.

3.9 *Other Public Health Contracts*

3.9.1 It is proposed to extend the three current mental health promotion contracts (total value of £90,000) for one further year; and to offer a 'mini-prospectus' for mental health promotion in 2014-15, with a start date for the new contracts of 1 April 2015. See Appendix H for further details.

3.9.2 All remaining contracts will be reviewed and where appropriate, retendered within this financial year. Where suitable, contracts will be reprocedured through the council prospectus. For the contracts being procured within this financial year the contracts will be awarded using price and quality evaluation criteria.

4. **COMMUNITY ENGAGEMENT AND CONSULTATION**

4.1 Extensive public engagement and stakeholder consultation will take place as an integral element of each service review and contract reprocurement.

5. **FINANCIAL & OTHER IMPLICATIONS:**

Financial Implications:

5.1 The proposed arrangements for procurement of public health contracts will ensure compliance with Contract Standing orders as well as Financial Regulations and promote the achievement of value for money. The current contracts described within the report are funded through the ring fenced public health grant of £18.1 million. Results of the procurement exercises will be reflected within budget monitoring and in the development of future budget strategies.

Finance Officer Consulted: Anne Silley

Date: 20/06/13

Legal Implications:

5.2 With regard to paragraph 3.7.6 above, the proposal to extend the sexual health and substance misuse and alcohol services contract by 12 months beyond 31 March 2014 may only proceed on the basis of a waiver of Contract Standing Order 16 (Contract Variation). It would be for the Director of Public Health to apply for the waiver in accordance with Contract Service Order 18. The reasons for seeking a waiver would be the need to ensure continuity of service, and the specialist nature of the services being provided.

Lawyer Consulted:

Oliver Dixon

Date: 02/07/13

Equalities Implications:

- 5.3 Equalities Impact Assessments will be carried out as part of each service review after consultation with the Equalities Team.

Sustainability Implications:

- 5.4 The contract procurement process will aim to take into account social and environmental value when choosing suppliers as well as cost

Crime & Disorder Implications:

- 5.5 The Director of Public Health is also currently the director lead for community safety. He works in close collaboration with the police and crime commissioner and the local police authority on issues of community safety and wellbeing.

Risk and Opportunity Management Implications:

- 5.6 A risk and opportunities register has been submitted as part of the Public Health Business Plan for 2013/14.

Public Health Implications:

- 5.7 The move of the public health function from the NHS to local authorities brings with it new opportunities for joint working on the wider determinants of health, such as housing, employment, transport and the environment. There are also consequently more opportunities to tackle more effectively issues of inequality.

Corporate / Citywide Implications:

- 5.8 The public health directorate has the potential to support the council in key corporate objectives, CCG joint working and wider working with partners such as the police and the community.

6. EVALUATION OF ANY ALTERNATIVE OPTION(S):

- 6.1 No alternatives have been proposed.

7. REASONS FOR REPORT RECOMMENDATIONS

- 7.1 The strategy is to enable due process to be followed as contracts expire.
- 7.2 A staggered approach is proposed to service contract procurement to ensure sufficient capacity and the need for attention to detail.

SUPPORTING DOCUMENTATION

Appendices:

1. A: NHS Block Contracts
2. B: Local Enhanced Services
3. C: Public Health Contracts

4. D: Lifestyle Weight Management Service
5. E: Stop Smoking Service
6. F: Sexual Health Services
7. G: Substance Misuse and Alcohol Services
8. H: Mental Health Promotion Service

Documents in Members' Rooms

1. N/A

Background Documents

N/A