NORTH SOMERSET COUNCIL
DECISION

DECISION OF: **COUNCILLOR NIGEL ASHTON, LEADER OF COUNCIL**
WITH ADVICE FROM: **DIRECTOR, PEOPLE AND COMMUNITIES**
DIRECTORATE: **PEOPLE AND COMMUNITIES**

DECISION NO: P&C26 2017/18 SCHEME

SUBJECT: Request to directly award contracts to GP practices and Pharmacies in North Somerset for the provision of Public Health services.

KEY DECISION: YES

1. BACKGROUND:

1.1 The contracts NSC Public Health contracts with primary care providers were awarded on 1 April 2016 on a two year basis (1+1), expiring on 31 March 2018. A standard contract for GP practices (GPLASS) and Pharmacies (Pharmacy LASS) in North Somerset was issued to individual practices and Pharmacies in 2016/17 which was extended for 2017/18.

1.2 The Public Health services specified As part of the contract sign up, each GP practice agreed to deliver up to four service specifications: Long Acting Reversible Contraception (LARC); under 25s sexual health services (chlamydia screening and condom provision); smoking cessation support (including prescribed smoking pharmacotherapy) and NHS Health Checks. Each Pharmacy agrees to deliver up to two specifications: under 25s sexual health services (chlamydia screening, condom provision and emergency hormonal contraception). A further three Pharmacies are eligible to deliver a third NHS Health Checks specification. See Table 1.

Table 1 Primary care services delivered in North Somerset

Services specified	GP practices	Pharmacies
1. Sexual health - Long Acting Reversible Contraception (Implants & Intra-Uterine Contraceptive Devices)	✓	
2. Sexual health - under 25s		
Chlamydia screening	✓	✓
C-Card (condoms)	✓	✓
Emergency Hormonal Contraception		✓
3. Support to stop smoking (reduce smoking prevalence, prevent long term conditions, reduce premature deaths and health inequalities)	✓	✓
4. NHS Health Checks (prevent cardio-vascular diseases including diabetes)	✓	✓ (3 Pharmacies only)

1.3 Contract sign up 2017/18 sign up has remained high: all 18 (100%) GP practices signed the contract with most signing up to deliver all specifications (one declined the stop smoking specification and six declined the under 25s sexual health specification); 42 of the 44 (95%) Pharmacies signed the contract with all agreeing to deliver both specifications and the three eligible Pharmacies signing up to deliver NHS Health Checks.

1.4 Contract values Contract values for the requested period 2018/19 and 2019/20 are expected to be in the range of values for payments in 2017/18. Payments to individual GP practices in the year 2016/17 did not exceed £38,000 (range £1,500 to £38,000). Table 2 provides information relating to aggregated contract values for 2017/18 for each service specification.

Table 2 Aggregated contract values for 2017/18 (GPs: £285,000 and Pharmacies £103,000)

GP Practices: Aggregated contract values for 18 practices	Pharmacies: Aggregated contract values for 42 Pharmacies	Total funding
1. Sexual health - Long Acting Reversible Contraception £207,200 PH funds the activity only and an external NHS body funds the contraceptive devices generated by NHS GP activity – £167,400 in 2016/17	n/a	£207,200
2. Sexual health - under 25s £4,800	**Sexual health - under 25s £10,000**	£14,800
3. Smoking Cessation £15,000 PH funds the activity only. An external NHS body funds the pharmacotherapy payments to Pharmacies for prescriptions generated by NHS GPs – £118,300 in 2016/17	**Smoking Cessation £90,000** PH funds both activity and pharmacotherapy. Costs in 2016/17 were split 11% activity and 89% pharmacotherapy	£105,000
4. Health Checks £58,000 Capped activity	**Health Checks £3,000**	£61,000
Total £285,000	**Total £103,000**	**£ 388,000**

2. DECISION:

To directly award contracts to GP practices and Pharmacies for the provision of Public Health services in North Somerset from 1 April 2018 to 31 March 2020. The services comprise mandated sexual health services and NHS Health Checks and support to stop smoking services based on local population need and the capacity to improve health through the delivery of evidence based interventions.

