

Medway Council
Meeting of Health and Adult Social Care Overview and
Scrutiny Committee

Wednesday, 20 September 2023

6.30pm to 8.18pm

Record of the meeting

Subject to approval as an accurate record at the next meeting of this committee

- Present:** Councillors: McDonald (Chairperson), Shokar (Vice-Chairperson), Anang, Brake, Campbell, Cook, Crozer, Gilbourne, Hamandishe, Jackson, Louwella Prenter, Mark Prenter and Wildey
- Substitutes:** Councillors:
Gulvin (Substitute for Clarke)
- In Attendance:** Mark Atkinson, Director of System Commissioning & Operational Planning, NHS Kent and Medway
Jackie Brown, Assistant Director Adult Social Care
Lee-Anne Farach, Director of People and Deputy Chief Executive
Lee Martin, Chief Delivery Officer, NHS Kent and Medway
Michael Turner, Principal Democratic Services Officer
James Williams, Director of Public Health

251 Apologies for absence

An apology for absence was received from Councillor Clarke.

252 Urgent matters by reason of special circumstances

There were none.

253 Disclosable Pecuniary Interests or Other Significant Interests and Whipping

Disclosable pecuniary interests

There were none.

Other significant interests (OSIs)

There were none.

Other interests

There were none.

254 Reprourement of Community Services Contracts

Discussion:

Members considered a paper from the Integrated Care Board (ICB) on the reprourement of community services contracts. The Committee was asked to consider whether these proposals constitute a substantial variation or development of a health service.

The Chief Delivery Officer for NHS Kent and Medway introduced the paper and clarified that the children's services contracts mentioned in the paper did not apply in Medway.

He added that the planned way of contracting was very different to traditional procurement exercises. The present contracts were quite old, and the current models of care may not be best practice. The intention was to roll over contract specifications from 1 April 2024 and then embark on a year of transformation work, including engagement with scrutiny, service users and the public. The contracts would be for five years with an additional possible three years. Work would take place on developing staff skills and integration of services. A skills centre had been established.

The IT infrastructure would need to expand and allow for a seamless service with no duplication.

In response to criticisms of a lack of detail in the report and its brevity the Chief Delivery Officer advised that the Integrated Care Board (ICB) had worked through a backlog of contracts caused by the pandemic. This had taken time and legal advice had been sought on the new contract model. It was not possible to confirm whether the same service providers would be in place from 1 April.

Referring to comments about the lack of consultation with the Committee, the Chief Delivery Officer advised some information had been shared at the start of the process.

Members questioned whether services would remain in Medway. The Chief Delivery Officer commented that the aim was to reduce inequalities, so everyone received the same quality of service. there might be changes in the way clinical services were delivered and models of care may be different. Community services were, however one of the biggest areas in the NHS and he was confident they would grow in Medway. It was not possible to guarantee that local providers would bid, but the aim was to develop local economies and sustain services locally. There was also a new governance process for contracts.

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In response to a query how extra services could be delivered when the number of beds was not changing, Members were advised that more care was now being delivered in people's homes. Technology changes meant much higher levels of care could be delivered out of hospital or clinic settings, but there was still a need for hospital beds.

Members were assured that people who could not or would prefer not to use digital services would not be disadvantaged.

Questions were asked about the overall financial value of the contracts, how services would be delivered while being transformed at the same time and what new standards were being set for providers. The Chief Delivery Officer advised that there were national models of care which set out the strategy for care. Work would take place locally on how to achieve this. Whilst the current budget would be rolled over, he could only see the budget increasing, but this might be used in a different way. The value of the contracts in Medway was £43m, out of a total of £200m for Kent and Medway.

In response to a question as to whether it was realistic that new providers could mobilise new services while also embarking on major transformation at same time, Members were advised this was why there would be a 6-month transition and year of transformation. The ICB had negotiated a transition period allowing the three present providers a 6-month transition period from 1 April 2024 if there were new providers.

In response to a query about unifying pay structures, Members were advised there would be no deviation from national pay structures.

With regard to social prescribing, the Chief Delivery Officer commented the use of social prescribing to support delivery of community care and support needed to be embedded.

The Chief Delivery Officer advised that the current contract specifications needed to be refreshed and going forward would be based on national models of care. There would be monthly checks on contracts during the transformation process to make sure clinical changes were embedded safely. In terms of how services would be continuously improved, Members were advised there would be regular reviews and an expectation that national standards were met.

In response to a query how small providers would be able to bid, the Chief Delivery Officer advised he was working with the voluntary and community sector (VCS) to have a sustainable VCS which would give them greater scope to be embedded in some of the contracts.

In response to a query regarding the overall process, the Director of People advised she had received the same briefing as Members and, as the Council's representative on the Integrated Care Board, she was satisfied with partnership working.

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An undertaking was given to update the Committee on the new models of care and proposed changes.

In response to comments about how robust a three-month procurement process could be, the Chief Delivery Officer advised that the ICB was required to give potential providers 4/5 weeks to bid. The ICB was working at pace and in an agile way to award contracts and initiate the year of transformation.

A Member queried whether the current contract specifications reflected services actually being provided in Medway. The Chief Delivery Officer advised current services had been updated to capture any changes over the years and included in current specifications. New providers would work to these specifications from 1 April 2024.

Regarding whether the contract value for 2024/25 would be the same as 2023/24 and the national NHS uplift applied, Members were advised the current budget would be rolled over and there was no NHS financial uplift for services.

An assurance was sought that the ICB would make good any funding shortfall due to inadequate specifications and that the Council and other partners would not face additional costs in year 1. The Chief Delivery Officer advised the risks around backlogs of patients had been carefully looked at and the ICB would cover any shortfall for services with the scope of the current contracts.

A suggestion was made it would be better to transform services with incumbent providers and the Committee was advised that the contracts were running out and could no longer be extended.

The risk register for the project included the risk of new providers unsettling staff and the possibility of staff leaving impacting on service delivery.

A Member queried whether any Medway services would be diverted to Swale. The Chief Delivery Officer said the expectation was to level up across Kent and Medway. He could not see services reducing in Medway, but things may work differently.

A Member queried whether the costs of the recent pay award not being passed on to staff had been taken into account as any staff TUPE'd over would be entitled to a pay award. Members were advised the previous contracts differed between NHS and non-NHS staff. The new contracts were trying to maintain pay equity but if new providers came forward, the means to achieve pay equity had not yet been identified.

The implications for the ICB if the Committee decided the proposals were a substantial variation was queried, and the Chief Delivery Officer advised that this would delay the transformation work for a substantial time. Staff undertaking the work would shortly need to be moved to winter planning work. This could lead to a two-year delay in the process.

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In considering whether the proposals constituted a substantial variation, reference was made to the risks involved in the new, and shortened, contracting process, the possibility of new providers working from different locations and in different ways and the possibility of staff becoming unsettled and leaving. The reference to a 2-year delay being caused by a decision to deem the changes a substantial variation was questioned, given the Committee had not seen such a delay in the past when deciding proposals were substantial variations and Members considered the need to make the right decision for Medway was paramount.

Decision:

The Committee agreed that the proposals from the Integrated Care Board to re-procure community services constituted a substantial variation or development in the provision of health services in Medway.

Chairperson

Date:

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