

Item 10: NHS Kent and Medway Community Services review and procurement

By: Kay Goldsmith, Scrutiny Research Officer

To: Health Overview and Scrutiny Committee, 7 December 2023

Subject: NHS Kent and Medway Community Services review and procurement

Summary: This report provides background information for members.

The Committee has determined the proposals do not constitute a substantial variation of service.

1) Introduction

- a) The Community Services contracts held by NHS Kent and Medway Integrated Care Board (ICB) expire at the end of March 2024 and need to be reprocured. As part of the process, NHS Kent and Medway are further developing the model of care for the provision of Community Services in collaboration with Health and Care system partners.

2) Previous Scrutiny

- a) A representative from the ICB attended HOSC's meeting on 19 July 2023 to set out the position, but the Committee did not feel it had enough information to make a decision around declaring a substantial variation of service.
- b) The ICB returned to a specially convened HOSC meeting on 6 September 2023. The proposal was to reprocure community services via a new model of care based on national best practice and innovation. New contracts would be mobilised by the 1 April 2024, with service delivery expected to continue under the current specifications for the first 12 months. During that time, there would be a year of transformation followed by a new model of care for the remainder of the contract. The incumbent contracts could no longer be extended.
- c) Members raised concerns around the procurement method to be used, whereby new contracts from April 2024 would be like-for-like with the existing specifications while the year of transformation took place at which time new specifications would come into effect. The Committee also had questions around the engagement and co-design that would take place during the year of transformation, the integration of IT systems and the financial cost attached to the procurement.
- d) The ICB had assessed that the first year of the contracts did not represent a substantial variation of service, though the Committee noted that many phrases in the agenda report indicated significant change would occur at some point.
- e) A Member asked what effect a substantial variation decision would have on the timescales and implementation of the contract. It was recognised that the proposed procurement was (locally, at least) a new way of undertaking contracts and if it was decided that it constituted a substantial variation, the

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ICB would extend the current contracts and delay the transformation for two years. It was noted that this would prevent the NHS from developing capacity at scale to meet with the needs of an older population. Seeking clarification as to why a two-year delay would be required, the ICB advised that it was necessary as they did not have alternative mechanisms in place. It was not possible to roll over the current contracts and ask providers to reflect national changes in the way they delivered services.

- f) The Committee said that a delay would not be in the interest of the authority, residents, or the NHS, but they did want to be kept informed about the progress of the transformation over the duration of the contract.
- g) Following discussion, the committee resolved that:
 - i) The Committee deems that proposed changes to the re-procurement of Community Services are not a substantial variation of service.
 - ii) NHS representatives be invited to attend the Committee and present an update at an appropriate time, to include details on financing and engagement.

3) Scrutiny in Medway

- a) The proposed changes impact residents in both Kent and Medway (excluding the Children's lots which do not cover Medway). For this reason, they were also presented to Medway's Health and Adult Social Care Overview and Scrutiny Committee (HASC) on 20 September 2023. When considering whether the changes represented a substantial variation of service, councillors had similar concerns to those raised by HOSC members. They were also advised by the ICB that such a declaration would delay the transformation work for a substantial time. Extracts from the minutes are as follows:

"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."¹

"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."

- b) Following the debate, Medway's HASC resolved the following:

"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."

¹ Medway Council (2023) 'Health and Adult Social Care Overview and Scrutiny Committee (20/09/23), <https://democracy.medway.gov.uk/ieListDocuments.aspx?CId=131&MIId=5809>

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4) **October Update**

- a) At the HOSC meeting on 5 October 2023², the Chair informed members about the resolution of Medway's HASC. He also said that a committee member had raised concerns over the information provided by ICB colleagues at the meeting on 6 September 2023 and that he agreed a further investigation was required. The Monitoring Officer was to write to the ICB to highlight the concerns.
- b) Representatives have been invited to attend today's HOSC meeting and provide an update on the procurement process and next steps.

5) **Recommendation**

- a) The Committee is asked to note the report and invite the ICB to provide an update at the appropriate time.

Background Documents

Kent County Council (2023) 'Health Overview and Scrutiny Committee (19/07/23)',
<https://democracy.kent.gov.uk/ieListDocuments.aspx?CId=112&MIId=9054&Ver=4>

Kent County Council (2023) 'Health Overview and Scrutiny Committee (6/09/23)',
<https://democracy.kent.gov.uk/ieListDocuments.aspx?CId=112&MIId=9388&Ver=4>

Medway Council (2023) 'Health and Adult Social Care Overview and Scrutiny Committee (20/09/23),
<https://democracy.medway.gov.uk/ieListDocuments.aspx?CId=131&MIId=5809>

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² Kent County Council (2023) 'Health Overview and Scrutiny Committee (6/09/23)',
<https://democracy.kent.gov.uk/ieListDocuments.aspx?CId=112&MIId=9318&Ver=4> (item 138)