

CABINET MEETING – 13 July 2023

EXECUTIVE SUMMARY SHEET – PART I

Title of Report:

Proposed extension of contract for Public Health Services in Primary Care (Community Pharmacy)

Author(s):

Executive Director of Health, Housing and Communities

Purpose of Report:

To seek Cabinet's approval to extend the contract for Public Health Services in Primary Care (Community Pharmacy) for a period of 12 months between 1st December 2023 to 30th November 2024 with a further option to extend up to a maximum of 12 months.

Description of Decision:

Cabinet is requested to:

- a) Approve the variation to the Council's existing contract for Public Health Services in Primary Care (Community Pharmacy) in Sunderland to allow an extension of the contract period for a period of 12 months between 01 December 2023 to 30 November 2024 and a further option to extend up to a maximum of 12 months, to allow time to plan the future commissioning intentions;
- b) Authorise the Executive Director of Health, Housing and Communities, in consultation with the Director of Finance and the Portfolio Holder for Healthy City, to determine and agree the further option to extend period from the 01 December 2024, up to a maximum of 12 months; and
- c) Remove the provision of Healthy Start Vitamins. from the Public Health services within Primary Care (Community Pharmacy) contract.

Is the decision consistent with the Budget/Policy Framework? *Yes

If not, Council approval is required to change the Budget/Policy Framework

Sunderland City Council brought a paper to Cabinet in June 2022 requesting a 12-month extension to Public Health Services in Primary Care (Community Pharmacy) as well as to set out the commissioning intentions following the extension. Since this paper, there has been unforeseen changes, impacting several areas on the commissioning of these services (detailed below in section 5) in which the intentions have changed to align with the wider service.

Suggested reason(s) for Decision:

The proposal to extend the Public Health Services in Primary Care (Community Pharmacy) contract which delivers various community pharmacy-based services within Sunderland is recommended as a result of the below:

Changes to pharmacy commissioning responsibilities within The Integrated Care Board (ICB) – From April 2023, NHS England delegated their Pharmacy,

Ophthalmology and Dentistry (POD) services to the ICB. The ICB have indicated it will take a minimum of 12 months to clarify future commissioning intentions for enhanced pharmacy provision, after which, an opportunity to align Local Authority commissioning intentions will ensure more joined-up provision can be secured. This includes taking stock of existing 'advanced service' provision within pharmacy (such as stop smoking services for those initiating a quit attempt following an inpatient stay and/or via maternity services), to reduce duplication and promote seamless service provision across Sunderland.

Recent changes to Local Pharmacy Committee (LPC) arrangements - Due to the merger of the Durham and Sunderland LPC, it is advised that a review of Local Authority-funded pharmacy provision is reviewed on a sub-regional basis, in order to support a more consistent and collaborative approach to contracting that promotes value for money.

The Healthy Start Vitamins (HSV) The proposal to remove HSV's from Public Health Services in Primary Care (Community Pharmacy) contracts is based on the figures of Health Start Vitamins (HSV) that have been issued to children and adults over the last year through Community pharmacy, it was deemed so low that it was not having a positive impact within Sunderland, and particularly to more vulnerable groups in which they are aimed at.

Considering the above it would be advisable to seek an extension on the current Public Health services in Primary Care (Community Pharmacy) contract arrangements with existing contracted pharmacies and remove Healthy Start vitamins from 01 December 2023, to enable improved integration within the local health and care system, in a way that supports the achievement of improved health outcomes, increased value for money and achievement of key outcomes within Sunderland's Healthy City Plan.

Alternative options to be considered and recommended to be rejected:

Potential alternative options to implementing the commissioning intentions are:

