

**EXTENSION OF PUBLIC HEALTH ENHANCED SERVICES (PHES) CONTRACTS
TO GENERAL PRACTICES**

Cabinet Date	19 June 2019
Public Health and Communities	Councillor Tim Harman
Key Decision	Yes
Background Documents	Cabinet Report: Direct Award of Public Health Enhanced Services Contracts (19th July 2017) Due Regard Statement: Public Health Enhanced Services direct award (May 2017)
Location/Contact for inspection of Background Documents	Background documents are available on the Gloucestershire County Council (GCC) website www.gloucestershire.gov.uk
Main Consultees	
Planned Dates	The initial two year fixed term period of the Public Health Enhanced Services (PHES) contracts ends on the 31st March 2020. Notice of the intention to extend must be given to providers no later than 30 th September 2019; and ideally on or before 1 st September 2019.
Divisional Councillor	Countywide
Officer	Sarah Scott, Director of Public Health Tel: 01452 328497 Email address: Sarah.L.Scott@gloucestershire.gov.uk

<p>Purpose of Report</p>	<p>To seek Cabinet approval to:</p> <ul style="list-style-type: none"> - Exercise the option to extend the Public Health Enhanced Services (PHES) contracts to General Practices for a further three years as set out in the current contract terms. The award will secure service delivery from 2020 – 2023 of key areas of public health delivery, including two mandated Public Health Services; - Approve the allocation of an additional £60K per annum (in addition to the annual value of £1,488,000 approved by Cabinet in July 2017) to cover projected increases in activity levels. This brings the estimated collective total value of the contracts to £4,644,000 over the contract extension period.
<p>Recommendations</p>	<p>That Cabinet authorises the Director of Public Health in consultation with the Cabinet Member for Public Health and Communities to:</p> <ul style="list-style-type: none"> (a) approve the extension of the current contracts the Council has with General Practices for the delivery of the Public Health Enhanced Services as detailed in this Report, which together have an estimated contract value of up to £4,644,000 (including recommendation d) over the contract extension period; (b) ensure that that the contracts referred to at point (a) shall be for a maximum extension period of three years, commencing on the 1st April 2020; (c) ensure that notice, in accordance with the contract terms, is served in sufficient time to entitle the Council to extend the current contract terms; and retain the right to terminate on a no fault basis by giving no less than three months written notice to providers; and (d) due to increases in prescribing of Long Acting Reversible Contraception (LARC), to allocate an additional and necessary £180K to be utilised across the balance of the contact extension.
<p>Reasons for recommendations</p>	<ul style="list-style-type: none"> • In July 2017, Cabinet approved the direct award of Public Health Enhanced Service Contracts to General Practices for the provision of both statutory and discretionary (but high priority) public health services. Contracts were awarded for an initial fixed term of 2 years, and at the discretion of the Council, were extendable for a further three years by serving notice of the extension. The initial two year term ends on 31st March 2020; and notice

	<p>must be given to providers of the decision to extend no later than 30th September 2019.</p> <ul style="list-style-type: none"> • Exercising the option to extend the PHES contracts for a further three years will secure continuity of service delivery for key public health services, including two statutory functions: the NHS Health Check programme and open access sexual health and contraception services. • Previous reviews have concluded that PHES provision by General Practices continues to be central to the delivery of these specified services. • The extended contracts retain provisions allowing the Council to terminate one or more, or all individual services under the PHES. Contract provisions also entitle the Council to vary the services and/or price paid during the extended term of the contracts should the circumstances of the Council change during this period. • The availability of Long Acting Reversible Contraception (LARC) is central to the prevention of unplanned pregnancies and under 18 conceptions; and is a key element of our statutory responsibilities for sexual health and contraception services. Increasing the approved budget by £180K across the extended contract period will ensure that the budget allocation for the provision of LARC within General Practice is sufficient to cover increased use of this service.
<p>Resource Implications</p>	<p>The estimated total investment required across the PHES contracts with General Practices over the extended contract term is up to £4,644,000 (including the £180K to cover increased service use of LARC). This has been factored into the Public Health budget going forward.</p> <p>It is important to note that the above figures are estimated because the actual spend under each contract will vary dependent upon the level of service activity delivered.</p>

MAIN REPORT CONTENTS

1.0 Background

What are Public Health Enhanced Services?

