

Delegated Cabinet Member Decision (Contract Award £100k - £250k) Report

Decision Maker and Portfolio area:	Councillor Zahid Chauhan
Date of Decision:	7th February 2019
Subject:	Public Health Primary Care contracts
Report Author:	Dr. Charlotte Stevenson, Lianne Davies and Vicki Gould
Ward(s) Affected:	Borough wide

Reason for the decision: This paper seeks approval to extend and vary Public Health contracts to GP Practices and Pharmacies in relation to the delivery of sexual health services and NHS Health Checks.

Summary: The Council's statutory responsibilities for public health services includes (but not limited to) open access to sexual health services for advice, prevention and promotion, and the provision of NHS Health Checks for the eligible population (with regulations on information recording).

To ensure residents have greatest choice and access to these services delivery is required in Primary Care, specifically local community pharmacies and GPs. The 2018/19 and 2019/20 budget for NHS Health Checks is £138k and sexual health £53k per annum with budget allocated to intervention rather than provider. It is the responsibility of Public Health to monitor performance data and associated spend. If an intervention is identified as over performing, a

decision would be made to either increase budget or to contact providers to reduce activity ensuring spend is within budget.

If an extension to GP contracts is approved the intention is to vary the current NHS Health Checks service specification to ensure a greater focus on quality as we enter the second wave of the 5 year roll out of the national programme. Primary Care will be required to offer and deliver a higher number of Health Checks across the borough to ensure those most at risk in the population are targeted for proactive invites to attend their Health Check, specifically: people who are homeless, asylum seekers and veterans and that payments accurately reflect the quality of the Health Check.

Exemption is requested based on the following:

These services can only be delivered by primary care and therefore the request to exempt from tender is based on 21.3 (a) of the contract procedure rules which states; proprietary or patented goods or services are proposed to be purchased which are only obtainable from one person and it can be demonstrated that no reasonably satisfactory alternative to those proprietary or patented goods or services is available;

It is also thought that these contracts will at some point in the future sit within Oldham Cares, however, this has not yet been confirmed nor has a time frame been provided. As such commissioners are seeking a modification to extend the current contract under 21.3 (j) Where an extension for a particular period can be justified, for example where a service review includes the intention to co-terminate relevant Contracts within a reasonable period.

This would allow sufficient time for Oldham Cares to collectively formulate future commissioning intentions.

What are the alternative option(s) to be considered? Please give the reason(s) for recommendation(s):

Options (including recommended option)

Option 1: Approve an extension to All GP and Pharmacy contracts until 31st March 2021.

Option 2: Do not approve contract extension to

GP and Pharmacy contracts and terminate services delivered in these settings.

Recommended option: Option 1

Recommendation(s):

Approve to exempt from tender and extend current contracts until 31st March 2021 (where necessary making variations) to the following Public Health contracts;

- A.** GP contracts for NHS Health Checks and sexual health
- B.** Pharmacy contracts for sexual health

Implications:

*What are the **financial** implications?*

This report has two proposals:-

The first element relates to GP and Pharmacy contracts for Sexual Health Services. The existing contracts cease on 31st March 2019. The proposal is to waive Contract Procedure Rules by allowing an exemption to the tender process and extend the existing contracts for a further two years until the 31st March 2021 at a maximum cost of £53k per annum.

The second element relates to the Health Check Services. The proposal, including a revised service specification, is asking to extend the existing contracts for a further twelve months, capped at a maximum cost of £138k. Activity will be monitored throughout the financial year to ensure budgetary provision is not exceeded.

Budgetary provision exists within Public Health base budget to cover all of the proposals. Therefore there are no adverse financial implications as a result of extending this contract.

(Jenny Howarth Senior Accountant/Andy Cooper Senior Finance Manager)

*What are the **procurement** implications?*

Based on the Information provided in this report, Strategic Sourcing supports an exemption from Oldham Council CPR due to the unique nature of the this requirement of service for the local population and it's medical health checks. Strategic Sourcing will provide commercial support as necessary on this basis, and in accordance with legal advice a direct award can

be made. (Mohammad Sharif) Interim Sourcing Consultant 24/01/2019.

*What are the **legal** implications?*

There is provision within the Council's Contract Procedure Rules to permit exemptions from the Rules in exceptional circumstances. The circumstances outlined in the body of the report satisfy the requirements of the Rule 21.3 (a) and 21.3 (c) and therefore in view of the specialist nature of the services provided and the nature of the market the risk of a legal challenge to the direct awards of these contracts should be minimal. (Elizabeth Cunningham Doyle)

*What are the **Human Resources** implications?*

None

Equality and Diversity Impact Assessment attached or not required because (please give reason)

N/A – these services are available for all those who meet the defined criteria

*What are the **property** implications*

None

Risks:

Not extending the contracts would greatly reduce the number of outlets supplying emergency contraception, chlamydia & gonorrhoea screening kits and treatment. This could negatively impact on teenage pregnancy rates, abortion/repeat abortion rates and sexually transmitted infection rates. For NHS Health Checks, not extending the GP contracts would mean that Oldham would no longer be commissioning a Health Check programme, accessible through Primary Care, which is a mandatory responsibility for local authorities

Co-operative agenda

All Public Health services fully support and adopt the Council's cooperative values as they promote the active engagement of Oldham residents in the life of the community. This contract particularly promotes fairness and openness in terms of the services that it provides.

Has the relevant Legal Officer confirmed that the recommendations within this report are lawful and comply with the Council's Constitution? Yes

Has the relevant Finance Officer confirmed that any expenditure referred to within this report is consistent with the Council's budget? Yes

Are any of the recommendations within this report contrary to the Policy Framework of the Council? No

Reason(s) for exemption from publication: Information relating to the financial or business affairs of any particular person including the Council.

There are no background papers for this report

In consultation with

(Relevant Executive Director/Director) Rebekah Sutcliffe, Strategic Director of Reform



Date: 26/02/19

Cllr Zahid Chauhan, Cabinet Member for Health & Social Care



Date: 27/02/19