- i. Do not grant the extension for the existing contract arrangements on the same terms with Community Pharmacies, resulting in a decommissioning of pharmacy-based public health provision. This is not recommended as not implementing the extension will result in a significant impact on residents with reduced access to public health services within pharmacy such as stop smoking, Emergency Hormonal Contraception, and C-Card.
- ii. Re-tender the existing contract from 1st December 2023. This would not be recommended as it would not allow sufficient time to align with the new ICB Pharmacy, Ophthalmology and Dentistry (POD) delegations, or with the new recommendations of [The Hewitt Review](#), the [Fuller report](#) and the [Delivery plan for recovering access to primary care](#), which all set out the intention to improve Primary Care Network (PCN) working to be more of a robust, alliance /collaborative approach.
- iii. Extend the existing contract arrangements for 6 months. This would not be recommended as it would not allow sufficient time to align with the new ICB Pharmacy, Ophthalmology and Dentistry (POD) delegations, or with the new recommendations of [The Hewitt Review](#), the [Fuller report](#) and the [Delivery plan for recovering access to primary care](#), which all set out the intention to improve

Primary Care Network (PCN) working to be more of a robust, alliance / collaborative approach.

Impacts analysed;

Equality

Privacy

Sustainability

Crime and Disorder

X

N/A

N/A

N/A

Is the Decision consistent with the Council's co-operative values? Yes

Is this a "Key Decision" as defined in the Constitution?

Yes

Is it included in the 28 day Notice of Decisions?

Yes

CABINET – 13 JULY 2023

PROPOSED EXTENSION OF CONTRACT FOR PUBLIC HEALTH SERVICES IN PRIMARY CARE (COMMUNITY PHARMACY)

Report of the Executive Director of Health, Housing and Communities

1. Purpose of the Report

- 1.1 To seek Cabinet's approval to extend the current Public Health Services in Primary Care (Community Pharmacy) contract for a period of 12 months between 01 December 2023 to 30 November 2024 with a further option to extend up to a maximum of 12 months.

2. Description of Decision (Recommendations)

Cabinet is requested to:

- a) Approve the variation to the Council's existing contract for Public Health Services in Primary Care (Community Pharmacy) in Sunderland to allow an extension of the contract period for a period of 12 months between 01 December 2023 to 30 November 2024 and a further option to extend up to a maximum of 12 months, to allow time to plan the future commissioning intentions;
- b) Authorise the Executive Director of Health, Housing and Communities, in consultation with the Director of Finance and the Portfolio Holder for Healthy City, to determine and agree the further option to extend period from the 01 December 2024 up to a maximum of 12 months; and
- c) Remove the provision of Healthy Start Vitamins from the Public Health services within Primary Care (Community Pharmacy) contract.

3. Introduction/Background

- 3.1 Sunderland City Council brought a paper to Cabinet in June 2022 requesting a 12-month extension to Public Health Services in Primary Care (Community Pharmacy) as well as to set out the commissioning intentions following the extension. Since this paper, there has been unforeseen changes, impacting several areas on the commissioning of these services (detailed below in section 5) in which the intentions have changed to align with the wider service.
- 3.2 Sunderland continues to experience poor health outcomes, particularly within areas of deprivation, it remains imperative to ensure that Public Health Services, such as those contracted via Community Pharmacy, are commissioned in a way that delivers value for money and supports the achievement of improved health outcomes.
- 3.3 Community Pharmacies offer accessible points of contact for Sunderland's residents, with outlets in a wide range of locations such as high streets, shopping centres, supermarkets, and alongside other healthcare services. As such, pharmacy-based public health support promotes opportunistic intervention and equity of access for residents for the delivery of public health services for residents.

- 3.4 Provision of public health services through Community Pharmacy is long-established and has covered interventions to help with outcomes such as reducing prevalence of smoking, reducing unplanned pregnancies, and reducing transmission of infectious diseases through a range of provision that includes smoking cessation support, provision of emergency hormonal contraception, sexual health screening and vaccination provision.
- 3.5 The intention to extend the contracted services from Community Pharmacies will allow for time to modernise service delivery, through improved system collaboration and integration with primary and community care reforms.

