

Report of: Public Health Business Manager

Report to: Ian Cameron - Director of Public Health

Date: 9th December 2014

To seek approval under Contracts Procedure Rule 21.1 to extend three block contracts commissioned by the Public Health Directorate for a period of 12 months. These contracts are held with Leeds Community Healthcare Trust, Leeds Teaching Hospitals Trust and Leeds and York Partnership Foundation Trust.

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Summary of main issues

1. In April 2013, Local Authorities took the lead from the NHS for improving the health of their local communities. As part of this process, public health budgets were protected until 2015/16 in order to drive local efforts to improve health and wellbeing by tackling the wider determinants of poor health.
2. As part of the transfer to the Council, the three contracts held with Leeds Community Healthcare NHS Trust, Leeds Teaching Hospitals NHS Trust and Leeds and York Partnership Foundation NHS Trust were reviewed and were provided with new contracts based on Department of Health/Local Authority terms and conditions starting from 1st April 2013 for one year with the provision to extend for a further 2 x 12 months (maximum of 3 years). The total value of these contracts is £4.8 million.
3. These contracts provide key public health services including weight management, healthy lifestyle, smoking cessation, school nurses, infection control and other smaller contracts. These services are required to support the mandatory and statutory public health responsibilities of the Council, and to contribute towards meeting the outcomes set out in the health and wellbeing strategy.
4. As part of this extension process; all of the services have been subject to a review in terms of need, performance and providing value for money. Some minor contract variations are proposed as an outcome of this review.

5. These contract extensions enable the Public Health Directorate to continue to work with the Public Private Partnerships and Procurement Unit (PPPU & PU) to develop their strategic commissioning priorities and undertake a structured staged approach to re-commissioning which can be resourced effectively in order to obtain the best quality and value for money solution for the Council and the citizens of Leeds.

Recommendations

1. It is recommended that the Director of Public Health approves
 - the option to extend the three block contracts to Leeds Community Healthcare NHS Trust, Leeds Teaching Hospitals NHS Trust and Leeds and York Partnership Foundation NHS Trust, in accordance with Contracts Procedure Rules (CPR) 21.1 to enable Public Health services to continue for a third year, expiring on 31st March 2016, under its existing conditions of contract.
 - the request to waiver of CPR 9.1 and 9.2 in order to award an interim contract for the Tuberculosis (TB) service to Leeds Community Healthcare NHS Trust as part of their existing Public Health block contract.

1 Purpose of this report

- 1.1 The purpose of this report is to seek approval from the Director of Public Health to extend the contracts detailed in this report for a further 12 months to 31st March 2016. This will be the third year of existing contracts which include the provision to extend for a further one plus one years. This will allow for a comprehensive review of all Public Health contracts to be undertaken and a phased approach to new procurements to be facilitated.
- 1.2 The Tuberculosis (TB) service is currently part of the block contract held with Leeds Community Healthcare Trust, and it was anticipated that the service would be taken over by the Leeds Clinical Commissioning Groups. This has not been the case, and this report seeks approval to waiver CPRs 9.1 and 9.2 to enter into an interim contract for the TB service for a further year (with extension provision) to enable negotiations with the Leeds Clinical Commissioning Groups to continue.

2 Background information

- 2.1 On 1st April 2013 the Leeds Primary Care Trust (PCT) ceased to exist and the Public Health function transferred to Leeds City Council as set out in the Health and Social Care Act 2012. Through a Statutory Instrument under the Act functions, resources, ring-fenced budget and assets and liabilities, including contracts, transferred to the Council via two Transfer Schemes.
- 2.2 In order to ensure service continuity, Public Health has worked with PPPU & PU to ensure all contracts are reviewed and providers formally awarded contracts in accordance with the Council's Contracts Procedure Rules.
- 2.3 The block contracts, including the TB service, were put onto new Department of Health/Local Authority terms and conditions from April 2013 with the option to extend for a maximum of a further 1 + 1 years (this is second extension for these contracts).
- 2.4 These contract extensions are required to provide continuity of the services whilst the Public Health directorate works with PPPU and PU to develop and undertake a staged approach to re-commissioning for these key services. This will ensure that resources can be effectively planned in order to obtain the best quality services and value for money solution for the Council and the citizens of Leeds. This approach is also supportive of the Public Health strategic commissioning priority plan

3 Main issues

- 3.1 The contracts being extended are held with Leeds Community Healthcare NHS Trust, Leeds Teaching Hospitals NHS Trust and Leeds and York Partnership Foundation NHS Trust. They provide key public health services including weight management, healthy lifestyle, smoking cessation, school nurses, infection control and other smaller contracts. These services are required to maintain progress towards meeting the mandatory and statutory public health responsibilities of the Council, and to contribute towards meeting the outcomes set out in the health and wellbeing strategy.
- 3.2 The Tuberculosis (TB) service is currently part of the block contract held with Leeds Community Healthcare Trust, and it was anticipated that the service would be taken over by the Leeds Clinical Commissioning Groups. The review of the contracts has shown that this not been the case, and this report seeks approval to waiver CPRs 9.1

and 9.2 to enter into an interim contract for the TB service for a further year to enable negotiations with the Leeds Clinical Commissioning Groups to continue.

4 Corporate Considerations

4.1 Consultation and Engagement

4.1.1 Consultation about the contract extensions has been undertaken with public health staff and the Executive Member for Health and Wellbeing.

4.2 Equality and Diversity / Cohesion and Integration

4.2.1 As part of the strategic procurement process, each new public health contract will go through an Equality Impact Assessment. There are no issues with respect to this report.

