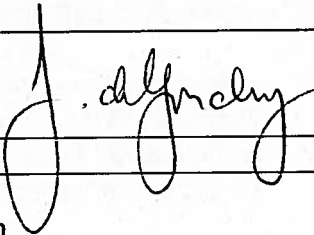


Haringey Council

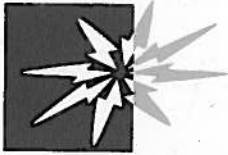
Report for:	Cabinet 12 th November 2013	Item Number:	
Title:	Genito-Urinary Medicine services – approval for expenditure of services (Central and North West London NHS Trust)		
Report Authorised by:	Jeanelle de Gruchy, Director of Public Health		
Lead Officer:	Susan Otiti, Assistant Director of Public Health		
Ward(s) affected:	All	Report for:	Key Decision

1. Describe the issue under consideration

- 1.1. This report details expenditure for the provision of GUM services accessed by Haringey residents and set out in the Heads of Terms Agreement between Camden Clinical Commissioning Group (CCG) as the co-ordinating CCG and Central and North West London NHS Trust (CNWL) and which Agreement Haringey Council is a party to as an Associate Commissioner.
- 1.2. Cabinet approval is sought for the expenditure which the Council will incur for the provision of GUM services by CNWL.
- 1.3. GUM is a sexual health service offering a range of assessments, tests and treatments ranging from complex sexually transmitted infections (STIs) to HIV testing and the provision of PEP (post-exposure prophylaxis) medication that can help prevent people from developing HIV if they've been exposed to it.

2. Cabinet member introduction

- 2.1. In accordance with regulations under the Health and Social Care Act 2012, from April 2013 local authorities have a new responsibility to improve public health, including sexual health. Local authorities became responsible for commissioning comprehensive open-access accessible and confidential contraception and STI



Haringey Council

testing and treatment services, for the benefit of all persons of all ages present in the area¹.

- 2.2. The Cabinet report from December 2012 described the complexity of commissioning sexual health services and, in particular, the financial risks attached to open access demand-led GUM services. STI testing and treatment services are a central part of protecting and improving health. The government therefore believes that high-quality services must be available in all areas (hence it is a statutory duty), although the services provided will be tailored to meet local needs.
- 2.3. I welcome the outcome of the GUM service negotiations led by the London Borough of Islington public health team on behalf of LB Haringey, LB Barnet, LB Enfield and LB Camden. This 'Heads of Terms' agreement will provide Haringey council with improved budgetary control for 2013/14.

3. Recommendations

- 3.1. To approve the expenditure for the provision of GUM services accessed by Haringey residents and which is set out in the Heads of Terms Agreement between Camden Clinical Commissioning Group (CCG) as the co-ordinating CCG and CNWL and which Agreement Haringey Council is a party to as an Associate Commissioner.

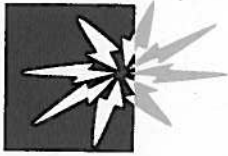
4. Alternative options considered

- 4.1. The option of paying for the provision of GUM services through the non-mandatory national tariff based on 'payment by results', as the NHS has previously done, was considered. In addition CNWL has seen increasing demands on its service from patients living in Haringey (10.5% increase) therefore continuing with the 'payment by results' service model would not provide the council with value for money or financial control of this demand-led service.

5. Background information

- 5.1. GUM services are sexual health services. By law they are 'open access' services which means Haringey residents can go to any GUM service anywhere in the country for assessment, testing and treatment. The GUM provider then sends an invoice to the local authority where the patient is resident.
- 5.2. Prior to April 2013 the only contract for GUM services for Haringey residents was with the main provider of these services, NHS Whittington Health. This was part of a large two year block contract negotiated by NHS North Central London cluster,

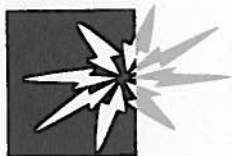
¹https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/216712/dh_131901.pdf



Haringey Council

the then commissioner of health services for Haringey; this was listed in the December 2012 Cabinet report as an NHS contract transferring to LBH. All other GUM activity was not contracted and was paid for by monthly invoicing to NHS Haringey.