- 1.1 Public Health Enhanced Services (PHES) are commissioned by the Council from General Practices and Community Pharmacies.
- 1.2 This paper relates to the provision of four programme areas currently commissioned under a PHES contract with General Practices:
 - NHS Health Checks
 - Long Acting Reversible Contraception (LARC)
 - Primary Care Sexual Health Clinics
 - Stop smoking support.
- 1.3 These services assist in the delivery of national and local public health priorities, including two of the six mandatory functions that transferred to local authorities under the Health and Social Care Act 2012; NHS Health Checks and open access sexual health services.

What are the current contractual arrangements for PHES?

- 1.4 In July 2017, a Cabinet decision was made to direct award the current PHES contracts to General Practices for five years (2018-2023). The contracts, which commenced on the 1st April 2018, had an initial fixed term of two years, and included an option to extend for a further three years. The initial fixed two year period will end on 31st March 2020. This paper seeks Cabinet approval to exercise the contractual option to extend the contracts for a further three years; and to increase the budget allocation across the remaining contract term by an additional £180K above the allocation approved by Cabinet in July 2017.
- 1.5 PHES contracts are currently provided by 77 GP practices offering comprehensive coverage across the county and are paid according to the level of activity delivered. The combined annual budget for the PHES contracts with General Practice for the remaining three year contract term is estimated at £1,548,000. This breaks down as follows across the four service areas:
 - NHS Health Checks: £370k per annum
 - Long Acting Reversible Contraceptives (LARC): £1,078,000 per annum
 - Primary Care Sexual Health Clinics: £70k per annum
 - Stop smoking support: £30k per annum.

- 1.6 The annual budget for Long Acting Reversible Contraception has increased by £100K. This is partially offset by a decrease in the annual budget for Stop Smoking support due to lower activity levels. The overall net increase across the PHES contracts as a whole will be £60K per annum; equivalent to £180K across the contract extension period. The projected increase in the budget allocation for LARC has been caused by increased need for the LARC service within General Practice due to service improvements leading to increased access.
- 1.7 The total contract value is an estimated figure. The actual spend under the contracts is variable because it is based on activity delivered.

2.0 Overview of the services provided under the PHES contracts

NHS Health Checks

- 2.1 The NHS Health Check programme is a cardiovascular disease (CVD) prevention programme and a statutory function which local authorities are mandated to commission. Under the PHES, the Council currently contracts with 75 General Practices providing good coverage across the county.
- 2.2 An appraisal of commissioning options for the programme recommended maintaining delivery via General Practice on the basis that only General Practice has access to the patient list necessary to operate the mandated invite and recall system; and can ensure prompt access to follow-up care for patients identified as being at risk of CVD.

Long Acting Reversible Contraception (LARC)

- 2.3 The prescribing, fitting, and removal of LARC devices form part of Local Authorities' mandated responsibility for commissioning sexual health services. LARC accessibility has the strongest evidence base for avoiding unintended pregnancy. The current service, delivered by 76 General Practices across Gloucestershire, benchmarks well across the South West and ensures that LARCs are offered as part of an integrated contraceptive pathway, which includes consultation and after-care.
- 2.4 Market engagement and analysis undertaken during 2016 and 2017 suggested a lack of suitable providers outside of General Practice. General Practice already provides a broad contraception offer to its patients, and LARC is an enhancement to this; ensuring a comprehensive and evidence based choice of contraception. Additionally, access to LARC as part of an integrated primary care offer is recognised as best practice in provision of contraception to the population.