4.3 Council policies and City Priorities

4.3.1 Continuity of the services provided by the block contracts supports the delivery of the Council's Public Health responsibilities and the outcomes of the Leeds Health and Wellbeing Strategy (for example people will live longer and have healthier lives).

4.4 Resources and value for money

4.4.1 As part of the extension process; all of the services have been subject to a review in terms of need, performance and providing value for money. Some minor contract variations may be proposed as an outcome of this review.

4.5 These contract extensions are required to provide continuity of the services, the Public Health directorate is working with PPPU & PU to develop and undertake a staged approach to re-commissioning for key public health services. This ensures work can be resourced effectively in order to obtain the best quality services and value for money solution for the Council and the people of Leeds. This approach is also supportive of the Public Health strategic commissioning priority plan

4.5.1 The cost of these services will be met from the Public Health ring fenced grant.

4.5.2 There will be no increase in price for these services. These historic contracts have limited ability to enable efficiency savings (e.g. no mobilisations costs can be removed) and will be in their final extension year. Officer resources have been targeted at the procurements for new integrated services, which will generate savings and efficiencies in the longer term.

4.6 Legal Implications, Access to Information and Call In

4.6.1 Contracts Procedure Rule 21.1 allows a contract to be extended before the expiry date in accordance with its contract terms as long as Contracts Procedure Rules have been complied with and it continues to deliver value for money to the Council.

4.6.2 Although there is no overriding legal obstacle preventing the extension of these contracts, the contents of this report should be noted. In making the final decision, the Director of Public Health should be satisfied that the course of action chosen represents best value for money.

4.6.3 This report is subject to Call In, there are no grounds for treating the contents of this report as confidential under the Council's Access to Information Rules.

4.7 Risk Management

4.7.1 There are no specific risks with respect to this report. If the contract extensions or the new TB contract are not awarded, there would be significant disruption to patients, the delivery of the Council's Public Health responsibilities and the outcomes of the Leeds Health and Wellbeing Strategy.

5 Conclusions

5.1 The three block contracts with Leeds Community Healthcare NHS Trust, Leeds Teaching Hospitals NHS Trust and Leeds and York Partnership Foundation NHS Trust need to be extended in accordance with the contract terms for a further year to ensure continued service delivery. These block contracts are on the Department of Health / Local Authority contract template, and are routinely monitored against the performance measures on all contracts. This performance monitoring will continue throughout the extension period.

5.2 These contract extensions will facilitate a review all public health contracts and where appropriate, to develop and undertake a structured approach to re-commissioning and procurement. This will ensure key public health service reviews are resourced effectively in order to obtain the best quality services and value for money for the Council and the people of Leeds re-commission the services.

5.3 The TB service is currently part of the block contract held with Leeds Community Healthcare Trust, and it was anticipated that the service would be taken over by the Leeds Clinical Commissioning Groups. An interim contract is required to continue the service while negotiations with the Leeds Clinical Commissioning Groups continue.

6 Recommendations

6.1 It is recommended that the Director of Public Health approves

- the option to extend the three block contracts to Leeds Community Healthcare NHS Trust, Leeds Teaching Hospitals NHS Trust and Leeds and York Partnership Foundation NHS Trust, in accordance with CPR 21.1 to enable Public Health services to continue for a third year, expiring on 31st March 2016, under its existing conditions of contract.
- the request to waiver of CPR 9.1 and 9.2 in order to award an interim contract for the TB service to Leeds Community Healthcare NHS Trust as part of their existing Public Health block contract

7 Background documents¹

¹ The background documents listed in this section are available for inspection on request for a period of four years following the date of the relevant meeting. Accordingly this list does not include documents containing exempt or confidential information, or any published works. Requests to inspect any background documents should be submitted to the report author.

Appendix 1 – List of public health block contracts that require a 12 month extension from April 2015.

Appendix 1: List of public health block contracts that require a 12 month extension from April 2015.

Provider	Contract details	Yortender Reference	Annual Contract Value
Leeds Community Healthcare Trust			
Leeds Community Healthcare Trust	Healthy lifestyle service	YORE-9C2PZR	£213,740
Leeds Community Healthcare Trust	Children 5-19 years School Nurses		£2,328,000
Leeds Community Healthcare Trust	Watch-It (Children's weight management service)		£125,000
Leeds Community Healthcare Trust	Oral health promotion & brushing for life		£56,180
Leeds Community Healthcare Trust	Dental epidemiology		£14,480
Leeds Community Healthcare Trust	Infection control service	YORE-99BLQP	£588,000
Leeds Community Healthcare Trust	Library Costs	YORE-96EDXX	£9,230
Leeds Community Healthcare Trust	Health checks - homeless (York Street Practice)	YORE-99BJRZ	£2,000
Leeds Community Healthcare Trust	Weight Management	YORE-99EFSG	£446,000
Leeds Community Healthcare Trust	Community infection control TB nurses & TB diagnostics (blood tests)	YORE-99BLQP	£233,000
Leeds Community Healthcare Trust	Smoking Cessation Service	YORE-99EFDL	£728,000
Leeds Teaching Hospitals Trust			
Leeds Teaching Hospitals Trust	Hepatitis C multi disciplinary team	YORE-96EDMN	£16,600
Leeds Teaching Hospitals Trust	Community Hepatitis B testing (nurse)	YORE-96EDMN	£10,210
Leeds Teaching Hospitals Trust	Joint Post		£22,000

Leeds and York Partnership Foundation Trust			
--	--	--	--

Leeds and York Partnership Foundation Trust	Joint Post		£22,000
--	------------	--	---------