

HEALTH AND WELLBEING BOARD

20 October 2015

Title: CONTRACT - Procurement Strategy and Waiver for Public Health Primary Care Services Contracts 2016/17	
Report of the Cabinet Member for Adult Social Care and Health	
Open Report	For Decision
Wards Affected: All	Key Decision: Yes
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Accountable Divisional Director: Matthew Cole, Director of Public Health	
Accountable Director: Anne Bristow, Strategic Director for Service Development and Integration	
Summary: <p>A number of public health services transferred to the Council in April 2013 including Local Enhanced Services (LEs); now known as Public Health Primary Care Services are delivered by primary care providers namely General Practices (GPs) and Community Pharmacies (CPs) across the borough.</p> <p>Public Health Primary Care Services are commissioned for the prevention of poor health and improved wellbeing outcomes. These services are demand led and are a combination of mandatory essential services that specifically respond to local population health needs.</p> <p>They include;</p> <ul style="list-style-type: none">• Health Checks- (General Practices and Community Pharmacies)• Smoking Cessation -Tier 2 (General Practices and Community Pharmacies)• Long Acting Reversible Contraception (General Practices)• Chlamydia Screening (General Practices and Community Pharmacies)• Emergency Hormonal Contraception (Community Pharmacies)• Supervised Consumption (Community Pharmacies)• Shared Care (General Practices)• HIV Rapid Testing (General Practices) <p>Nationally, these services have historically only been commissioned with GPs and CPs and as such these are the main service providers within the market. The current service delivery model is based on delivery through primary care, largely GPs and CPs; this has ensured the required comprehensive and even geographical coverage for access to these services to date. Service providers require specific qualifications and registration with the appropriate governing bodies in order to deliver these services.</p>	

In December 2014, a waiver report was submitted to and approved by the Health and Wellbeing Board to waive the requirement to tender the contracts for these services and to continue commissioning services with the current providers for another 12 months starting from 1 April 2015. The report highlighted plans to undertake a review of the procurement strategy for these services in order to establish the best procurement options beyond March 2016; for example sub-contracting through larger specialist providers, competitive tender, private-public blend etc.

From the review of the market in considering the re-procurement of these services, there is no representation of other service providers outside of GPs and CPs, with the combination of means, reach, and clinical expertise in best delivering these services and ensuring the accessibility of services to the local population.

The current Public Health Primary Care contracts will expire on 31 March 2016 with no provisions as part of the contracts for the Council to extend these arrangements.

Recommendations

The Health and Wellbeing Board is recommended to:

- (i) Approve the strategy set out in this report for the procurement of the public health primary care contracts identified in Section 3.1
- (ii) Waive the requirement to conduct a competitive procurement exercise for the said contracts in accordance with Contract Rule 6.6.8.
- (iii) Delegate Authority to the Lead Divisional Director of Adult and Community Services, in consultation with the Director of Public Health, Head of Legal Services and the Strategic Director of Finance to award the Public Health Service Contracts as set out in section 3.1 to the 40 GPs and 38 CPs for a period of 2 years from 1 April 2016 to 31 March 2018 with the option to extend for a further 1 year period in accordance with the strategy set out in this report.

Reason(s)

The direct award of contracts will allow the Council to fulfil its legal obligations and continue to engage with GPs and CPs who continue to be best placed in delivering the services, with minimal resources required to facilitate this.

This option offers best value and local coverage for the Council in supporting the health needs of the local population.

1. Introduction and Background

- 1.1. From April 2013, local authorities became responsible for taking the lead in improving the health of local communities with the transfer of Public Health functions to them. These include most of the health promotion and public health services commissioned as Local Enhanced Services (LESs); now known as Public Health Primary Care services.
- 1.2. LESs were introduced in 2004 to enable GPs and other core healthcare service providers such as community pharmacies to provide extra services to meet local need, improve convenience and extend choice. They were commissioned by Primary Care Trusts (PCTs) and designed to fill the gap in essential services provided by GPs, or to deliver higher than specified standards, with the aim of reducing demand on secondary care and prevent poor health outcomes.
- 1.3. Nationally, these services have historically only been commissioned with General Practices (GPs) and Community Pharmacists (CPs) and as such they are the main service providers within the market. The current service delivery model based on delivery through primary care has ensured the achievement of the required comprehensive and geographical coverage for access to these services to date.
- 1.4. The services are demand led and are a combination of mandatory services and essential services that specifically respond to local population health needs.