4. Current Position

- 4.1 The Council currently commissions the following services from Community Pharmacies in Sunderland:
- a. Smoking Cessation Services – these aim to provide behavioural support and access to appropriate smoking cessation.
 - b. Provision of Nicotine Replacement Therapy and Varenicline to support smoking cessation – Pharmacies are currently the only provider of NRT within Sunderland.
 - c. Provision of Emergency Hormonal Contraception (EHC), C Card and Chlamydia/Gonorrhoea screening – provision of these services in community pharmacy provides an accessible way to help reduce unplanned pregnancies through emergency hormonal contraception as well as reducing the transmission of sexually transmitted diseases.
 - d. Health Start Vitamins – Community Pharmacy currently provides healthy start vitamins to pregnant women and children under the age of 2 years.
- 4.2 In each case, provision of services via Community Pharmacy offers good levels of accessibility for residents within their local communities.
- 4.3 The Council current contracts with Community Pharmacies for the delivery of public health services have been in place in their current form from 1st December 2017 and are due to expire on 30st November 2023. The contracted services are between the Council and individual Community Pharmacies under an ‘any qualified provider’ model. Participating pharmacies can apply to be a party to the flexible procurement arrangement and deliver one or more services where they meet the required quality standards of provision, including appropriately trained staff and supervision arrangements.
- 4.4 Each Public Health commissioned service is funded based on activity; that is per intervention and/or product provided, creating a value-for-money approach based on an incentivised payment structure.

5. Proposed Approach for Contracting from the end of the extension period.

- 5.1 Community Pharmacies remain a key part of public health service delivery, enabling dispensing of medicines that are often required alongside other interventions. Additionally, pharmacies form a valuable part of local communities both in terms of the services and products they offer as well as supporting the local economy.

5.2 There continues to be an ongoing need for each of the services listed at section 4.1 to help improve outcomes relating to smoking, unplanned pregnancy, and sexual health. As a result, it will be both necessary and preferable to establish replacement contracting arrangements with community pharmacies when the current contracts come to an end. Commissioning intentions will be determined during the extension period and presented to cabinet accordingly.

5.3 Therefore, the following is proposed:

- a. Extend the existing contracts from 01 December 2023 for 12 months with a further option to extend up to a maximum of 12 months, allowing time to Collate the relevant information to formulate the commissioning intentions for the future of Public Health services within Primary Care (Community Pharmacy).
- b. Authorise the Executive Director of Health, Housing and Communities, in consultation with the Director of Finance and the Portfolio Holder for Healthy City, to determine and agree the further option to extend period from the 01 December 2024 up to a maximum of 12 months.
- c. Remove the provision of Healthy Start Vitamins from the Public Health services within Primary Care (Community Pharmacy) contract.

6. Reasons for the Decisions

6.1 The proposal to extend the Public Health Services in Primary Care (Community Pharmacy) contract which delivers various community pharmacy-based services within Sunderland is recommended as a result of the below:

- **Changes to pharmacy commissioning responsibilities within The Integrated Care Board (ICB)** – From April 2023, NHS England delegated their Pharmacy, Ophthalmology and Dentistry (POD) services to the ICB. The ICB have indicated it will take a minimum of 12 months to clarify future commissioning intentions for enhanced pharmacy provision, after which, an opportunity to align Local Authority commissioning intentions will ensure more joined-up provision can be secured. This includes taking stock of existing ‘advanced service’ provision within pharmacy (such as stop smoking services for those initiating a quit attempt following an inpatient stay and/or via maternity services), to reduce duplication and promote seamless service provision across Sunderland.
- **Recent changes to Local Pharmacy Committee (LPC) arrangements** - Due to the merger of the Durham and Sunderland LPC, it is advised that a review of Local Authority-funded pharmacy provision is reviewed on a sub-regional basis, in order to support a more consistent and collaborative approach to contracting that promotes value for money.
- **The Healthy Start Vitamins (HSV)** The proposal to remove HSV’s from Public Health Services in Primary Care (Community Pharmacy) contracts is based on figures of Health Start Vitamins (HSV) that have been issued to children and adults over the last year through Community pharmacy, it was deemed so low that it was not having a positive impact within Sunderland, and particularly to more vulnerable groups in which they are aimed at. Alternative access has already been established through the family nurse partnership and

health visiting service and other opportunities such as maternity and family hubs are being explored.

- 6.2 Considering the above it would be advisable to seek an extension on the current Public Health services in Primary Care (Community Pharmacy) contract arrangement with existing contracted pharmacies and remove Healthy Start vitamins from 1st December 2023, to enable improved integration within the local health and care system, in a way that supports the achievement of improved health outcomes, increased value for money and achievement of key outcomes within Sunderland's Healthy City Plan.