3. REASONS:

3.1 Rationale for commissioning these Public Health services Commissioning NHS Health Checks and Sexual Health services (including contraception and infection control) is a mandatory Public Health function of local authorities in the Health and Social Care Act 2012. The Council's requirements are set out in The Local Authorities Public Health Functions and Entry to Premises by Local Healthwatch Representatives Regulations, 2013. Details relating to NHS Health Checks: http://www.legislation.gov.uk/uksi/2013/351/regulation/4/made and requirements for sexual health services: http://www.legislation.gov.uk/uksi/2013/351/regulation/6/made.

Public Health also commissions support to stop smoking services which offer the best evidence of effectiveness, combining psycho-social support and pharmacotherapy. (http://www.ncsct.co.uk/usr/pub/LSSS_service_delivery_guidance.pdf and referenced on page 12 of the new Tobacco Control Plan for England, July 2017: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/630217/Towards_a_Smoke_free_Generation_-_A_Tobacco_Control_Plan_for_England_2017-2022__2_.pdf).

Investment in support to stop smoking is prioritised due to the health harms associated with smoking and its role in widening health inequalities together with strong evidence of effectiveness of smoking cessation support services. Smoking is the leading cause of preventable illness and premature death in England (NHS Digital. 'Health Survey for England 2014 Trend Tables Commentary' 2015,

page 20). Smoking also accounts for almost half the difference in life expectancy between the poorest and richest in the population (Marmot M. 'Fair Society, Healthy Lives' 2010). The distribution of smoking prevalence in North Somerset by GP practice reflects this strong association with deprivation. Weston super Mare based practices record the highest prevalences - eight GP practices report prevalence to be over 20% including one reporting a smoking prevalence of 42.1%.

3.2 Rationale for seeking to directly award contracts to local primary care organisations

3.2.1 Cost-effectiveness

Primary care represents the most cost-effective option. Public Health pays for the activity costs of smoking cessation and LARC sexual health services. However, an external NHS body funds the associated costs of smoking pharmacotherapy and medical devices arising from NHS GP services (Table 2). The scale of this external funding is significant: for smoking cessation the payments are 7.9 times greater than Public Health costs and for sexual health an additional 81% of the Public Health activity value is provided. Therefore, the true value of Public Health services delivered by NHS GP practices is more than double the Public Health contract payments of £285,000. Adding the £285,700 value of external funding would bring the total contract value to £570,700. Access to funding from the external NHS body is restricted to prescriptions and devices generated by NHS GP providers. The same activity delivered by non-NHS clinical staff would be ineligible for NHS funding and the additional costs would need to be borne by Public Health.

3.2.2 Other unique advantages of Primary Care providers

Primary care providers have a range of attributes which in combination, provide a unique market advantage for delivering Public Health services, including:

Quality - Established quality and safety standards for both staff and facilities which are subject to external assurance processes, such as Clinical Governance, CQC Registration and NHS Information Governance requirements.

Accessibility - Good coverage throughout the area and with extended opening times featuring in transformation plans, ensuring good access for people in rural areas, people with limited mobility and those whose working hours make day time access difficult.

Client relationship - 'First contact' access and confidential/trusted relationships (particularly important for services of a personal nature including sexual health). Physical location within communities also facilitates community orientation and cultural sensitivity.

Clinical recording, treatment coordination and longitudinally - Access to patient records in GP practices facilitates the cost-effective, clinical identification of patients eligible for public health services. A neighbouring local authority where GPs have declined to sign up to deliver Health Checks has encountered limitations with other providers being able to identify eligible clients in the absence of access to clinical records. Its Health Checks delivery rate is amongst the lowest in the South West. For some clients, Public Health Sexual Health services and NHS Health Checks may form part of a pathway of clinical support, in which case GP practices are well placed to provide further interventions, coordinate health care referrals and monitor outcomes.