1.5. Sexual Health – Mandatory Service

Local authorities are mandated to commission comprehensive, open-access sexual health services. Embedding sexual health services into core healthcare services such as primary care will help to improve access within the borough, increase cost-effectiveness and support normalisation and de-stigmatisation.

Intrauterine Device (IUD) and Nexplanon contraceptive implant – These are known as long-acting reversible contraception (LARC), which are much more effective at preventing pregnancy than traditional contraception and also more cost-effective. Anyone delivering the service must either hold a Letter of Competence for the method being fitted/removed or hold the Diploma of the Faculty of Sexual and Reproductive Healthcare and must have fitted at least 12 devices in the preceding year (unless newly qualified). Over 500 patients accessed the service in GP practices during 2014/15. This service will be opened to all GPs for delivery.

Emergency Hormonal Contraception (EHC) – This is the ‘morning-after pill’ and is provided for free in pharmacies to girls and young women aged 13 - 24 years of age to help increase access to local services. Women aged 25 years and over will pay to receive this service. Completion of specialist sexual health training is required for the provision of this service. Over 1500 young women received this service from CPs during 2014/15. This service will be opened to all CPs for delivery.

Chlamydia Screening – Chlamydia often has no symptoms and young people 15-24 year olds are at highest risk. The programme aims to increase the number of 15-24 year olds screened for Chlamydia in primary care to promote early identification and treatment. Training in Chlamydia screening process is required for the provision of this service. Around 600 young people were screened by GPs and CPs during 2014/15. This service will be opened to all GPs and CPs for delivery.

1.6. **Health Checks – Mandatory Service**

This is a mandatory service for local authorities to commission. Health Checks are offered to all adults aged 40-74 to help lower their risk of heart disease, stroke, diabetes and kidney disease. Individuals identified as very high risk are referred to appropriate lifestyle intervention programmes and managed through primary care. Staff delivering the service are trained in vascular risk assessment and adhere to the requirements of the NHS Health Check programme standards 2015. Over 6000 people received a Health Check in Barking and Dagenham during 2014/15. This service will be opened to all GPs and CPs for delivery.

1.7. **Substance Misuse**

Investing in substance misuse (Drug and Alcohol) prevention, treatment and recovery support helps to save long-term health costs as well as substantial costs relating to crime and community safety, housing, employment support, welfare benefits and road traffic accidents. There are an estimated 1079 drug users in Barking and Dagenham.

Supervised Consumption – Pharmacy providers play a key and unique role in the care of substance misusers through the supervised administration of Methadone or Buprenorphine. The provider is instrumental in supporting drug users in complying with their prescribed regime, therefore reducing incidents of accidental deaths through overdose. Also through supervision, pharmacy providers are able to keep to a minimum the misdirection of controlled drugs, which may help to reduce drug related deaths in the community. Around 90 people accessed the supervised consumption service during 2014/15. This service will be opened to all CPs for delivery.

Shared Care - Treatment and management of opiate dependent patients in the primary healthcare setting, supported by and in partnership with the local specialist treatment service. 45 people were in shared care service during 2014/15. Up to a total number of 100 shared care places are planned over the next year to utilise current shared care capacity and to reflect targets set in the new specialist drug services contracts. More patients in shared care releases capacity within specialist drug services enabling them to focus on more complex cases. This service will be opened to all GPs for delivery.

1.8. **Smoking Cessation (*Primary care level 2 smoking cessation service*)**

Smoking is the single most preventable cause of ill health and early deaths. Reducing the prevalence of tobacco usage is a key public health priority. An estimated 38,895 people in Barking and Dagenham smoke (approximately 28% of the adult population) and 384 deaths in the borough during 2014/15 were attributed to smoking. Around 645 people gave up smoking through support from local services during 2014/15 mostly through GPs and CPs.

