Reason for Urgency

The report has not been available for 5 clear working days before the meeting and the Chair is asked to accept it as an urgent item. The report was not available for despatch on Thursday 20 November due to it requiring additional legal input prior to publication. The report cannot wait until the next meeting due to the Council’s savings programme timeframes.

1. Purpose

1.1 The purpose of this report is to seek the Healthier Select Committee’s agreement to the consultation process outlined in the attached paper. It is proposed to consult with Lewisham Clinical Commissioning Group (CCG) in relation to all public health savings proposals 2015/16. The feedback from this consultation will inform the Council’s budget setting process for 2015/16.

2. Recommendation

2.1 Members of the Healthier Communities Select Committee are asked to comment on the proposed consultation process and timescales.

3. Policy Context

3.1 Under the Health and Social Care Act, the majority of public health responsibilities and functions transferred to the Council on 1 April 2013. This included all public health staff and the majority of contracts for commissioned public health functions.
4. **Background**

4.1 The Public Health Budget has been ring-fenced by central government to be spent on agreed public health outcomes since the service moved into the local authority in April 2013. This ring-fence remains in place throughout 2015/16.

4.2 Lewisham Council has to make savings of £85m over the next 3 years. Since April 2013 the public health services and current staffing structure have been reviewed. It was felt as a result that savings could be identified in the current spend which could then be used to support council wide service provision where reduction in council spend will have a likely adverse impact on public health outcomes. £1.5m of initial savings were identified which could be made with minimal impact through efficient use of resources and using an uplift to the public health grant received 14/15. A further £1.15m has been identified which requires some reconfiguration of services but which can still be delivered without impacting unduly on front line public health delivery.

5. **The approach to the identified savings:**

5.1 The approach to identifying the savings has been:-

1) To identify any duplication with aspects of other council roles which can therefore be combined or streamlined.

2) To identify any service which should more appropriately be carried out by other health partners.

3) To stop providing service level agreements or incentive payments to individual GP practices and develop those services more efficiently and equitably across the four GP neighbourhood clusters where appropriate.

4) To gain greater efficiency through contract pricing where applicable.

5) To integrate public health grants to the voluntary sector into the Council’s mainstream grant aid programme.

6. **Impact on provider organisations:**

6.1 The Lewisham and Greenwich Healthcare NHS Trust (LGT) are contracted to provide a number of the public health services identified for service reduction.

6.2 The public health services delivered by the LGT are specified in the CCG’s contract with the Trust as a whole. The latter includes all acute and community based provision delivered by the Trust.
6.3 The Council currently has a Section 75 agreement with the Lewisham CCG detailing the specification for public health delivery within the overall LGT contract. The Council could in future decide to contract these services separately. At this point six months notice would need to be given to the Trust. The Council would then recommission these services in accordance with the Council’s contract procedure rules. This will mean that the ongoing service provision/commissioning would be open to competition.

6.4 It would not be feasible to re-let the public health element of the LGT contract at this point to deliver the savings for 2015/16 given the logistics required to test the market, assess TUPE and other resource/asset implications. The savings outlined can be found within the existing contract by negotiating a reduction in the overhead and management costs with the existing provider.

6.5 The development of neighbourhood working is providing an infrastructure in the community which will be able to better coordinate and streamline management of services at the frontline. A reduction in the specified contract costs can be delivered without impacting unduly on the quality and level of provision as the public health programme will benefit from the neighbourhood model infrastructure.

6.6 The Government have agreed Lewisham’s Better Care Fund (BCF) programme which builds increased community based health provision in the borough, thus enabling the acute sector to be able to focus on planned hospital admissions and reduce the number of emergency and unnecessary hospital stays. Once the BCF programme is established in full in 15/16 it will then be possible to evaluate whether the public health LGT provision should remain as part of the Trust’s community provision or be provided in an alternative way.

6.7 Historically Public Health have grant aided a number of voluntary sector organisations to contribute to public health outcomes. As part of the Council’s grant aid funding consultation with the voluntary sector 2015-18 it was made clear that public health grant funding to the voluntary sector would not extend beyond July 2015. Organisations in receipt of public health grants will now be able to apply to the Council’s mainstream grant programme to continue this work or incorporate it into their ongoing council grant aided programme.

6.8 The outcome of the Voluntary Sector grant aid consultation was reported and agreed by the Mayor and Cabinet/Contracts on 12th November 2014. The Safer Stronger Select Committee also considered the consultation feedback at the meeting on 3rd November 2014.