4. OPTIONS CONSIDERED:

Having thoroughly explored procurement options with the NSC Strategic Procurement Service, the recommendation was to directly award contracts. Competitive tender was considered unlikely to attract alternative providers due to the low contract values, especially when excluding funding from the external NHS body, as well as a lack of suitable, alternative providers in the market place. Also using non-NHS organisations would not be a financially viable alternative as prescriptions and

devices issued by clinical staff employed by non-NHS organisations would be ineligible for external NHS funding.

5. FINANCIAL IMPLICATIONS:

5.1 Costs: Aggregated annual costs of contract payments to GP practices and Pharmacists are £388,000. As the contract period requested is two years, the total costs are £776,000. Costs are based on historical activity payments which help to predict future activity coupled with measures to control spend including capped activity for health checks, restricted activity for contraceptive services with flexibility permitted only with commissioner agreement, and a downward trend in people accessing smoking cession support associated with reduced activity costs.

5.2 Funding: An allocation from the Public Health ring fenced grant has been made for the two year contract period which takes account of the known Department of Health grant reductions (£250,000 annually) and inflationary cost increases during this time. Specific measures to mitigate these savings requirements were provided to the Head of Corporate Accounting on 4 September 2017.

6. LEGAL POWERS AND IMPLICATIONS

The Strategic Procurement Service advised that a 'light touch' regime should apply to these Public Health contracts as specified in the Public Contract Regulations 2015.

7. CONSULTATION

Consultation in formulating this Executive Decision has involved gathering views from a range of people within NSC including legal and democratic services, accountancy and strategic procurement. The standard NSC consultation process will apply as the request progresses to decision.

8. RISK MANAGEMENT

Financial risk mitigation is outlined in 5.1. Further risks and opportunities may arise in the event of more GP practice mergers to form larger organisations over the next two years. Public Health will continue to liaise with practices to seek ongoing service delivery during and after transition, enabled by a contract which sets clear expectations for maintaining provider governance and accountability. A number of changes to commissioning organisation and the implementation of strategic plans will also influence primary care providers. Changes include transfer of commissioning budgets from NHSE to Clinical Commissioning Groups (CCGs), the merger of CCGs across Bristol, North Somerset and South Gloucestershire from 1 April 2018 and the development of Sustainability and Transformation Plans across the same footprint. A desire for increased standardisation of effective clinical pathways and processes across the area is likely. However, it is too early to identify detailed risks and benefits of these changes to local primary care services, which will require further assessment.

9. EQUALITY IMPLICATIONS

Have you undertaken an Equality Impact Assessment? No adverse impacts were identified by a preliminary EIA.

Reducing health inequalities is a key factor in continuing to contract these Public Health services. Primary care affords good access to people throughout North Somerset and has the potential to foster ongoing, trusted client relationship as referred to in 3.2.2. The preventative nature of the interventions seek to reduce the risks of developing diseases and the unique clinical information GP practices gather about their practice populations facilitates effective targeting of individuals with greatest needs. Where age restricted services are provided such as Health Checks and under 25s

sexual health services, eligibility is based on national standards and age specific differences in disease prevalence, which seek to maximise the cost-effectiveness of services.

10. CORPORATE IMPLICATIONS

Provision of Public Health services in primary care contributes to the delivery of a range of health improvement actions in The People and Communities Strategy 2017-2020.

11. BACKGROUND PAPERS

None

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SIGNATORIES:

DECISION MAKER(S):

Signed: .....N.C. Ashton.....

Title: Councillor Nigel Ashton, Executive Member, Leader of Council

Date: ....5/12/17.....

Signed: .....

Title: Councillor Jill Iles, Assistant Executive Member, Public Health services

Date: ....05.12.17.....

WITH ADVICE FROM:

Signed: .....Sheila Smith.....

Title: Sheila Smith, Director of People and Communities

Date: ....5.12.17.....

Footnote: Details of changes made and agreed by the decision taker since publication of the proposed (pre-signed) decision notice, if applicable: