

8 March 2017		ITEM: 10 (Decision 01104409)
Cabinet		
Extension of the Sexual Health and Children's Health Services contract arrangements 2017/18		
Wards and communities affected: All	Key Decision: Key	
Report of: Councillor James Halden, Cabinet Member for Education and Health		
Accountable Head of Service: Tim Elwell-Sutton, Consultant in Public Health		
Accountable Director: Ian Wake, Director of Public Health		
This report is Public		

Executive Summary

Public Health within Thurrock Council is mandated to provide Sexual Health Services and Health Visiting/School Nursing Services for children. Currently, both services are delivered by North East London Foundation Trust (NELFT) with Thurrock a signatory to the Thurrock Clinical Commissioning Group (CCG) contract.

The CCG contract expires on 31st March 2017 and they are currently in the process of establishing a new contract from 1st April 2017. The Sexual Health Service will be tendered during the coming financial year with a new contract due to start in April 2018. Health Visiting and School Nursing services will be retendered as part of an integrated 'Healthy Families' service, due to start in September 2017 and previously agreed by Cabinet as part of the Twenty First Century Wellbeing model.

In order to ensure service continuity in these services until new contracts are in place, Cabinet is requested to agree extension arrangements with NELFT through the CCG's contract according to the details and budgets set out in the report. The proposed interim contract for children's health services would be for 5 months with savings of £105,000 made over that period. The sexual health service contract would last for 12 months, with £77,000 of savings made through more efficient contracting, without reductions in services.

1. Recommendation(s)

Cabinet is recommended to:

- 1.1 Approve award of a one (1) year contract to North East London Foundation Trust for the delivery of Integrated Sexual Health Services.**

1.2 Approve award of a five (5) month contract (with the ability to grant a further extension of up to two (2) months if the procurement process undergoes a delay) to North East London Foundation Trust for the delivery of Health Visiting and School Health Services.

2. Introduction and Background

2.1 Thurrock Public Health is currently re-procuring a number of large health support and prevention contracts for Thurrock residents with two services to commence new contracts in April 2017 (Healthy Lifestyles and Substance Misuse Treatment Services) and the Healthy Families Services as part of the Twenty First Century Wellbeing Model planned to start in September 2017.

2.2 The Healthy Families Service approval to proceed to tender was agreed by Cabinet in October 2016 and is currently out to tender (as of January 2017). However, the existing service arrangements for the delivery of Health Visiting and School Nursing with the current provider expire on 31st March 2017 and there is no provision within the documentation for extension.

2.3 Sexual Health Services are delivered primarily by North East London Foundation Trust, supported by smaller elements from GPs, pharmacies and other providers. The service has been developed over the last 12 months to provide a more integrated offer, allowing patients to receive a seamless service for both prevention and treatment, with the last elements to integrate planned to come together for 2017/18 prior to running a full procurement exercise for contract to start in April 2018. As with Health Visiting and School Nursing there is no provision of extension within the documentation.

2.4 This report therefore requests that Cabinet approves extensions to both of these services to ensure continuity of delivery and allow the Council to discharge its statutory obligations.

Table 1. Healthy Families Contract Values

Contract	Provider/s	2016-17 Budget
Healthy Families Services		
Health Visiting	NELFT	£3,663,572
School Nursing	NELFT	£1,200,000
Breastfeeding Support	NELFT	£ 125,000
FNP (Support for Teenage Parents)	SEPT	£ 128,000
Existing Contracts Total		£5,116,572

		2017 Budget
Combined Interim Contract	NELFT	£2,026,500
	Savings	£105,000*

* This represents a saving of £105K over the 5 month period relative to pro rata 2016/17 contract values.

Table 2. Sexual Health Contract Values

Sexual Health Services		
Contract	Provider/s	2016-17 Budget
Sexual Health Service	NELFT	£1,344,000
Primary Care Services (GPs and Pharmacies)	Various	Demand led – current budget £84,000
GUM Cross Charging	Various	Demand lead – current budget £250,000
Chlamydia Screening Office	SEPT	£12,919
Lab Testing	BTUH	£28,289
Chlamydia Screening	Preventx	£12,000
Total Spend		£1,731,208

		2017-18 Budget
Sexual Health Service	NELFT	£1,530,000
Primary Care Services (GPs and Pharmacies)	Various Demand led – current budget	£84,000
Lab Testing	BTUH	£28,289
Chlamydia Screening	Preventx	£12,000
Total Spend		£1,654,289
Savings		£77,000

3. Issues, Options and Analysis of Options

Healthy Families

- 3.1 Cabinet approved the proposal to procure services to deliver an integrated service for children and families “The 21st Century Wellbeing Service” in October 2016. This will co-locate services for Health, Early Years and Family Support across the Borough in Children’s Centres and other venues, and will ensure a seamless service is delivered with a single point of registration.
- 3.2 Within the model, the Healthy Families Service will deliver the statutory obligations held by Thurrock with a range of additional health support and prevention services including health visiting and school nursing.
- 3.3 The procurement for this service is now underway, with tenders issued in late January and a new service due to start in September 2017. The current contract held by the CCG with Thurrock Council as a commissioning partner expires on 31 March 2017 and the CCG are renewing the arrangement from April. To enable Thurrock to provide continuity of service from April to September 2017, a formal authority for award of contract by Cabinet is therefore required.
- 3.4 The interim contract will be required from 1st April 2017 to 31st August 2017 with the potential to extend by up to two (2) further months in case of any slippage with the procurement process or implementation timetable. The interim arrangement will include some elements of peer breastfeeding support and support for teenage parents.
- 3.5 This report therefore request the formal approval to contract with NELFT from April to August (with potential to extend up to end October) 2017 at a cost of up to £2.026M over five months and then at up to £405K per month thereafter should an extension be required due to delays in the procurement process. The proposed five month contract value represents a saving of £105K relative to the current pro rata cost of the contracts. Substantial additional savings are expected after re-procurement as outlined in the Twenty First Century Wellbeing Service paper.

The Integrated Sexual Health Service

- 3.6 In line with national recommendations to provide an open access service where all sexual health needs can be met at one locality (a “one stop shop”), officers have worked with the current provider (NELFT) to integrate successfully the four existing contracts (see Table 2 above for details) with a c. £200k budget saving for 2016-17 and minimal impact on service delivery as a result of a carefully staged process.
- 3.7 Next year (2017-18) aims to integrate further by incorporating smaller elements. Crucially, the new contract will also include the GUM cross charging which is an area of considerable financial and legal risk for the

Council. Thurrock is the first Council in the region to negotiate a risk sharing agreement which will see the provider take on responsibility for administering all new cross charging claims. This will also facilitate a further saving of £77K over this year's budget. It is therefore requested that Cabinet agree contract award for one year through the arrangements with the CCG to allow further integration of the service to take place. During 2017/18 a full procurement exercise will be undertaken for a new contract to start in April 2018.

3.8 Other contracts, which include lab testing and chlamydia testing will be included next year as part of the final stages of integration and will be included in the specification for the re-procurement process.

3.9 The projected budget for 2017-18 are shown above in Table 2.

4. Reasons for Recommendation

4.1 This report is submitted to Cabinet for approval to award two interim contracts with a whole life cost valued each above £750K. The total estimated value for is c. £3.7 million.

5. Consultation (including Overview and Scrutiny, if applicable)

5.1 This proposal has been discussed and agreed with internal and external stakeholders including CCG, Primary Care and current providers.

5.2 Scrutiny Committees for Children and Health approved the proposal for Twenty First Century Wellbeing Model and the framework for the Healthy Families Service in July 2016 (Children's ONS).

5.3 Given this report covers only two short term contract awards, pending re-procurement, it was not necessary to present this report to Overview and Scrutiny Commission.

6. Impact on corporate policies, priorities, performance and community impact

6.1 The services aim to meet corporate priorities through the delivery of high quality services in all elements.

7. Implications

7.1 Financial

Implications verified by: **Jo Freeman**
Management Accountant

Approval to award these contracts will enable extension of current arrangements at equivalent to or slightly less than the 2016/17 budget and will support the time to conclude the procurement exercise for the Healthy Families Service and to run one for the Integrated Sexual Health Service, both of which should deliver savings as the budget ringfence is removed in 2018.

7.2 Legal

Implications verified by: **Paul O'Reilly,**
Projects Lawyer

Legal Services are instructed that the values of the various extensions of contract are below 50% of their respective original contract values, and advises that this places them within the exemption for modifications to contracts, as permitted by the Public Contracts Regulations 2015, Regulation 72(1).

7.3 Diversity and Equality

Implications verified by: **Natalie Warren**
Community Development Officer

These contracts are extensions of the current arrangements and therefore do not have any additional implications for equality and diversity. Both services are designed to ensure that they are accessible across the community, with specific groups targeted where there is need to improve engagement. Moving forward the new services will be subject to Equality Impact Assessments to ensure that they are able to continue to deliver to, and meet the needs of, the wider community.

7.4 Other implications (where significant) – i.e. Staff, Health, Sustainability, Crime and Disorder)

- None

8. Background papers used in preparing the report (including their location on the Council's website or identification whether any are exempt or protected by copyright):

- None

9. Appendices to the report

- None

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