Primary Care Sexual Health Clinics

- 2.5 Primary Care sexual health clinics support the delivery of the Local Authorities' mandated responsibility for the delivery of accessible sexual health services. Primary Care clinics are an enhancement to the existing primary care offer of basic sexual health and contraception services delivered under the terms of the General Medical Services contract, which is commissioned by the NHS. The service offers additional hours of primary care support dedicated to low level sexual health and contraception needs. This improves access for vulnerable clients, and reduces demand for specialist sexual health services.
- 2.6 The council currently contracts with 11 General Practices for the Primary Care Sexual Health clinics; selected on the basis of their capacity to provide the service, and to ensure reasonable geographic coverage across the county.

Stop smoking services

- 2.7 The provision of stop smoking support is not a mandated function. However smoking remains the primary modifiable lifestyle behaviour for premature mortality; and smoking cessation support is a cost effective intervention. Stop smoking support within General Practice compliments the specialised stop smoking support provided by the Integrated Healthy Lifestyles Service (IHLS), and delivers around 30% of Gloucestershire quitters per annum. The public consultation for the new IHLS (2015-16) highlighted that General Practice remains a preferred source of support to make lifestyles changes, including stopping smoking.
- 2.8 The Council currently contracts with 62 General Practices for the provision of stop smoking support. The service is comparable to similar services in the South West and is extremely cost effective.

3.0 Options

- 3.1 A full appraisal of the procurement options for the delivery of all four service areas was undertaken to support the original Cabinet decision for the direct award of the contracts in July 2017. This informed the recommendation that the PHES contracts should be direct awarded to General Practices for a five year period (with an initial fixed term of two years) on the basis that general practices were best placed to provide the services required; and that a five year term would secure continuity of service delivery. However, the inclusion of an initial two year fixed term also gave the Council the opportunity to terminate services should there be a change in financial circumstances or policy direction.
- 3.2 The future options for provision of the PHES services at the end of the initial two year fixed contract term on the 31st March 2020 are as follows:

Option 1: To tender for the PHES provision

Option 2: To exercise the contractual option to extend the contracts with General Practice for a further three years (1st April 2020 - 31st March 2023); and keep the budget unchanged.

Option 3: To exercise the contractual option to extend the contracts with General Practice for a further three years (1st April 2020 - 31st March 2023); and increase the annual budget allocation by £60K from 1st April 2020.

4.0 Risk Assessment

Option 1: To tender for this provision

4.1 As a result of General Practices complying with their contract terms, and not being in breach of contract, there is no requirement to terminate the General Practices' contracts at the end of the initial term of two years and re-procure new service providers. The direct award of these contracts is in accordance with regulation 32 and PCR (2015), and the Council's own Contract Standing Orders.

Option 2: To exercise the contractual option to extend the contracts with General Practice for a further three years (up to 31st March 2023); and keep the budget unchanged from that approved by Cabinet in July 2017.

4.2 As outlined in section 2, General Practice remains best placed to deliver the PHES services required. Extending the current contracts shall ensure continuity of service delivery for key public health priorities, including two statutory functions: NHS Health Checks and Sexual Health services. Extending the contracts from 1st April 2020 without increasing the current budget allocation would result in the Council not providing sufficient funding for these services to meet increasing needs, specifically projected need for Long Acting Reversible Contraception. This would result in the limitation of services provided and risk the Council breaching its statutory responsibilities.

Option 3: To exercise the contractual option to extend the contracts with General Practice for a further three years (up to 31st March 2023); and increase the annual budget allocation by £60K from 1st April 2020.

4.3 This is the recommended option. As stated at 4.2, General Practice remain best placed to deliver the services required; and extending the contracts ensures continuity of service delivery for key public health priorities, including two mandated functions: NHS Health Checks and Sexual Health services. This removes the risk of the Council breaching its statutory responsibilities.

4.4 Increasing the budget allocation by £60K per annum will ensure there is sufficient budget provision to meet projected need for Long Acting Reversible Contraception across the extended contract term. The increased budget allocation has been factored into the Public Health budget going forward.

Legal risks

4.5 Failure to extend the PHES contracts puts the Council at risk of breaching its statutory responsibilities for the provision of NHS Health Checks and sexual health services. If the Council does not extend the contracts for the maximum term of 3 years guaranteeing General Practices' security of contract, providers may be more likely to exercise their right to terminate by giving three months notice. If insufficient time or no notice is given of the Council's decision to extend the contracts, General Practices would be under no obligation to agree to the extension and continue to provide the service. Failure to allocate the extra funding may result in the limitation of services and put the Council in breach of its statutory obligations, specifically for contraceptive services.