General Practices and Pharmacies have been delivering the level 2 smoking cessation service in Barking and Dagenham for over 10 years; this is in addition to the Council run specialist smoking service. The service involves face-to-face consultations with patients or services users that express a wish to quit smoking along with the provision of Nicotine Replacement Therapy (NRT) such that they are supported to quit smoking within 4 weeks. This service will be opened to all GPs and CPs for delivery.

1.9. **Human Immunodeficiency Virus (HIV) Rapid Testing (*for New Patients*)**

The aim of this new service is to establish HIV testing as a routine element of the new-patient registration process in general practices. This will improve early detection rates and reduce late presentation of the infection. The wider benefits of the scheme include improved prognosis, life expectancy and quality for life and quicker access to treatment and support. It is estimated that about 5,000 new patients per year will be tested for HIV as part of this service and will involve commissioning of training programme to primary care, all of which has been budgeted for. This service will be opened to all GPs for delivery.

2. **The Local Market**

- 2.1. In December 2014, a waiver report was submitted to and approved by the Health and Wellbeing Board to waive the requirement to tender the contracts for these services and to continue commissioning services with the current providers for another 12 months starting from 1 April 2015. This current contract will expire on 31 March 2016 with no provisions as part of the contracts for the Council to extend these arrangements.
- 2.2. The report highlighted plans to undertake a review of the procurement strategy for these services in order to establish the best procurement options beyond March 2016 for example, sub-contracting through larger specialist providers, competitive tender, private-public blend etc.
- 2.3. From analysis of the market in considering the re-procurement of the primary care services, there are minimal or no other service providers outside of GPs and CPs, with the combination of means, reach, and clinical expertise in best delivering these services and ensuring the accessibility of services to the local population.
- 2.4. The smoking cessation service which can be provided by other organisations apart from GPs and CPs is being provided in the community by the Council run specialist smoking service. All the other services require specialist training and access to patient records in order to be delivered. GPs and CPs have the specific

qualifications and registration with the appropriate governing bodies to deliver these services in primary care.

- 2.5. A notable local development which has also been dully considered as part of the re-procurement of these services is the establishment of the GP Federation named *Together First Ltd*; a formal alliance of local GPs working together as a single legal body to consider best practice and select preferred delivery options.
- 2.6. The Federation aim to forge closer working partnership between the practices, provide a borough-wide extended primary care service and work together to reduce the variability in performance between GP practices. 27 out of the 40 practices in the borough are currently part of the alliance.
- 2.7. An option for consideration may be the award of the contracts to the Federation; whereby they will subcontract and manage performance on behalf of the Council. However, discussions with the Federation revealed that the alliance is still in development and is not yet in a position where it can bid for, subcontract and manage services such as the public health primary care services.
- 2.8. Another notable development to be mindful of is the Barking and Dagenham, Havering and Redbridge (BHR) Councils proposal to set up an Accountable Care Organisation (ACO); partnership working and collaboration across health and social care for the benefit of the population they serve. The proposal if successful, will remove commissioner-provider distinctions by taking ownership of the combined health and social care budgets of the three boroughs including public health to deliver improved outcomes for the population.
- 2.9. It is also likely in the future that provision of some of the services may no longer be limited to GPs and CPs. In this case, alternative delivery models will be considered and adequately tested for potential efficiencies without compromising the clinical quality, safety and population coverage.

3. Proposed Procurement Strategy

3.1. Outline specification of the works, goods or services being procured.

A direct award of the Public Health Service contracts to the 40 GPs and 38 CPs for a period of 2 years from 1 April 2016 to 31 March 2018 with the option to extend for a further 1 year for the provision of the following;

	<u>Yearly Budget</u>
• Health Checks (GP and CP)-	£400,000
• Smoking Cessation -Tier 2 (GP and CP)-	£300,000
• Long Acting Reversible Contraception (GP)-	£60,000
• Chlamydia Screening (GP and CP)-	£100,000
• Emergency Hormonal Contraception (CP)-	£200,000
• Supervised Consumption (CP)-	£65,000
• Shared Care (GP)-	£35,000
• HIV Rapid Testing (GP)-	£60,000

3.2. Estimated Contract Value, including the value of any uplift or extension period.

The overall Public Health Primary Care Services estimated budget for 15/16 is circa £1,220,000. Therefore the estimated service cost is circa **£ 3,660,000 for 3 years.**

It is not possible to accurately state the exact value per provider (GPs or CPs) since the services within the contract are optional and their choice of preferred services is not known until after expression of interest stage. This is in addition to the fact that some of the services within the contract are demand led. All of the services are paid for on a cost and volume basis and actual spend is therefore dependent on need, demand and provider performance.

General Practices

As General Practices vary in the size of registered population they cater for, estimated contract values vary from as little as £6,500 for a smaller general practice, that delivers all services on offer, and achieves 100% of their targets, to as much as £44,000 for the larger practices also delivering all services on offer and achieving 100% of their targets/expected delivery. This estimate is based on activities information from 2014/15.

Community Pharmacists

Depending on the services delivered, individual contracts with each community pharmacy could be worth up to an estimated value of £18,000. This estimate is based on a combination of information from previous activity for the demand led services and assuming providers are able to achieve 100% of their annual targets for the other services.

The full cost of the services will be met from the Public Health Grant. All spend will be monitored during the year through monthly and quarterly spend reports.

3.3. Duration of the contract, including any options for extension.

Three (3) years - 2 years from 1 April 2016 to 31 March 2018 with the option to extend for a further 1 year period.

3.4. Is the contract subject to the (EU) Public Contracts Regulations 2015? If yes and the contract is for services, is it subject to the light touch regime?

Yes, the service is subject to the Light Touch Regime (LTR) of the Public Contract Regulations 2015. This means that a higher threshold, currently set at approximately £625,050, applies before a contract needs to be advertised in the Official Journal of the European Union. The maximum estimated Contract Value for each GP contract would be in the region of £44,000 and £18,000 for a community pharmacy respectively. These values therefore fall below the threshold requiring a formal competitive tender exercise.

3.5. **Recommended procurement procedure and reasons for the recommendation.**

The recommended procurement procedure is to waive the requirement for a tender and award these contracts to primary care providers (General Practices and Community Pharmacies).

Upon the approval of this procurement strategy and waiver, Expressions of Interests (EOI) to deliver the relevant Public Health Primary Care Services would be invited from all local GPs and CPs respectively. Contracts will then be awarded to individual GPs and CPs based on their EOIs and ability to meet the requirements of individual service specifications and national guidance in order to deliver the services.

Reasons

There is a justified rationale as to why these particular services continue to be best delivered and provided by GPs and CPs and these are set out below:

Accessibility

- The 40 GPs and 38 CPs provide core healthcare services to local residents in the borough in a variety of locations, ensuring good access to the whole population.
- CPs often operate in high street settings which may encourage people (e.g. young people) to access the services and may also help to reduce stigma.
- GPs have access to patient lists covering the entire population, ensuring that services are universally available. This also ensures that targeted groups (e.g. age range for NHS Health Checks) or newly-registered patients can be invited to use certain services.
- Both GPs and CPs have ability to offer a public health service opportunistically when a person visits the GP practice or CP for another reason (e.g. stop smoking support may be discussed if visiting GP about a long-term condition or picking up a prescription from a CP).
- People may be more willing to visit their GP practice or their local CP as they feel comfortable that the service is delivered from an identifiable health setting and/or they already know the staff, venue and quality of care.
- GPs and CPs have the most suitable and universal geographical coverage of the borough in terms of accessible venues for patients and service users.

Resources and Clinical Expertise

- Both GPs and CPs have access to a range of clinical equipment with resources at their disposal, such as blood testing equipment and private consultation rooms.
- GPs and practice nurses are clinically trained; this is required for certain services (e.g. fitting of contraceptive implants and coils).
- CPs are also clinically trained; this is required for certain services e.g. the provision of EHC (morning-after pill).
- GPs and CPs have the specific qualifications and registration with the appropriate governing bodies to deliver these services

- The availability of clinical expertise within general practice and pharmacy setting in the event of an emergency or any associated health concerns.
- GPs and CPs are gatekeepers for accessing healthcare and are first point of contact for patients, this gives them greater influencing factor to encourage patients to take up services

