

COMMISSIONING AND PROCUREMENT SUB-COMMITTEE – 16 November 2016

Subject:	Extension of Health Visitor and School Nursing Contracts		
Corporate Director(s)/ Director(s):	Alison Challenger: Director of Public Health Katy Ball: Director of Procurement and Commissioning		
Portfolio Holder(s):	Councillor Alex Norris: Portfolio Holder for Adults and Health		
Report author and contact details:	Chris Wallbanks: Strategic Commissioning Manager chris.wallbanks@nottinghamcity.gov.uk 0115 8764801 Rachel Doherty: Lead Contract Manager rachel.doherty@nottinghamcity.gov.uk 0115 8765108 Helene Denness: Consultant in Public Health Helen.denness@nottinghamcity.gov.uk 0115 8765955		
Key Decision	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Subject to call-in	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Reasons: <input checked="" type="checkbox"/> Expenditure <input type="checkbox"/> Income <input type="checkbox"/> Savings of £1,000,000 or more taking account of the overall impact of the decision			<input checked="" type="checkbox"/> Revenue <input type="checkbox"/> Capital
Significant impact on communities living or working in two or more wards in the City			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Total value of the decision: £11,001,675			
Wards affected: All	Date of consultation with Portfolio Holder(s): 28 October 2016		
Relevant Council Plan Strategic Priority:			
Cutting unemployment by a quarter			<input type="checkbox"/>
Cut crime and anti-social behaviour			<input type="checkbox"/>
Ensure more school leavers get a job, training or further education than any other City			<input type="checkbox"/>
Your neighbourhood as clean as the City Centre			<input type="checkbox"/>
Help keep your energy bills down			<input type="checkbox"/>
Good access to public transport			<input type="checkbox"/>
Nottingham has a good mix of housing			<input type="checkbox"/>
Nottingham is a good place to do business, invest and create jobs			<input type="checkbox"/>
Nottingham offers a wide range of leisure activities, parks and sporting events			<input type="checkbox"/>
Support early intervention activities			<input checked="" type="checkbox"/>
Deliver effective, value for money services to our citizens			<input checked="" type="checkbox"/>
Summary of issues (including benefits to citizens/service users):			
This report seeks approval to extend the contracts of three existing public health services and to issue a direct award to another service for 1 year whilst they are re-shaped for 2018. Details of the services are within exempt Appendix 1. These extensions will provide stability to the services for one year, during which time a re-procurement process will take place which will offer an opportunity for a provider to innovate, free from historic divisions between services, in order to provide services that are more streamlined and responsive to the needs of children and their families and that make more efficient use of resources.			
Exempt information:			
Appendix 1 is exempt from publication under paragraph 3 of Schedule 12A to the Local Government Act 1972 because it contains information relating to the financial affairs of a particular person (including the authority holding that information) and having regard to all the circumstances, the public interest in maintaining the exemption outweighs the public interest in disclosing the information. It is not in the public interest to disclose this information because it is commercially sensitive and may jeopardise contract negotiations.			

Recommendation(s):
1. To approve the extension of the Public Health contracts listed in the exempt Appendix 1, for up to 1 year from 1 April 2017 – 31 March 2018, at a cost not exceeding their current contract values.
2. To approve dispensation from sections 5.1.1 and 5.1.2 of the Council's Contract Procedure Rules, in accordance with section 3.29 of the Council's Financial Regulations, in respect of the Public Health contracts indicated in exempt Appendix 1. The Chief Finance Officer has been consulted on and agrees to this request. The Portfolio Holder for Resources and Neighbourhood regeneration will be consulted before the meeting, and this will be confirmed at the meeting.
3. To approve the issuing of a direct award to Nottingham CityCare Partnership for the Children's Public Health Nutrition Service from 1 April 2017-31 March 2018, at a cost of £79,000
4. To delegate authority to the Director of Public Health in consultation with the Portfolio Holder of Adults and Health, to agree the final values and award contracts for the services listed in exempt Appendix 1, providing these do not exceed their current values.
5. To delegate authority to the Head of Contracting and Procurement to sign the final contracts and contract extensions in respect of all services detailed in exempt Appendix 1, following approval by the Director of Public Health to the agreed contract awards.
6. To approve the budget to support the contractual values set out in exempt Appendix 1. If the contractual values are over and above current indicative values a separate report will be presented for approval.

1. REASONS FOR RECOMMENDATIONS

- 1.1 Extending the contracts listed in exempt Appendix 1, for one year will ensure that access to essential public health services and the continuity of service provision is maintained for children and families whilst the Child Development Strategic Commissioning Review work is completed and recommendations arising from review work during 2017/18 are implemented in a timely manner.
- 1.2 The Child Development Review Team has reviewed these commissioned services and recommended that one integrated service be procured in order to allow the provider to develop an innovative and flexible approach to delivering the existing functions which is free from historic service divisions and offers the opportunity for a more efficient and streamlined service, responsive to the needs of children and their families.

2. BACKGROUND (INCLUDING OUTCOMES OF CONSULTATION)

- 2.1 The exempt appendix contains details of three public health contracts which are currently due to end 31 March 2017. It details the current contract values and provides a rationale for extending the services until the end of March 2018.
- 2.2 It also contains details of the children's elements of the former 'Public Health Nutrition Service'. It is proposed that the children's and the adults' functions within the current Public Health Nutrition Service are disaggregated in order to incorporate the children's elements into the integrated children's service specification which will be procured in 2017/18. This will necessitate a temporary service specification for a one year period

- 2.3 Negotiations will take place with the current Provider of services to ensure that the best value possible is obtained in respect of the extensions. It is proposed that following these negotiations, the Director of Public Health be given the authority to agree the final contract values (in consultation with the Portfolio Holder for Adults and Health), provided that these do not exceed the 2016/17 budgets.
- 2.4 Contract performance will be monitored closely throughout the year to ensure that the services are delivered effectively and best value is obtained
- 2.5 Under the provisions of the Health and Social Care Act (2012) Nottingham City Council (NCC) has a statutory responsibility to commission a range of public health services that improve and protect the health of citizens.
- 2.6 The services listed in exempt appendix 1 are Health Visiting, the Family Nurse Partnership (FNP), Public Health Nursing 5-19 and the Children's Public Health Nutrition Team. Commissioning responsibilities for the 0-5 children's public health services transferred to the local authority in October 2015, whilst the responsibility for commissioning the Public Health Nursing Service 5-19 has been with the Local Authority since April 2013.
- 2.7 Health Visitors: Health Visitors are a workforce of specialist community public health nurses who provide expert advice and support to families with children in the first years of life, and help parents make decisions that affect their family's future health and well-being. The Department of Health has issued regulations mandating the delivery of the child health reviews undertaken by this service.
- 2.8 Giving every child the best start in life is crucial to reducing health inequalities across the life course. The foundations for virtually every aspect of human development – physical, intellectual and emotional – are set in place in early childhood. What happens during these early years (starting in the womb) has lifelong effects on many aspects of health and well-being, educational achievement and economic status. Universal and specialist public health services for children are important in promoting the health and wellbeing of all children and reducing inequalities through targeted intervention as and when need is identified and on an on-going basis for more complex or vulnerable children and families
- 2.9 Family Nurse Partnership: The FNP is a licensed, evidenced based, intensive nurse-led prevention and early intervention programme for vulnerable first time young parents (19 years and under) and their families. It provides a structured programme, delivered to young parents from 16 weeks pregnancy until the child is two years old through intensive home visiting using well tested theories and methodologies. The Family Nurses who deliver the programme receive extra training to equip them for the new role. The programme is seen as an integral part of maternity, new born and early years provision working in close partnership with health and social care and supports the delivery of the Healthy Child Programme, an evidence-based national framework for 0-19s, delivering a targeted resource as part of the Universal Partnership Plus provision.

- 2.10 The FNP service is not a universal health offer and in Nottingham City the capacity of the programme allows approx. 40% of all eligible women to access. Teenage Pregnancy Midwives and Specialist Health Visitors support those women who do not access FNP.
- 2.11 The purpose of the FNP is to reduce the impact of multiple deprivation and improve the short and long term health and well-being outcomes of children born to vulnerable young first time mothers, reducing the short and long term costs of caring for these children and families.
- 2.12 In all cases contract negotiations will be undertaken with a view to ensuring the best value possible is obtained through improving all quality indicators: efficiency, effectiveness, accessibility, acceptability and ensuring equitable access. In light of the Government Spending Review the need to achieve maximum efficiency and effectiveness is a commissioning priority. These short term extensions will ensure the City Council is not committed to long term contractual arrangements which may prevent the required savings being achieved. Contract performance will be monitored closely throughout the year to ensure that services are delivered effectively and best value is obtained.
- 2.13 Public Health Nursing 5-19: The Public Health Nursing Service provides a specialist public health service to all children and young people (aged 5 – 19 years) resident in Nottingham City or attending City schools. There are 57,200 Nottingham citizens in this age group. The nurses work with other professionals to support schools in developing health reviews at school entry and key transitions, managing pupils' wellbeing, medical and long-term conditions and needs and developing schools as health-promoting environments. This service is the only independent access to health and social services for children and young people.
- 2.14 The Public Health Nursing Service 5-19, delivers the 5-19 elements within the Healthy Child Programme. Effective implementation improves a range of public health outcomes including improved sexual health, reduced numbers of teenage pregnancies, healthy diet and exercise, improved educational outcomes, smoking prevention and cessation, alcohol and substance use prevention and awareness and improved emotional health and wellbeing
- 2.15 Public Health Nutrition Team: The Nutrition team currently promote healthy eating and good nutrition through delivery of practical and interactive courses for adults and children that show people how easy and inexpensive it can be to eat well. Registered dietitians and nutritionists also provide nutrition expertise to support workers and volunteers, for example, through interpreting national guidance into practical advice and through provision of high quality nutrition and healthy eating training and resources.
- 2.16 The Healthy Lifestyles Strategic Commissioning Review, reviewed this service along with a number of other services and recommended that the functions be disaggregated in order for the children's element to be considered within the wider integration agenda. The funding allocated to this function is detailed within exempt Appendix 1. It is therefore necessary to develop a one year specification for the service and issue a direct award to the existing provider to

maintain its stability before it is incorporated into the broader integrated specification.

3. OTHER OPTIONS CONSIDERED IN MAKING RECOMMENDATIONS

- 3.1 Do nothing. This option was rejected as this would mean that existing contracts for these services would expire in March 2017, leaving the city without essential public health services. Two of the contracts listed in the exempt appendix deliver mandatory aspects of the Healthy Child Programme.
- 3.2 Re-procuring all services immediately for new contracts to commence in April 2017. This option was rejected as it would allow insufficient time to explore the potential benefits and enhanced efficiencies of integrating children's services and other partnership delivery models. It is essential that procurement is not undertaken before the long term strategy for all services detailed in the exempt appendix is agreed. Extending current activity for one year will enable service delivery and value for money benefits arising from the commissioning reviews to be realised as quickly as possible. It will also avoid the risk of destabilising current health services and reducing the quality of current provision to citizens.
- 3.3 De-commissioning the children's function of the Public Health Nutrition Team until the broader integrated service specification is ready to be procured in 2017/18 risks the disintegration of an expert team and a valuable service to our families and the workforce. For this reason, this option was rejected.

4. FINANCE COMMENTS (INCLUDING IMPLICATIONS AND VALUE FOR MONEY/VAT)

- 4.1 The maximum cost of these contracts (one year only) is detailed in exempt Appendix 1.
- 4.2 For the three existing contracts approval is given to award the contract up to its current annual cost. For the Children's Public Health Nutrition Team contract approval is given to award the contract up to £79,169. Any increase in contract value above these levels will require further approval to be gained through the appropriate process.
- 4.3 Contract performance will be closely monitored to ensure the outcomes align to the City Councils framework to achieve value for money and deliver on the principles of economy, efficiency and effectiveness.
- 4.4 The decision will align contract expiry dates and gives an opportunity to increase the integration of the services and explore options for delivery and maximise use of resources

5. LEGAL AND PROCUREMENT COMMENTS (INCLUDING RISK MANAGEMENT ISSUES, AND INCLUDING LEGAL, CRIME AND DISORDER ACT AND PROCUREMENT IMPLICATIONS)

- 5.1 Procurement Comments: The proposed contract extensions and direct contract award will enable continuity of services while a new integrated model of provision is procured in accordance with the findings of the Child Development Review. The Procurement Team will support this process by

undertaking a fully compliant procurement process, in accordance with the requirements of EU and UK Procurement Regulations and the Council's Financial Regulations and Contract Procedure Rules. The re-commissioning activity and transition to new contractual arrangements should be completed in a timely way to avoid the need for further extensions to these contracts. Detailed legal advice is included in the Exempt Appendix.

6. SOCIAL VALUE CONSIDERATIONS

- 6.1 The contracts listed in the exempt appendix are essential public health services that improve the health and wellbeing of both children and adults. However the possibility for creating additional social value (for example generating employment and training opportunities) will be considered as part of the procurement process.

7. REGARD TO THE NHS CONSTITUTION

- 7.1 Local authorities have a statutory duty to have regard to the NHS Constitution when exercising their public health functions under the NHS Act 2006. In making this decision relating to public health functions, we have properly considered the NHS Constitution where applicable and have taken into account how it can be applied in order to commission services to improve the health of the local community.

8. EQUALITY IMPACT ASSESSMENT (EIA)

- 8.1 Equality Impact Assessments will be undertaken as required to inform the review process, prior to the re-procurement of these services.

9. LIST OF BACKGROUND PAPERS RELIED UPON IN WRITING THIS REPORT (NOT INCLUDING PUBLISHED DOCUMENTS OR CONFIDENTIAL OR EXEMPT INFORMATION)

- 9.1 None

10 PUBLISHED DOCUMENTS REFERRED TO IN THIS REPORT

- 10.1 Health and Social Care Act (2012)
- 10.2 Healthy Child Programme (2009)
- 10.3 Department of Health (2014). Local Authority Circular: Public Health Ring-Fenced Grant Conditions – 2015/16.

11. OTHER COLLEAGUES WHO HAVE PROVIDED INPUT

- 11.1 Rachel Doherty: Lead Contract Manager.
- 11.2 Helene Denness: Consultant in Public Health.