- 5.3. Since summer 2013, the four public health departments in north central London (Barnet, Camden & Islington, Enfield and Haringey) have been working together to put contracts in place with the main 5 local providers of these 'open access' services, to enable budget management either through a block contract or a 'cap and collar' contract. Each public health department has led on a provider contract on behalf of the other four boroughs. For example LB Islington public health has led on this CNWL GUM agreement on behalf of the other four boroughs. To manage the financial risk each public health department has successfully negotiated keeping the 2012/13 national tariff prices rather than the increased 2013/14 tariff.
- 5.4. This 'Heads of Terms' Agreement includes other public health services but these only relate to LB Islington.
- 5.5. LB Islington has put in place specific contract management measures for the GUM service to work in partnership to monitor, review and manage demand accordingly. LB Islington and the provider will undertake a joint quarterly financial reconciliation against the projected full year out turn and agreed contractual terms.
6. **Procurement process**
 - 6.1 The LB Islington public health team have negotiated a 'cap and collar' position for 2013/14 for all five boroughs. For Haringey council the minimum expenditure will be £1.3 million and the maximum expenditure will be £1,663,891 million.
7. **Comments of the Chief Finance Officer and financial implications**
 - 7.1 Responsibility and budget for a prescribed set of GUM services passed to the London Borough of Haringey as a result of the Health and Social Care Act. The total Public Health grant for Haringey is £17.587m of which £5.8m has been allocated to sexual health services and within that £1.427m is budgeted for this contract.
 - 7.2 Under the existing commissioning arrangements the contract is demand led. Increases in GUM activity represent a significant risk to the public health budget. The new arrangements proposed in this agreement will mitigate this risk by requiring the provider and commissioner to work together to keep activity within limits.
 - 7.3 Under this agreement 12/13 prices will continue to apply for 13/14 GUM activity – this represents a real terms reduction in cost as there is no inflationary uplift. If activity increases beyond 8.5% above the previous year then a reduced rate of



Haringey Council

60% will apply. In addition, a reduction has been negotiated on the "CQUIN" payment. (CQUIN payments are a "reward element" feature of NHS standard contracts).

7.4 The expected range of cost of this contract therefore is £1.338m if activity falls to £1.664m if activity increases by 15% from the previous outturn. As the budget is currently £1.427m the higher end of this spectrum would result in an overspend that the public health service will cover by reducing expenditure on other activities.

7.5 It should be noted that this arrangement does not guarantee that costs will not exceed 15% but it commits all parties to monitor the risk and put in place actions to contain cost.

8. Head of Legal Services and legal implications

8.1 The Head of Legal Services notes the recommendations in the report.

8.2 The Council's expenditure on the GUM services is over £500,000 and is therefore a Key Decision and, as such, approval for the spend needs to be by Cabinet in accordance with the Council's Constitution (Part 4, Section F, Para 1.3 Cabinet Procedure Rules).

8.3 As the expenditure is a Key Decision, there is also a requirement under the Council's Constitution that the decision is included in the Forward Plan. The Public Health Directorate has confirmed that this has taken place.

8.4 The Public Health Directorate has also confirmed that the GUM services are the only items included in the Heads of Terms Agreement which apply to Haringey Council.

8.5 The Head of Legal Services confirms that there are no legal reasons preventing Members from approving the recommendations in the report.

9. Equalities and Community Cohesion comments

9.1. GUM services are open to any Haringey resident wanting to access confidential sexual health services there are no restrictions.

9.2. The GUM service supports the delivery of a key element of the Council's equality objectives and one of the priorities in the Council Plan namely to reduce health inequalities and improve wellbeing for all. It will also help deliver the priority to enable young people and adults to exercise choice in reproductive and sexual health. In both these respects, the proposals outlined in this report will support the Council's performance on its public sector equality duty.



Haringey Council

10. Head of Procurement comments

10.1 The proposed arrangements under the Head of term agreement represent a saving to the council, the removal of an inflationary increase and the avoidance of the 30% increase that would have been incurred for follow up appointments, represent an improved financial model for the service.

10.2 The Cap and Collar arrangements proposed will support the improvement of budgetary control for 2013-14. Monitoring arrangements have been put in place to monitor service delivery, demand, and the budgetary position. This does not guarantee costs will not rise but does put in place a process to minimise this risk.

11. Policy implication

11.1. These services are also linked to the Corporate Plan and its four key council priorities: outstanding for all (enabling all Haringey children to thrive), safety and wellbeing for all, opportunities for all, and a better Council.

11.2. In the Corporate Plan there is a specific sexual health priority. Priority 6: Reduce health inequalities and improve wellbeing for all through: Enabling young people and adults to exercise choice in reproductive and sexual health.

12. Reasons for decision

12.1. The 'Heads of Terms' agreement will provide Haringey council with improved budgetary control for 2013/14.

13. Use of Appendices

13.1. None

14. Local Government (Access to Information) Act 1985