Other Providers

- There is limited representation within the market place of other providers outside of GPs and CPs to match the existing coverage of provision across the borough and to support the accessibility of services to the local population
- In order to deliver these services, service providers require specific qualifications and registration with the appropriate governing bodies; these are held by GPs and CPs.
- Other providers require access to patient records which are held by and cannot be shared by healthcare providers

3.6. The contract delivery methodology and documentation to be adopted.

- These contracts will be based on the standard Public Health Services Contract. It is anticipated there will be circa 40 GP and 38 CP contracts.
- The services will be provided from premises or service delivery points that are within the borough of Barking and Dagenham and meet appropriate and necessary clinical standards for whichever service they are intended.
- General Practices will be paid quarterly, as per activity recorded on the clinical systems and queried through a commissioner database. Community Pharmacies will be paid monthly, based on invoices and activity data submitted to the Public Health Team.
- GPs and CPs will be set annual targets and performance monitored through quarterly meetings, and monthly data monitoring. Visits to and meetings will be held with poor performers in order to agree and implement service improvement actions plans.
- Services are to be provided to Barking and Dagenham residents only and individual service specifications will highlight respective service eligibility criteria

3.7. Outcomes, savings and efficiencies expected as a consequence of awarding the proposed contract.

The health topics addressed by these services; cardiovascular disease/ diabetes detection, smoking, sexual health and substance misuse are all outlined in the Joint Strategic Needs Assessment (JSNA) as areas where improvements need to be made in Barking and Dagenham in terms of early detection and reducing prevalence.

Although no direct savings relating to service provision are proposed, the services will play a significant role in improving outcomes and reducing health inequalities across these key population health topics.

In considering the re-procurement options for these services, it was agreed that the Council would continue with a fixed price approach for each of these services in

order to maintain the current providers' coverage of the borough. A benchmarking exercise was therefore undertaken with 6 neighbouring/ similar population authorities as being the most appropriate means of determining the fixed prices that would apply for these services.

As a result of this benchmarking the Public Health team has satisfied that current prices for the services:

- are in line with/comparable to the prices paid by neighboring authorities
- continue to offer the Council good value for money
- support the sustainability and growth of service provision within the borough

Indirect savings will also be made through improved efficiency in contract management. Opportunities for further savings will be considered alongside reviews and developments of other public health service areas, of which primary care services are a component part. In addition, funding levels will be reviewed once the comprehensive spending review and the public health grant for 16/17 is announced in November 2015.

3.8. Criteria against which the tenderers are to be selected and contract is to be awarded

Providers (GPs and CPs) will be awarded the contract if they meet core criteria that are relevant to all the services. These are likely to include the following indicative high-level criteria, all of which would be pass/fail criteria; however, the criteria may be amended once service specifications have been finalised:

- Provider premises or service delivery points are within the borough of Barking and Dagenham, meet appropriate and necessary clinical standards for whichever service they are intended for
- Services are provided in an environment that is appropriate for the provision of public health services
- Registration with the Care Quality Commission (CQC) or General Pharmaceutical Council (GPC) where required
- Adequate insurance/professional indemnity provision
- Evidence of staff training and competency in safeguarding children and vulnerable adults
- Evidence of relevant continuing professional development of staff providing the service(s)
- The provider has a nominated service lead for communication between the Council and the provider
- An electronic patient record system is in place that meets information governance standards
- An electronic data monitoring system is/will be in place that is suitable for providing performance data to the commissioner
- A system is in place to ensure the service user's NHS record is updated where appropriate
- Policies and processes are in place for dealing with serious untoward incidents, infection control, maintenance and proper storage of equipment, health and safety, information governance and equality and diversity
- All staff delivering services have had an enhanced DBS check satisfactorily completed

The respective services will have their individual specification and criteria against which providers who express an interest to provide them will be assessed. Examples of likely criteria for each service are detailed below; however, these may be amended once service specifications have been finalised:

Smoking Cessation Services:

- All interventions must be delivered by a stop smoking advisor who has received stop smoking service training that meets the standards published by the National Centre for Smoking Cessation Training (NCSCT) for one-to-one and/or group support;
- Providers will deliver services that meet or exceed the minimum quality standards for service providers e.g. success rates, validation of quitters etc. as outlined in the Department of Health's Stop Smoking Service and Monitoring Guidance update 2012/13¹ as well as any locally agreed standards e.g. targeting of priority populations, delivery of minimum levels of activity in order to retain provider status, annual attendance at training update events etc.

