

Cabinet Member for Adults and Health	Ref No: AH619/20
October 2019	Key Decision: Yes
Procurement of Public Health Services	Part I
Report by Director of Public Health	Electoral Division(s): All
<p>Summary</p> <p>The Public Health Services, for the population of West Sussex, referred to in this report include NHS Health Checks, Smoking Cessation, Long Acting Reversible Contraception, (LARC) (Contraceptive Implant and Intra-Uterine Contraceptive Device) Emergency Hormonal Contraception (EHC), and Alcohol Identification and Brief Advice Services. These are currently delivered by GPs and Pharmacies.</p> <p>Local Authorities are mandated to provide the NHS Health Checks Programme and the provision of contraception is a prescribed service under the conditions of the Public Health Grant. Levels of delivery of long acting reversible contraception is a key performance indicator as monitored by Public health England (PHE). Current performance in West Sussex is above average. Reducing teenage pregnancy is a key Public Health Outcomes Framework indicator (PHOF) for the Council. Provision of EHC within community pharmacies is an effective mechanism for ensuring accessible services for young people, especially outside usual NHS working hours. Smoking cessation particularly contributes to efforts to reduce health inequalities, and improving alcohol related outcomes is a priority for the Council currently.</p> <p>All of the services contribute to improvement of population level, public health outcomes and reductions in health inequalities.</p> <p>Approval is sought to put new contracts in place following an open tender to source an approved provider list (framework agreement). The new agreement will be effective from 1 April 2020 and will run initially for three (3) years with the possibility of a further extension of up to two (2) years built into the terms of the contract. Funding for the services is through the Public Health Grant.</p>	
<p>West Sussex Plan: Policy Impact and Context</p> <ul style="list-style-type: none"> • These services contribute to achieving ambitions in all priorities in the West Sussex Plan (see below) as well as the Joint Health and Wellbeing Strategy. • The Joint Strategic Needs Assessment demonstrates the population need for them. The Annual report of the Director of Public Health highlighted the importance of health behaviours to the West Sussex population outcomes. • Smoking cessation is a key element of the West Sussex Tobacco Control Strategy launched in March 2019. <p>The services are evidence based so we can expect them to continue to deliver benefits with considerable certainty through: good access to contraception, reducing cardiovascular disease and smoking prevalence plus intervening earlier to reduce alcohol harm.</p> <p>Best start in life Smoking and drinking alcohol in pregnancy are significant risks to maternal and child health. Parental smoking is the main factor influencing young people taking up smoking. Teenage pregnancy is a risk factor for poor outcomes for</p>	

the mother and child. Unwanted pregnancies can lead to families requiring financial or social care support.

A prosperous place Reduction in smoking improves productivity and assists employers and businesses by reducing sickness absence and smoking breaks. Each year smoking in West Sussex is estimated to cost society approximately £196million. This include £124 million in potential wealth lost from the local economy due to lost productivity and £24 million additional spending on social care related to smoking each year. Access to effective contraception reduces the risk of teenage pregnancies, which is a factor in poor economic outcomes for the mother and child, and the risk of absence from work due to sexual ill health. Those with complex alcohol dependency are at risk of co-morbid mental and physical health issues which may require support from services at a cost to the system. The NHS Health Check programme systematically measures a range of risk factors that are known to affect the risk of cardiovascular disease and other non-communicable diseases such as dementia and stroke. Preventative treatment is very effective, but late diagnosis and under-treatment is common. Improving detection and management of high risk conditions at scale would deliver substantial savings in health and social care spend

Strong safe and sustainable Early intervention in alcohol problems contributes to reducing alcohol related crime and disorder.

Independence for later life Quitting smoking is the most important change an individual can make to improve their health now and in later life. One in ten people continue to live with cardio-vascular disease(CVD). It is the second biggest cause of death in England with 200 people dying each day from a heart attack or stroke.

National research for the NHS Health Check programme shows that it is cost effective, can prevent illness and has the potential to save 250 -500 lives each year across England. It also shows that there is an equitable uptake of checks among high CVD risk groups and prioritising these groups is cost effective. Following an NHS Health Check, people are directed to an appropriate life style change to help improve health and independence in later life.

A council that works for the community These services are delivered within various community settings close to home and accessible for the population of West Sussex.