4.6 Where the Council exercises its contractual right to extend all the General Practice contracts for a further three years in accordance with the contract notice periods for doing so, no legal risk should arise. The extended contracts will retain provisions allowing the Council to terminate one or more, or all individual services under the PHES.

Financial risks

4.7 The estimated collective value of the PHES contracts is £1,548,000 per annum and up to £4,644,000 over the contract extension period. The budget required (including the additional £180K requested) has been factored into the Public Health budget going forward. Since payments under all four service areas are linked to General Practice activity and patient uptake these values are modelled estimates based on a number of years' activity levels and modelled trends. However, it is not possible to completely rule out the possibility of cost pressures if activity levels and uptake increase beyond those predicted.

4.8 The extended contracts retain provisions allowing the Council to terminate one or more, or all individual services under the PHES. Contract provisions also entitle the Council to vary the services and/or price paid during the extended term of the contracts should the circumstances of the Council change during this period.

5.0 Officer Advice

5.1 It is recommended that the Cabinet adopt Option 3 for the reasons set out in this report.

5.2 It is recommended that the Council extend the PHES contracts for a maximum term of three years, commencing on 1st April 2020; and that the budget allocation is increased by up to £60K per annum.

6.0 Equalities considerations

6.1 Consideration of the likely impact of this decision indicates that there should be no disproportionate impact on those with protected characteristics provided these recommendations are implemented in line with the proposals detailed within the associated Due Regard Statement. The Due Regard Statement produced for the original decision has been reviewed and no new material impact on equalities has been identified.

6.2 The PHES contracts may have a positive effect on equalities through the provision of more flexible models of service delivery to better meet the needs and preferences of different groups within the population.

7.0 Consultation feedback

7.1 [The Sexual Health Public Consultation exercise \(2016\)](#); and the [Healthy Lifestyles Consultation exercise \(2016\)](#) indicate that GPs remain a preferred source of advice and treatment in the service areas in scope for this decision.

8.0 Performance Management/Follow-up

8.1 PHES contracts include specific measurable standards and outcomes and are actively managed through the collation and analysis of key performance data, and through clinical audit of NHS Health Checks delivery against national quality standards and indicators e.g. the Public Health Outcomes Framework.

Report Title	Extension of Public Health Enhanced Services (PHES) Contracts to General Practices
Statutory Authority	Health and Social Care Act 2012
Relevant County Council policy	n/a
Resource Implications	<p>The estimated total investment required across the PHES contracts with General Practices over the extended contract term is up to £4,644,000 (including the £180K to cover increased service use of LARC). This has been factored into the Public Health budget going forward.</p> <p>It is important to note that the above figures are estimated because the actual spend under each contract will vary dependent upon the level of service activity delivered.</p>
Sustainability checklist:	
Partnerships	n/a
Decision Making and Involvement	n/a
Economy and Employment	n/a
Caring for people	The proposal will maintain service delivery and continuity of key public health services. The proposal will maintain service delivery at multiple locations across the county, and close to where people live.
Social Value	n/a
Built Environment	n/a
Natural Environment' including Ecology (Biodiversity)	n/a
Education and Information	n/a

Tackling Climate Change	Carbon Emissions Implications? Positive/ Neutral / Negative Vulnerable to climate change? Yes/ No / Maybe
Due Regard Statement	<p>Has a Due Regard Statement been completed? Yes/No Yes - considerations included in main body of report</p> <p>A copy of the full Due Regard Statement can be accessed on GLOSTEXT via http://glostext.gloucestershire.gov.uk/uuCoverPage.aspx?bcr=1</p> <p>Alternatively a hard copy is available for inspection from Jo Moore, Democratic Services Unit, e-mail: jo.moore@gloucestershire.gov.uk.</p>
Human rights Implications	n/a
Consultation Arrangements	