NHS Health Checks

- Access to GP patient lists and history through which the eligible population can be identified.
- Use of point of care testing equipment for cholesterol and blood glucose;
- Availability of private consultation area;
- Member(s) of staff delivering the service are trained in vascular risk assessment and adhere to the requirements of the NHS Health Check programme standards 2015.

Long Acting Reversible Contraception:

- Member of staff delivering the service must either hold a Letter of Competence for the method being fitted/removed or hold the Diploma of the Faculty of Sexual and Reproductive Healthcare and must have fitted at least 12 devices in the preceding year (unless newly qualified)
- Availability of a private consultation area.

Chlamydia screening:

- Competent in Fraser guidelines
- You're Welcome compliant
- Staff delivering the service are trained in the Chlamydia screening process
- At least one person is available to deliver the service during opening hours.

Specialist sexual health service for young people:

- Completion of all specialist sexual health training as detailed in the service specification in order to achieve accreditation under the appropriate PGDs
- Availability of private consultation area

¹ http://www.ncsct.co.uk/pub_dh-Guidance.php.

- Competent in Fraser guidelines
- You're Welcome compliant
- Availability of a private consultation area and a toilet for patient use
- Accredited pharmacists available to deliver the service at least 5 days per week
- Staff delivering the service demonstrates regular updates in line with CPD and specification requirements.

GP shared care:

- A registered GP practice within the London Borough of Barking and Dagenham
- Able to demonstrate knowledge and interest in the field of substance misuse including ability to attend shared care forums and local training sessions
- Compliance with all relevant NICE guidance and the local recovery treatment model for substance misuse.

Supervised consumption

- Registered pharmacy premises within the London Borough of Barking and Dagenham
- Able to demonstrate interest in the field of substance misuse including ability to attend local training sessions with specialist treatment providers.

HIV Rapid Testing for New patients

- A registered GP practice within the London Borough of Barking and Dagenham
- Able to demonstrate that all staff involved in HIV testing are appropriately trained.

3.9. How the procurement will address and implement the Council's Social Value policies.

The procurement of these services from General Practices and Community Pharmacies will enable the council to fulfil its duties around improving the health of the local population. Collectively the programmes aim to;

- Reduce the incidence of sexual health infections which can have long lasting adverse health impacts for residents.
- Prevent unplanned pregnancies, reduce the number of avoidable terminations of pregnancies and avoid any possible associated adverse health and social impacts.
- Increase the uptake of healthier lifestyle such as quitting smoking and increased physical activity and weight management to achieve greater healthier life expectancy, and reducing the prevalence of residents/patients living with long term conditions such as COPD or developing Lung Cancer.
- Establish residents'/patients' risk of developing long term and acute cardiovascular conditions such as diabetes and/or stroke therefore enabling residents'/patients' to make healthier choices to prevent adverse health event and positively impacting health inequalities within the borough.

4. Options Appraisal

4.1 Option 1: Services contracts are competitively tendered

The option to go out to tender for the provision of these services will ensure that the procurement exercise is in line with the Councils Contract Standing Orders and the Public Contract Regulations 2015. However, this option was rejected because:

- There is limited representation within the market place of other providers outside of GPs and CPs to match the existing coverage of provision across the borough and to support the accessibility of services to the local population. The procurement is likely to result in the same service providers (GPs and CPs) who are currently contracted to provide these services.
- A procurement exercise is likely to be protracted and resource intensive, with minimal interest likely from other suppliers outside of GP and CPs within the local providers' landscape.
- There would be a necessity to equip the main suppliers within market (GPs and CPs) to participate within a competitive tendering exercise. This would include support and guidance required in assisting them to register and use the Council's e-tendering portal.

