

PUBLIC HEALTH INTEGRATED SERVICE CONTRACTS - UPDATE

Committee name	Health and Social Care Select Committee
Officer reporting	Kelly O'Neill, Interim Director of Public Health
Papers with report	None
Ward	n/a

HEADLINES

To provide the Committee with an update in relation to Public Health integrated contracts.

RECOMMENDATION:

That the Health and Social Care Select Committee notes the update on Public Health integrated service contracts.

1. Introduction:

In April 2022 the Committee was informed of a planned 18-month programme of work that would commence following Cabinet agreement in July 2022 to extend all the public health funded integrated contracts that were due to end.

The Committee received an update in December 2022, and have requested an explanation of that process, and plans for transforming services. Procurement refers to the activities involved in obtaining services at the best value for the defined delivery, performance and quality outcomes and the process is covered by the Contracts Award Regulations (2015). These regulations are aligned to the EU law public procurement obligations which continue to apply even though the UK has left the EU and the transition period has ended.

High level options for the contracts under the current public contract regulations include:

- Open tendering – through a competitive process. This requires an invitation to tender (ITT) after which prospective providers set out formally how they intend to fulfil the contract within the set price
- Selective tendering – selected providers are invited to submit tenders – this restricts the number of bidders who are known to be qualified
- Direct award process through a Collaboration Agreement – whereby the contract is concluded exclusively between two or more contracting authorities under a duty to cooperate to meet the service objectives.

The information in this report excludes commercially sensitive information and any recommended options for procurement and award processes.

2. Contracts in Scope:

The following integrated contracts are public health grant funded and aligned contracts funded by LBH and the local NHS commissioners. The table below details the contracts, commissioner, annual contract costs and funding source.

	Contract Title	Commissioner	Annual cost	Funding Source
1	0-19 Healthy Child Service (Health Visiting and School Nursing)	Social Care	£4,879,726.67	PH Grant
2	Integrated Sexual & Reproductive Health Services	Public Health	£3,398,192.08	PH Grant
3	Clinical and Non-Clinical Community Drug and Alcohol Services	Public Health	£3,025,076	PH Grant
4	Tobacco control - Smoking Cessation Service	Public Health	£135,382	PH Grant
5	Children's Integrated Therapy Service	SEND	£455,163 (LBH) + £2,284,182 (NHS)	LBH/CCG
6	Multi Agency Psychology Service (Children and Young People)	Social Care	£359,906	PH Grant*
7	NHS Health Checks: Provided by 45 individual GP practices	Public Health	£280,000	PH Grant
8	Child Weight Management: Childhood Obesity Programme	Public Health	£5,898.67	PH Grant
9	Lifestyle Weight Management Service for Adults	Public Health	£25,000	PH Grant

**Funded through embedded PH Grant funding in LBH services*

The total annual value of these contracts is £14,848,526.42 and they are funded through:

- Public Health Grant - £12,109,181.42
- LB Hillingdon Council - £455,163
- Hillingdon CCG - £2,284,182

3. Process of Evaluation

This extension period has allowed for a comprehensive review of (public) health contracts through a clear and consistent process to identify whether LBH commissioners have maximised the available resources, and how through a new tender and contract award greater impact, activity, integration and outcomes can be achieved.

Between July and December 2022, a task group of commissioners responsible for each contract has met every 2 weeks. The expectation has been that the process bulleted below is applied to all 9 contracts which then leads to a recommendation for tender process / contract award. The steps taken have been to:

- Undertake a rapid need assessment to determine the needs of the eligible population and how the service contributes to meeting those needs
- Review each contract; the scope, specification and performance and any areas of unmet need determined by the need assessment; and review capacity, capability, performance and quality of the service
- Collate evidence from engagement with stakeholders and service users either carried out in the last 18 months and / or as part of this process
- Identify areas for improvement and any potential for widening the current contract scope in the best interest of the eligible service user cohort
- Consider commissioning and tender options available and recommend the best procurement option, any cost and risk implication to be reviewed

- Agree a procurement timetable for new contracts to start from January 2024

This 6-month initial process has now concluded, and a report has been submitted that sets out the details of each contract, and the options for procurement and award:

- Contract
- Lead officer
- Current service provider
- Annual contract value
- Scope of the contract
- Service Review – what is being achieved?
- Engagement carried out – intelligence and insight
- Forward plan recommendations
 - Recommended changes to contract scope and outcomes – best practice, improving users access, experience and outcomes
 - Known competitive market of providers
 - High level options – including economies of scale options based on current LA regulations
 - Potential risk of challenge
 - Value for Money review – and how LBH can maximise current investment of the PH Grant
 - Potential revised budget – increased demand and operational costs
 - Recommended tender process

Pending the final decision on procurement, which includes a legal review, a procurement timeline and plan for aligning resources for procurement is being developed. Once completed, there will be an 11-month procurement process for each contract which must take account of how services will more effectively meet the needs of service users, and how LBH will optimise the integration opportunities that could also including extending the scope of the contract to benefit our residents, taking account of efficient and cost-effective allocation of resources required for different procurement options.

There will be a significant investment in LBH resources to ensure timely procurement, however this is an opportunity to maximise PH and aligned investment, improve services for residents and reducing difference in health outcomes.