

INTEGRATED HEALTHY LIFESTYLES CONTRACT

Deputy Leader and Cabinet Member for Adult Social Care, Health & Public Health

Date : March 17th 2019

Deadline date: April 2019

Cabinet portfolio holder:	Councillor Wayne Fitzgerald, Deputy Leader and Cabinet Member for Adult Social Care, Health & Public Health
Responsible Director:	Dr Liz Robin Director of Public Health
Is this a Key Decision?	Yes If yes has it been included on the Forward Plan : Yes Unique Key decision Reference from Forward Plan : KEY/29APR19/01
Is this decision eligible for call-in?	Yes
Does this Public report have any annex that contains exempt information?	No

RECOMMENDATIONS

The Cabinet Member is recommended to support the following proposals.

1. The issue of formal notice to Solutions 4 Health, the current provider of Integrated Lifestyle Services in Peterborough indicating that the Council is exercising the Authority Break Point in accordance with clause 3.4.1 and 49.2 of the contractual agreement.
2. That during 2019/20 Peterborough's Integrated Lifestyles Services shall be jointly procured with Cambridgeshire County Council and recommissioned as one contract Contractual arrangements shall establish and underpin the commissioning arrangement between PCC and CCC in relation to this project.

1. SUMMARY OF MAIN ISSUES

- 1.1 Following a competitive tender for the provision of Integrated Health Lifestyle services, the Council's Integrated Lifestyle Service Contract (the Contract) was awarded to the company, Solutions 4 Health, in 2017, commencing on 1 April 2017 for five years. The Council has the right to terminate the Contract upon 12 months' prior Formal Notice on the occurrence

of the Authority Break Point (the third anniversary from the commencement date of the Contract).

- 1.2 The Contract shall cease 12 months after the prior Formal Notice is given to the contractor, and it is the intention that the Formal Notice shall be given once the CMDN becomes effective. The CCC Integrated Lifestyle Service five-year contract ends on in spring 2020 and cannot be extended further. Activating the break clause in the Solutions 4 Health contract aligns the end point of both the PCC and CCC contracts. The commissioning strategic direction of both PCC and CCC is, where possible to align services and tender as one contract. This is in line with requirement to identify contractual efficiencies both in service delivery and performance monitoring capacity. The contract value of the two years of the contract that are being terminated is £1, 694,768.
- 1.3 Although it is proposed to have one contract for both PCC and CCC the Service Specification for the new Integrated Lifestyle Service will acknowledge that there are differing needs and partner organisations across the two authorities that will require different approaches to delivery and robust financial modelling of the contract.
- 1.4 This collaborative approach to contracts across the two local authorities also reflects and facilitates the increasing strategic and operational alignment of partner organisations that work across Cambridgeshire and Peterborough. For example, the Clinical Commissioning Group and the Office of the Police and Crime Commissioner both contribute to the funding of lifestyle services across the two local authorities.
- 1.5 Integrated Lifestyle Services include different key services that play a key role in supporting the adoption of healthy lifestyle behaviours and the prevention of associated poor health outcomes such as diabetes and cardio-vascular disease. They include health trainers who give bespoke ongoing support to individuals wanting to adopt a healthier lifestyle, the three tiers of weight management services for adults and children that represent increasing intensity levels of intervention, outreach NHS Health Checks, falls prevention, physical activity programmes and healthy eating activities alongside ongoing health promoting campaigns. The services also work closely with partner organisations to ensure that there are appropriate pathways in place and that services are complementary.
- 1.5 The Authority Break Point may be exercised on the third anniversary from the services commencement date and the Council has the right to terminate the agreement upon 12 months' prior formal notice on occurrence of the break point. Exercising the break point may take into account the contractor's performance of the services. At present the Council has exercised its right to vary the Contract and remove elements of the service delivery by the contractor and this has resulted in contractual arrangements being put in place outside of the Contract to ensure services continue to be provided within Peterborough, i.e. Tier 3 Weight Management Services.
- 1.6 This report is to inform the Cabinet Member for Adult Social Care, Health and Public Health of the rationale for proposing to issue of formal notice to Solutions 4 Health, the current provider of Integrated Lifestyle Services in Peterborough indicating that the Council is exercising the Authority Break Point in accordance with clause 3.4.1 and 49.2 of the contractual agreement. Subsequently, that the Council shall jointly procure these services with Cambridgeshire County Council.

2. PURPOSE OF THIS REPORT

- 2.1 This report is for the Cabinet Member for Adult Social Care, Health and Public Health to consider exercising delegated authority under paragraph 3.3.8(a) of Part 3 of the

Constitution in accordance with the terms of their portfolio at paragraph 3.11(b).

3. **TIMESCALE**

Is this a Major Policy Item/Statutory Plan?	No	If Yes, date for relevant Cabinet Meeting	
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- 3.1 The re-commission of the Integrated Lifestyles Services for PCC and CCC will be through a competitive tender that will take place 2019/20 with a new service commencing in spring 2020.

4. **DETAILS OF DECISION REQUIRED**

The Cabinet Member is recommended to support the following proposals.

- 4.1 The issue of a formal notice to Solutions 4 Health, the current provider of Integrated Lifestyle Services in Peterborough indicating that the Council is exercising the Authority Break Point in accordance with clause 3.4.1 and 49.2 of the contractual agreement.
- 4.2 That during 2019/20 Peterborough's Integrated Lifestyles Services shall be jointly procured with Cambridgeshire County Council and recommissioned as one contract. Contractual arrangements shall establish and underpin the commissioning arrangement between PCC and CCC in relation to this project and separate governance shall be sought to authorise the future commissioning model.

5. **CONSULTATION**

- 5.1 The Council's exercising of the break point in this Contract is proposed following consultation with the legal and finance teams.

6. **ANTICIPATED OUTCOMES**

- 6.1 The issuing of Formal Notice to the Contractor and termination of the existing Contract in spring 2020. A newly commissioned Integrated Lifestyle Service Agreement that is evidence based, supports the achievement of key Public Health Outcomes and is cost-effective shall then commence on 1 April 2020.

7. **REASONS FOR RECOMMENDATIONS & ANY RELEVANT BACKGROUND INFORMATION**

- 7.1 The recommendations are based on the benefits of aligning contracts across PCC and CCC to secure efficiencies that will contribute to savings targets.

8. **ALTERNATIVE OPTIONS CONSIDERED**

- 8.1 An alternative option is to not activate the break clause at three years in the five-year contract with Solutions 4 Health and continue to commission the service until the end of the five-year contract. This would miss the opportunity of aligning the contract with the CCC Integrated Lifestyle contract and securing the associated efficiencies and strategic benefits.

9. **IMPLICATIONS**

9.1 Financial implications

The value of the two years of the contract that being proposed to terminate is £1, 694, 768. Some efficiencies are being sought but the value of the tender for a new five-year contract will exceed the EU Schedule 3 threshold of total value of £500,000. In accordance with PCR 2015, EU fully compliant procurements must be undertaken for all service contracts which exceed the EU threshold.

9.2 Legal implications

The Council has the right to terminate the Contract upon 12 months' prior formal notice under clause 49 on occurrence of an Authority Break Point.

10. DECLARATIONS / CONFLICTS OF INTEREST & DISPENSATIONS GRANTED

None

11. BACKGROUND DOCUMENTS

None.