Option 2: The direct award of Contracts to GPs and CP (Preferred Option)

Advantages

- The main suppliers in the market who have historically delivered these services are GPs and CPs. This option would allow the Council to continue to have in place contracts with service providers with the proven track record, resources, reach, clinical expertise and established local presence to deliver the services.
- The GPs and CPs already hold contracts with NHS England, Barking & Dagenham Clinical Commissioning Group (CCG) and the Council. Due diligence has already been undertaken in assessing the risks in commissioning services and awarding contracts to these service providers.
- Limited resources and time would be necessary to facilitate the direct award of contracts to GPs and CPs, with no foreseeable disruptions to the provision of services and to working to achieve national indicators and local targets.
- These services fit around the core business functions of GPs and CPs and as a result offer value for money for the Council, alongside providing the accessibility and reach of services to the local population.

Disadvantages

- Seeking to waive the Councils' Contract Standing Orders.

Option 3: Framework

A framework approach was considered; however this was rejected as it does not provide the flexibility for new providers to be admitted during its term. In the case of the NHS Health Checks programme, where access to GP lists is essential in order to identify the eligible population, precluding a newly opened practice would unnecessarily disadvantage the patients of that new practice.

5. Waiver

Approval is being sought to waive the requirements of the Contract Rules, specifically Clause 6.6.8 which relates to genuinely exceptional circumstances. It is believed to be in the Council's best interest to issue the waiver due to no alternative satisfactory procurement option being available to commissioners at this stage apart from primary care providers (General Practice and Community Pharmacies) for the reasons identified in 2.5 above

6. Equalities and other Customer Impact

Quality Public Health Services delivered through Primary Care are aimed at reducing health inequalities by decreasing health related disabilities and morbidity in the borough. They are aimed at all gender classifications, sexual orientations, religious and ethnic groups alike. Some of the programmes are targeted at younger age groups due to high disease prevalence and with the aim of making the programmes more cost and clinically effective however; this does not prevent other age groups from accessing similar services. A high number of service users are expected to be from high risk and vulnerable groups.

7. Other Considerations and Implications

7.1 Risk and Risk Management

The assessment is attached as **Appendix A**.

7.2 TUPE, other staffing and trade union implications.

N/A

7.3 Safeguarding Children

The provider has in place the necessary safeguarding protocols, in line with Council Policy and applies the Frazier Guidelines and Gillick Competency where a young person is under 16.

7.4 Health Issues

The direct award of these services from General Practices and Pharmacies will enable the council to fulfil its duties around improving the health of the local population.

Collectively the programmes aim to:

- Reduce the incidence of sexual health infections which can have long lasting adverse health impacts for residents.
- Prevent unplanned pregnancies, reduce the number of avoidable terminations of pregnancies and avoid any possible associated adverse health and social impacts.

- Increase the uptake of healthier lifestyle such as quit smoking and increased physical activity and weight management to achieve greater healthier life expectancy, and reducing the prevalence of residents/patients living with long term conditions such as COPD or developing Lung Cancer.
- Establish residents'/patients' risk of developing long term and acute cardiovascular conditions such as diabetes and/or stroke therefore enabling residents'/patients' to make healthier choices to prevent adverse health event and positively impacting health inequalities within the borough.

The proposal is in line with the outcomes and priorities of the joint Health and Wellbeing Strategy. The direct awards of an interim contract should further enhance the quality and access of services as well as user and patient experiences. The proposal will have a positive effect on our local community

7.5 **Crime and Disorder Issues**

N/A

7.6 **Property / Asset Issues**

N/A

8. **Consultation**

- Statutory Proper Officer – Director of Public Health
- Corporate Director for Adult and Community Services
- Group Manager Finance- Adults and Community Services
- Legal Services
- Councillor Maureen Worby- Portfolio holder for Adult Social Care and Health
- Barking and Dagenham Clinical Commissioning Group (CCG)
- Local Medical Committee (LMC)
- Local Pharmaceutical Committee (LPC)
- Procurement Board

9. **Corporate Procurement**

Implications completed by: Adebimpe Winjobi, Category Manager

- 9.1. This report seeks authority to waive the requirement to conduct a competitive procurement exercise for the public health primary care services in accordance with Contract Rule 6.6.8 which relates to genuinely exceptional circumstances and sets out the strategy for the procurement of the services.
- 9.2. There are a number of mandated public health services which the Council has a legal obligation to provide and are covered in this paper; these include the NHS Health Checks Programme and Sexual health services. From analysis of the market, there are minimal or no other service providers outside of GPs and CPs who are the current providers, with the combination of means, reach, and clinical expertise in best delivering these services and ensuring the accessibility of services to the local population.