7. Alternative Options

- 7.1 Potential alternative options to implementing the commissioning intentions are:

- i. Do not grant the extension for the existing contract arrangements on the same terms with Community Pharmacies, resulting in a decommissioning of pharmacy-based public health provision. This is not recommended as not implementing the extension will result in a significant impact on residents with reduced access to public health services within pharmacy such as stop smoking, Emergency Hormonal Contraception, and C-Card.
- ii. Re-tender the existing contract from 01 December 2023. This would not be recommended as it would not allow sufficient time to align with the new ICB Pharmacy, Ophthalmology and Dentistry (POD) delegations, or with the new recommendations of [The Hewitt Review](#), the [Fuller report](#) and the [Delivery plan for recovering access to primary care](#), which all set out the intention to improve Primary Care Network (PCN) working to be more of a robust, alliance /collaborative approach.
- iii. Extend the existing contract arrangements for 6 months. This would not be recommended as it would not allow sufficient time to align with the new ICB Pharmacy, Ophthalmology and Dentistry (POD) delegations, or with the new recommendations of [The Hewitt Review](#), the [Fuller report](#) and the [Delivery plan for recovering access to primary care](#), which all set out the intention to improve Primary Care Network (PCN) working to be more of a robust, alliance / collaborative approach.

8. Impact Analysis

- 8.1 An Integrated Impact Assessment has been completed for the Healthy Start Vitamin element of the paper; this is attached for information. For the extension element of the contract an equality analysis was previously completed, and this still applies.
- 8.2 By their nature, the services outlined here aim to reduce inequalities by providing accessible interventions to those that are most likely to experience disadvantage.
- (a) **Equalities** - An integrated impact assessment (IIA) has been carried out in respect of the proposals. The key findings are as follows:
- (i) It is anticipated that the proposal will have a positive impact people of all ages, for example by reducing smoking rates, reducing unplanned pregnancies, and preventing illnesses related to smoking.

- (ii) Evidence shows that the most deprived wards in Sunderland have the highest smoking, cardiovascular disease and teenage pregnancy rates, it is anticipated that the contract will help ensure that preventative interventions are available within these areas. This will have a positive impact on changing behaviour and preventing ill-health.
 - (iii) The proposal to remove the Healthy Start Vitamins will have no impact as provision has already commenced and these are now distributed through Health Visiting Services to Sunderland Residents.
- (b) **Co-operative Values** – Implementation of the contracts via will support the aim of reducing health inequalities in Sunderland by continuing to offer support to those communities that have highest levels of need in an accessible way.
- (c) **Financial Implications** – The cost of the services will be met from within the annual public health revenue budget which is funded from the public health grant.
- (d) **Legal Implications** – The individual contracts with community pharmacies are below the applicable threshold (£663,540) for the “Light Touch” procurement regime for social and other specified services as contained in the Public Contracts Regulations 2015 (PCR). The pharmacists were appointed on the basis that they met pre-defined quality standards and there was also no competition on price as each pharmacy will receive a standard tariff for the services they deliver against the agreed service specification.

The proposed variation to the contract term is considered a non-substantial variation with reference to the PCR, as it would not render the contract different in character and we have not introduced any new conditions into the arrangements. Although we have extended the contact period it is considered reasonable and proportionate taking into the account the potential changes to the commissioning responsibilities. The Council contracts with the majority of the market share of the pharmacists operating in Sunderland and once the commissioning responsibility is determined, there is an intention to use a suitable route to contract with the pharmacists, until then the NEPO portal remains open should any pharmacists wish to apply as an accredited provider.

- (e) **Policy Implications** – The scheme aims to support the shared values within the Sunderland Healthy City Plan, in particular focusing on prevention, tackling health inequalities and equity.
- (f) **Health & Safety Considerations** – There are no current identified Health & Safety Considerations associated with the proposal, however, should these emerge as part of work streams undertaken these shall be fully considered.
- (g) **Procurement** – Corporate Procurement have been consulted regarding the alternative approach to implementing the contract. The proposal is in accordance with the requirements of the Public Contracts Regulations 2015. All work will be undertaken in consultation with the Corporate Procurement team.