6.9 The overall level of the Council’s grant aid programme will be agreed in February 2015 as part of the Council’s budget setting process and allocation to the individual organisations agreed in May 2015.
6.10 Some GP practices have received payments to deliver public health clinical service including NHS health checks and sexual health services. These will continue with the exception of the incentive payment for chlamydia and gonorrhoea screening.

6.11 Other surgeries have benefited from public health funded programmes delivered in their surgeries by other organisations. These will in the future (from April 2015) be delivered on a neighbourhood basis. This work will be incorporated into the work of the four neighbourhood community based teams which should then benefit all GP practices. Individual GPs have been notified of this intention.

7. **Staff Reorganisation**

7.1 One of the savings identified and to be achieved is through a staff re-organisation.

7.2 These savings will be achieved where there is potential duplication with other council services and roles can therefore be streamlined and operate more efficiently.

7.3 Staff reorganisation proposals will be produced in January 2015 and will be subject to consultation.

8. **Consultation Process**

8.1 The attached consultation is with health commissioners and will take place in the context of established good practice in existence in other areas which has delivered, or is likely to deliver, the efficiencies and savings we need to achieve in Lewisham.

8.2 The savings proposals themselves have had pre-scrutiny consideration by: The Children & Young People’s Select Committee, The Healthier Communities Select Committee, and the Public Accounts Committee.

8.3 The savings proposals have also been discussed at partnership meetings with the CCG and Lewisham and Greenwich Trust.

8.4 The CCG will receive the consultation document by email and will have 2 weeks to respond on the Public Health savings proposals with the opportunity to comment upon procurement changes and impact on service providers.

8.5 Any other responses from discussion with partner organisations will be analysed to establish whether any changes need to be incorporated into the procurement specification for the ongoing service provision.
8.6 Where the Council wishes or needs to re-commission any services to achieve the required economies, then it will do so in accordance with the Council’s contract procedure rules. This will mean that the ongoing service provision/commissioning is open to competition.

8.7 As part of the process, the Director of Public Health will form a view as to whether the required service changes constitute a substantial development or variation in the service(s) so as to require formal consultation as to the impact of the proposed changes.

8.8 The outcome of this and any new service proposals will be reported to the Healthier Communities Select Committee, as well as to the Health & Wellbeing Board and a cross select committee Task & Finish Group.

8.9 The responses to any consultation and subsequent responses by the Healthier Communities Select Committee, the Health and Wellbeing Board and the Task & Finish Group together with the proposals for the new service configuration will then be considered by Mayor and Cabinet.

9. Financial implications

9.1 The savings proposals discussed in this report are part of the overall savings requirement of £85m over the next 3 years.

10. Legal implications

10.1 Following the implementation of the Health and Social Care Act 2012 the Council became responsible for the delivery of significant public health duties as set out in this report. As such the Councils' delivery of those services is subject to scrutiny in accordance with the Local Authority (Public Health, Health and Wellbeing Boards and Health Scrutiny) Regulations 2013.

10.2 The Healthier Communities Select Committee exercises the Health scrutiny function in Lewisham, and will form part of the necessary consultation should the required service changes constitute a substantial development or variation in the service(s).

10.3 The Healthier Communities Select Committee can require any officer with responsibility for the provision of health services, including those provided by the Council as part of its new role pursuant to the 2012 Act, to appear before it to answer any questions necessary for the Committee to carry out health scrutiny.

10.4 Any procurement resulting from the proposals set out in this report will be conducted in accordance with the Council’s own contract procedure rules, with which the Council must comply.
11. Crime and Disorder Implications

11.1 It is not possible to fully assess the Crime and Disorder Implications without knowing how the proposed savings will be re-invested in public health.

12. Equalities Implications

12.1 It is not possible to fully assess the Equalities Implications without knowing how the proposed savings will be re-invested in public health, and how the services will be reconfigured.

12.2 A full EAA will be completed as part of the procurement process.

13. Environmental Implications

13.1 It is not possible to fully assess the Environmental Implications without knowing how the proposed savings will be re-invested in public health.

14. Conclusion

14.1 The consultation document describes the proposed process to achieve the public health savings proposals for the 2015/2016 financial year, and sets out the Committee’s role in that process.

If there are any queries on this report please contact Dr Danny Ruta, Director of Public Health, 020 8314 ext 49094.