- 9.3. The services are subject to the Light Touch Regime (LTR) of the Public Contract Regulations 2015. This means that a higher threshold, currently set at approximately £625,050, applies before a contract needs to be advertised in the Official Journal of the European Union. The maximum estimated Contract Value for each GP contract would be in the region of £44,000 and £18,000 for a community pharmacy. These values therefore fall below the threshold requiring a formal competitive tender exercise.
- 9.4. In order to ensure service continuation and for the Council to fulfil its legal obligation, I support the methodologies detailed in this paper as being the ones that offer value for money and continue to ensure the Council keeps to its corporate and social responsibilities.
- 9.5. Corporate procurement will continue to support the public health team throughout the process to contract award

10. Financial Implications

Implications completed by: Carl Tomlinson, Group Manager, Finance.

- 10.1 The 2016/17 grant allocation is expected to be circa £15.5 million (subject to confirmation in the comprehensive spending review in November 2015) and will have sufficient budget allocation for the commissioning of primary care services outlined above.
- 10.2 The 2015/16 primary care services budget value is £1,220,000, with final payments being based on the actual demand of the service. There is a contingency for any over subscription of the service by local residents, hence preventing a cost pressure to the Council.
- 10.3 There are currently no other suppliers on the market that can provide these services as outlined in the summary section above. Awarding the contract directly to GPs and Pharmacies in the borough will offer the Council the best value for money.
- 10.4 There are no direct savings from these contracts, but it is expected with performance management from the Council we should be able to see in year efficiency savings that can help support other pressures in the Council

11. Legal Implications

Implications completed by: Kayleigh Eaton, Contracts and Procurement Solicitor, Legal and Democratic Services

- 11.1 This report is seeking approval from the Health and Wellbeing Board (HWB) that a waiver is granted, of the requirement to tender contracts under the Council's Contract Rules.
- 11.2 The report proposes that the contracts being procured should be awarded directly to GP's and Community Pharmacies. The ground being replied upon for a waiver is under rule 6.6.8 which states that 'there are other circumstances which are genuinely exceptional'. The reasons for this are stated in paragraph 2.4 of this report.

- 11.3 The services referred to fall within the Light Touch Regime (LTR) of the Public Contract Regulations 2015. This means that a higher threshold, currently set at approximately £625,050, applies before a contract needs to be advertised in the Official Journal of the European Union. It is noted that the maximum estimated Contract Value for each GP contract would be in the region of £44,000 and £18,000 for a pharmacy. These values therefore fall below the threshold requiring a formal competitive tender exercise. However, the Council still has a legal obligation to comply with the relevant provisions of the Council's Contract Rules, specifically rule 28.4 requiring three quotes to be obtained, and with the EU Treaty principles of equal treatment of bidders, non-discrimination and transparency in conducting the procurement exercise.
- 11.4 The Contract Rules do provide for Cabinet/HWB or Chief Officers (as may be appropriate) to waive the requirement to tender or obtain quotes for contracts on any one of several grounds set out in Contract Rule 6.6, including the ground that there are "genuinely exceptional circumstances" why a competitive procurement exercise should not be conducted. Each ground is however subject to the proviso that the appropriate decision-maker considers that no satisfactory alternative is available and it is in the Council's overall interests.
- 11.5 In considering whether to agree the recommendations set out above in this report, the Health and Wellbeing Board needs to satisfy itself that the reasons provided and grounds stated by officers are satisfactory.
- 11.6 Legal Services will be on hand to assist throughout the process and also to answer any queries that may arise

Background Papers Used in the Preparation of the Report:

Procurement Strategy and Waiver for Public Health Services Contracts in Primary Care 2015/16 – 9th December 2014

List of appendices:

Appendix A – Risk Assessment