Financial Impact

The current services are funded entirely from the Public Health Grant but reduce demand on other West Sussex County Council services particularly adult and children's social care. For example, recently published findings of the University of York have shown that money spent on public health appears to be about three to four times more cost-effective than money spent on healthcare

West Sussex County Council sets the tariffs for these services. These tariffs were subject to a significant rebasing exercise in 2016 following benchmarking and leading to a reduction in the price of each service. That benchmarking was recently repeated and demonstrated that we are in line with our peers and that any reduction would bring West Sussex out of line, making services unattractive to providers. Services need to be available and accessible throughout the county and reducing tariffs any further could lead to gaps in provision. If, a woman diverts from her GP to the integrated sexual health service (ISHS) for LARC, this does not remove cost from the system but does add pressure to the ISHS which is predominantly focused on identification and treatment of sexual ill health. These activity based contracts are subject to monthly budget monitoring against profiled projections.

Recommendations

The Cabinet Member for Adults and Health is requested to approve;

- 1) the commencement of the procurement of Public Health Services via a Framework Agreement that ensures minimum qualification requirements;
- 2) the service contract that will be for 3 years with potential extension of 2 years with a total value of approximately £6.5m over the lifetime of the contract. New contracts for eligible providers are awarded from 1st April 2020 for an initial period of 3 years; and
- 3) that authority is delegated to the Director of Public Health to award the contracts to approved providers.

PROPOSAL

1. Background and Context

- 1.1 The Council has a statutory responsibility to improve the health of the West Sussex population and commissions a range of services which are currently delivered by many General Practices and Community Pharmacies across the County. The services (listed in table A below) are currently provided by West Sussex GPs and Pharmacies at a total combined value of £1.3m per annum. The financial resource for the commissioning of these services is the Public Health Grant from the Government.

Table A: Service Areas in proposed new contracts

Current provider type	Services in the Public Health Services contract
GPs and Community Pharmacies	Smoking Cessation
GPs and Community Pharmacies	NHS Health Checks (Mandatory)
GPs only	Contraceptive Implants
GPs only	IUD (Intra-uterine Contraceptive Device) Fittings
Community Pharmacies only	EHC (Emergency Hormonal Contraception)
Community Pharmacies only	Alcohol identification and brief advice

- 1.2 The Council extended the current contract period up to the maximum extension period of two (2) further years expiring 31st March 2020. Not all GPs and Pharmacies are currently contracted to provide all services, but have the option to sign up to a service/services during the contractual term following expression of interest.
- 1.3 There is provision in the service specifications that Service Users can be referred to another GP should the service not be available within their own Practice, in order to provide an equitable service throughout the county.

- 1.4 Currently there are cost pressures in NHS Health Checks and LARC services; these will be met within the Public Health Grant in this financial year. Rigorous monitoring on a monthly basis is undertaken. We are proposing to target the NHS Health Check activity in order to manage this in future years. A key issue is those contracted providers delivering very low levels / no delivery for those services signed up to. Public health staff members monitor the activity and work closely with the providers to improve uptake and quality of service.
- 1.5 The procurement proposed presents an opportunity to revise the contract arrangements and improve the service specification. This will ensure going forward a list of robust high quality providers are delivering across the county.

2. Proposal Details

- 2.1. The services will continue to be based on the best available evidence of good practice and the main benefits of this approach for Framework Agreement is that we are testing quality by having a Selective Questionnaire for minimum requirements and method statement questions to evidence how providers will meet the requirements of the service specification.
- 2.2. It is proposed that the service will be procured via a framework agreement which will indicate which services providers wish to deliver to service users. The intention is to publish ITT at the end of September 2019 and to confirm the award decision to bidders by early February 2020 which will enable providers to sign contracts and return to the Council prior to start to delivery. There are several benefits to the framework agreement approach. Firstly, as this will be published on Portal a wider range of providers i.e. Dentists, independent providers can be contracted as long as they meet the requirements. This mitigates some of the impacts on the programmes experienced due to competing priorities and capacity constraints in GP practices and community pharmacies.

Secondly, more diverse group of providers in delivery of services will ensure that the providers signed to contracts are fully committed to delivering and continuing to deliver the services.

- 2.3. The service contract will be for three (3) years with potential extension of two years (2) with a total value of approximately £6.5m over the lifetime of the contract. Currently individual contract spend ranges from approximately £400 to £44,000 per year.
- 2.4. It is proposed that new contracts for eligible providers are awarded from 1st April 2020 for an initial period of 3 years. Providers choose from list below which services they wish to deliver:
- Smoking Cessation (adults and children aged 12+)
 - NHS Health Checks
 - Contraceptive Implants
 - IUD (Intra-uterine Contraceptive Device) Fittings
 - EHC (Emergency Hormonal Contraception)
 - Alcohol identification and brief advice

3. Factors taken into account

Consultation

- 3.1 There has been consultation with relevant WSCC officers with particular input from procurement staff members, and was presented at Procurement Board1, where approval was given to proceed with procurement. All the services are regularly discussed with the Local Pharmaceutical Committee (LPC) and Local Medical Committee (LMC) as the collective bodies representing the majority of the current providers. Input from current providers at regular forum meetings for smoking cessation and NHS health checks services have also informed the commissioners' review of service specifications. A benchmarking exercise was carried out and this demonstrated that we are in line with our peers and that any reduction would bring West Sussex out of line, making services unattractive to providers.
- 3.2 The sexual health service needs assessment considered contraceptive service needs as part of a wider sexual health needs assessment.
- 3.3 Detailed analysis including population voice underpinned the Tobacco Control strategy and smoking cessation commissioning forms a key part of that. The strategy was discussed at the West Sussex Health and Wellbeing Board and their views have been considered.
- 3.4 User feedback has been analysed in particular for the NHS Health Checks programme and this has informed the service specification.
- 3.5 Clinical reference groups are in place to support the programmes covered in this procurement. Public Health England colleagues contribute to these groups.

4. Financial (revenue and capital) and Resource Implications

- 4.1. The cost of these services will continue to be met by the Public Health Grant which is currently expected to continue. Contract terms will include mechanisms to support management of these activity based services within budget. Annual spend across all the services in 2019/20 was approximately £1.3m. The new arrangements will include tighter control on NHS Health Check spend and we will continue to monitor closely across all services on a monthly basis.

	Year 1 2019/20 £'000	Year 2 2020/21 £'000	Year 3 2021/22 £000	Year 4 2022/23 £000
Cost of Proposal	1,287	1,287	1,287	1,287
Revenue Budget	1,287	1,287	1,287	1,287
Surplus/Shortfall	0	0	0	0

Future transformation, savings/efficiencies being delivered

- 4.2 The services avoid costs in WSCC, the wider public sector and the economy of West Sussex by;
- Reducing teenage pregnancy

- Reducing the risk of unwanted pregnancy
- Maintaining positive sexual health
- Reducing the risk of smoking related ill health and need for health and social care services
- Reducing the risk of alcohol dependence and associated ill health
- Reducing the risk of alcohol related anti-social behaviour/offending
- Reducing the health risks of passive smoking on children and young people
- Supporting people to engage in physical exercise and healthy eating and reducing the impact of obesity on health
- Reducing the risk of acquisition of vascular dementia

As evidence based digital approaches to these programmes emerge their inclusion in revised specifications will be considered.

Human Resources, IT and Assets Impact

- 4.3 It is anticipated that following the procurement process proposed staff within WSCC would be able to manage the resulting contracts more effectively. Part of the procurement evaluation process will test the staff skill, experience, configuration and resilience offered by bidders.

5. Legal Implications

- 5.1 Pursuant to the NHS Act 2006, the Council has a duty to take such steps as it considers appropriate to improve the health of the people in its area.
- 5.2 The Council is required by Part 2 of the Local Authorities (Public Health Functions and Entry to Premises by Local Healthwatch Representatives) Regulations 2013 to provide or ensure provision of health checks and sexual health services.
- 5.3 The proposal is to establish an "approved provider list", which will essentially be an open framework agreement with individual framework contracts awarded to each provider that is successful in the selection stage, meeting minimum suitability requirements and qualifications, satisfactory answers to quality method statement questions for the particular service(s) they wish to deliver and confirming agreement to deliver at the fixed tariff prices set by the Council. The terms and conditions of the contract awarded to the successful provider will apply in respect of each Service User who accesses the relevant service(s) from the approved/qualified provider.
- 5.4 The services are "light touch" services under the Public Contracts Regulations 2015 (PCR 2015). The values of the individual contracts differ quite significantly, with some of the individual contracts likely to be below the EU threshold for these types of services (£615,278) and therefore not subject to PCR whilst other individual contracts may well exceed the threshold amount. In accordance with PCR 2015 the contracts which are above the threshold should be advertised and subject to a fair and transparent tender process. The procurement process for all of the framework contracts to be awarded, including below threshold, will be carried out in accordance with PCR 2015.
- 5.5 The services contribute to the Council meeting its requirements of the Public Services (Social Value) Act 2012.

6. Risk Assessment Implications and Mitigations

- 6.1. There is a risk of disruption to the services as a consequence of the procurement process. Communication and engagement with potential and current providers at the start of the process is planned to mitigate this. The wellbeing programme is expected to be delivering smoking cessation and NHS Health Checks to clients which will ensure an alternative option to access of these services in the event of disruption. The Nurse Advisors within Sussex Community NHS Foundation Trust deliver NHS Health Checks in community venues and this element of delivery should not be affected by this procurement.
- 6.2. This approach to tendering does not dictate the number of location of providers so the number of providers could change significantly. Should coverage be less than required this will be mitigated by building in discretion for a second round of tendering initially and framework to be opened on an annual basis should this be required.
- 6.3. A risk register will underpin the procurement process with each risk being tested and tolerance and mitigation plans are being created for each one.
- 6.4. The proposed approach to tariffs for the services, without up lift may increase the risk that too few providers tender for the service and so access and delivery are reduced.
- 6.5. The approach to procurement is expected to reduce the risk and impact of the issues with current delivery and efficiency (outlined in section 1 above).

7. Other Options Considered (and Reasons for not proposing)

- 7.1. **Do nothing** – Current contracts will expire automatically on 31st March 2020. The impact of no services being in place in future includes unwanted pregnancies or increased demand for the specialist sexual health services at a higher unit cost, failure to prevent strokes and other consequences of cardiovascular disease including heart attacks, heart failure and vascular dementia, increasing health inequalities from the consequences of smoking, continued poor outcomes for alcohol related harm. Reputational risk of failing to meet statutory obligations and being non-compliant with PHE requirements.
- 7.2. **Competitively tender to establish a framework agreement** – This option was discounted because WSCC sets the tariffs for these services, leaving no basis for bidders to compete commercially. The technical capability of bidders to deliver the required services can be assessed using pass / fail selection criteria rather than competitively scored method statement questions. One of the main deliverables of this project is to ensure wide geographic coverage of service provision. With this in mind, there is little point in ranking bidders competitively as it is recognised that service users will likely choose a service provider based on locality.
- 7.3. **Alternative options for contract management**
Due the scale of activities required to manage a large number (>100) of providers a range of options to manage the contracts differently have been

considered. These included collaborating with Clinical Commissioning Groups (CCGs) as commissioner in the county, NHS England, Commissioning Support Units (CSU), third party companies contracted to manage providers. These all place providers one step further removed from public health commissioners and have in some areas reduced the access to services as providers have opted out. Experience reported from other areas suggest that third party arrangements can lead to information flows (such as those important for budget management and quality assurance) become slower and less responsive to commissioners' needs. New primary care networks present a future opportunity to deliver good service access with fewer contracts however these are still being established. The arrangement proposed should allow them to be contracted to provide these services at an appropriate point in future.

8. Equality and Human Rights Assessment

8.1 Under the Equality Act, the council has a public sector equality duty. It must show how it has due regard to the need to:

- eliminate unlawful discrimination, harassment and victimisation;
- advance equality of opportunity between people who share a protected characteristic and people who do not share it; and
- foster good relations between people who share a protected characteristic and people who do not share it.

8.2 As this decision is regarding the continuation of ongoing services via a procurement process, there is no anticipated impact on individuals or groups with regard to these three principle duties.

8.3 The proposal does not affect the Council's duties under the Human Rights Act as the decision does not discriminate against groups with protected characteristics. Selected groups with higher prevalence of smoking have the potential to benefit more from these services, such as LGBTQ. There is also for example greater benefits from the NHS health checks programme in ethnic groups with a higher cardiovascular disease risk.

9. Social Value and Sustainability Assessment

9.1 Effective contraception enables women to make informed choices about child birth, family and work. Teenage parents and their children are likely to have poor health and social outcomes. Smoking and cardiovascular disease (which NHS health checks reduce) affect deprived communities and some vulnerable groups disproportionately. Tobacco use is the single biggest lifestyle factor that contributes to poor health in smokers and their family. One in four households with a smoker in West Sussex falls below the poverty line. If the cost of smoking was returned to the household approximately 14,500 people would be elevated out of poverty. Alcohol has wide reaching harms not only to those drinking but to family members and others in contact with them.

9.2 The services are provided in local communities, currently in general practice and community pharmacies. As these are close to home and work this reduces the amount of travel needed to access them and using local

organisations to deliver the service (following training) retains skills in the county.

- 9.3 Litter from smoking materials is an issue across the country, getting a specific mention in the National Litter Strategy and second hand smoke impacts on air quality. There is social value to be had from addressing both of these issues.

10. Crime and Disorder Reduction Assessment

- 10.1 These services include early interventions for alcohol; it has been estimated that in a community of 100,000 people each year, 1,000 people will be a victim of alcohol-related violent crime. Smoking cessation supports compliance with smoke free legislation such as smoking in vehicles and smoking in public places.

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Appendices: None