

Approval to vary the Integrated Sexual Health Service contract (DN206607)

Date: 31st January 2024

Report of: Consultant in Public Health

Report to: Director of Public Health

Will the decision be open for call in? Yes No

Does the report contain confidential or exempt information? Yes No

Brief summary

This report seeks approval to vary an existing contract with Leeds Community Healthcare NHS Trust (LCH) for the Integrated Sexual Health Service (DN206607) to remove funding for costs that are being paid for by NHS England.

Recommendations

The Director of Public Health is recommended to approve the removal of the 2023-24 Agenda for Change uplift sum of £239,000 from the 2023-24 Integrated Sexual Health Service budget.

What is this report about?

- 1 Leeds City Council has a contract with Leeds Community Healthcare NHS Trust (LCH) to provide contraception, sexually transmitted infection (STI) testing and treatment, and genitourinary medicine. This service is delivered by health care professionals within an NHS provider. NHS staff contracts for salary grading come under the current NHS grading and pay system Agenda for Change (AfC) and are part of the contractual arrangements between the Local Authority and LCH.
- 2 In September 2022, approval was given to vary the contract in order to extend the contract term (D55616). At the time of the negotiations with the provider concerning this extension, it was unclear whether NHS England (NHSE) would continue to fund any future AfC pay awards and therefore a potential increase was accounted for within the service staffing costs.
- 3 In June 2023, the Office for Health Improvement and Disparities (OHID) confirmed that the additional cost of the 2023-24 AfC pay award for NHS staff will be funded by NHSE. This covers the costs for NHS providers whose staff are employed to deliver Local Authority commissioned services funded by the Public Health ring-fenced grant. Due to NHSE providing funding in the 2023-24 financial year, £239,000 can be returned to Public Health by LCH from the Integrated Sexual Health Service budget.
- 4 The overall service budget for 2023-24 will therefore be reduced by £239,000.

What impact will this proposal have?

- 5 The proposal ensures the continued provision of contraceptive services, sexually transmitted infections (STI) testing and treatment, chlamydia screening and HIV testing.
- 6 An Equality, Diversity, Cohesion and Integration screening is attached. There are no issues to be addressed.
- 7 Due to NHSE providing funding in the 2023-24 financial year, the contract variation will ensure that LCH can return the sum of £239,000 to LCC Public Health. As NHSE has directly paid the staff pay award to LCH, the return of the £239,000 will ensure that there is no duplication of this payment. Service delivery will not be affected.

How does this proposal impact the three pillars of the Best City Ambition?

Health and Wellbeing

Inclusive Growth

Zero Carbon

- 8 This service is part of the city ambition that Leeds be a healthy and caring city for everyone, through investing in an essential health service.
- 9 Furthermore, it will support the Leeds Health and Wellbeing Strategy priority of “A stronger focus on prevention”.
- 10 This provision relates to the ‘prevention’ strand of the ‘Leeds Health and Care Plan’, supporting the development of a more integrated healthy living model in Leeds in order to maximise the health outcomes that can be achieved through sustained behaviour change and healthy living.
- 11 The service operates primarily from a city centre base, which ensures easy access for service users, and encourages the use of public transport. There are also a number of local clinics and a growing online offer, which reduces travel further. This helps to reduce carbon emissions and environmental pollution which contributes to city actions to better manage air quality.

- 12 The preventative nature of this initiative aims to improve health and well-being and thus reduce hospital admissions, which helps ensure we better manage our use of resource intensive (and high footprint) health and care services.
- 13 The service specification requires that LCH undertakes to meet all legislation, guidance and good industry practice in environmental management and the objectives of the Council's sustainability policies. Officers from Adults and Health work with the provider through the established contract management process to ensure the service is proactively seeking to minimise its carbon footprint and thereby support the Council in achieving its ambition to be carbon neutral by 2030.
- 14 LCH has a sustainability plan and works collaboratively with staff, patients, public and other organisations to tackle climate change.

What consultation and engagement has taken place?

| |
|-------------------------------------------------------------------------------------------------------|
| Wards affected: |
| Have ward members been consulted? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |

- 15 Consultation has taken place with the Executive Member for Public Health and Active Lifestyles, Director of Public Health, Chief Officer (Public Health – Health Protection & Sexual Health), Procurement and Commercial Services (PACS) and the provider.
- 16 The amount of AfC funding was agreed in partnership with LCH, who have agreed to return the sum of £239,000 to LCC Public Health.

What are the resource implications?

- 17 In June 2023, the Office for Health Improvement and Disparities (OHID) confirmed that the additional cost of the 2023-24 AfC pay award for NHS staff will be funded by NHS England (NHSE). This covers the costs for NHS providers whose staff are employed to deliver Local Authority commissioned services funded by the Public Health ring-fenced grant.

What are the key risks and how are they being managed?

- 18 At the point of negotiating the contract extension with the provider, it was agreed that any sum already paid for staffing by LCC should be returned should the AfC uplift be paid direct to LCH, to avoid double payment.
- 19 Appropriate governance arrangements are in place to identify and mitigate identified risks including regular contract management meetings, performance and quality meetings, overview of contract risk and reporting to the Public Health Programme Board. Any future staffing pay increases will be noted and reviewed with appropriate actions taken.

What are the legal implications?

- 20 The overall impact of this decision is under £100,000 but for reasons of transparency the decision will be treated as a Significant Operational Decision. It is therefore not subject to call in. There are no grounds for treating the contents of this report as confidential with the Council's Access to Information Rules.

21 There is no overriding legal obstacle preventing the recovery of the AfC. In making the final decision, the Director of Adults and Health should be satisfied that the course of action chosen represents best value for money.

Options, timescales and measuring success

What other options were considered?

22 In order to meet the requirements of the contract and to avoid double payment against staffing it is essential that this money is returned to LCC.

How will success be measured?

23 The Service is subject to a robust Performance Management Framework which includes a number of Key Performance Indicators and other service delivery outcomes.

24 Contract management meetings are held between the Council and LCH on a quarterly basis, or more frequently if required. They cover topics such as service delivery and development, performance, finance, safeguarding, contract issues, and compliments and complaints.

What is the timetable and who will be responsible for implementation?

25 The contract variation will be issued upon confirmation of approval from the Director of Public Health. Officers from Adults and Health Commissioning, Public Health and Procurement and Commercial Services (PACS) will be responsible for ensuring that the necessary contractual paperwork is in place.

26 The agreed £239,000 is being returned to LCC by LCH. It will remain in the Public Health budget provision should there be an annual increase higher than the 3%. Service activity will continue without interruption.

Appendices

- Equality, Diversity, Cohesion and Integration Screening.

Background papers

- None.