

From: Dan Watkins, Cabinet Member for Adult Social Care and Public Health

Dr Anjan Ghosh, Director of Public Health

To: Health Reform and Public Health Cabinet Committee,
11 March 2025

Subject: Public Health Service Transformation Programme Update

Classification: Unrestricted

Past Pathway of Report: n/a

Future Pathway of Report: N/A

Electoral Division: All

Is the decision eligible for call-in? Not applicable

Summary:

The purpose of this paper is to update the committee on the progress of the Transformation Programme and the plan for future work. This update follows a series of other papers and updates shared with the committee.

In addition to this programme update at the March 2025 Cabinet Committee, there are also separate focused Key Decision papers on Adult Lifestyles and CYP 5 to 19 services.

The Key Decision dates for Sexual Health and NHS Health Checks have moved from March 2025 to July 2025 due to commissioning complexities. However, the majority of projects are still due to be completed on time.

As part of the transformation, a set process has been followed to arrive at a proposed service model, steps have included; stakeholder engagement, options appraisal, financial appraisal, external peer review, business case development and internal procurement governance. The proposed model will be presented at cabinet committee and, following a Key Decision, there will be an implementation phase comprising of procurement and service mobilisation.

Recommendation(s):

The Health Reform and Public Health Cabinet Committee is asked to **NOTE** the information contained within this update report, and to **COMMENT** on the programme and the next steps.

1. Introduction

- 1.1 Kent County Council (KCC) Public Health is leading a Public Health Services Transformation Programme to improve service delivery to communities, particularly targeting underserved communities. The transformation work aims to ensure that new service models are efficient, evidence-based and deliver Public Health outcomes for the best value.
- 1.2 The services within the scope of the Transformation Programme play a key role in the Council's prevention offer, and a key priority in Securing Kent's Future. This is particularly important given the increasingly challenging funding pressures and cost rises.
- 1.3 The commissioning landscape continues to evolve and will be impacted by several strategic developments. This includes devolution, work to negotiate the national pharmacy contract and tariffs, change in specialist commissioning and market pressure to review prices for primary care.
- 1.4 The Health Reform Public Health Cabinet Committee were previously updated on the programme in January 2025 and this March paper covers;
 - Programme progress
 - Changes to the forward plan of dates
 - An update on postural stability and oral health commissioning
 - Updates on the outcome of procurement activity

2. Public Health Services Transformation Programme progress

- 2.1 The Public Health Service Transformation Programme commenced in July 2023 and following a series of phases of work, has developed a proposed service model for each service. The proposed service models are being taken through or have been taken through governance.
- 2.2 Internal procurement governance has been approved for; Substance misuse, Health Visiting and Community Infant Feeding, School Health and Oral Health.
- 2.3 A Key decision was presented and endorsed by Health Reform and Public Health Cabinet Committee in January 2025 for Children and Young People (CYP) 0 to 4 years and the Health Visiting and Community Infant Feeding proposed service models.
- 2.4 Proposed Key Decisions are being presented at this March cabinet committee as separate papers for; CYP 5 to 19 years including emotional wellbeing support and adult lifestyles.
- 2.5 Future Key Decisions will be taken in July for Sexual Health and NHS Health Checks. The impact on timings is being worked through and will be shared with this cabinet committee.

- 2.6 Following Key Decisions, procurement / commissioning plans will be implemented and with time to transition to new models, this transitioning and mobilisation will vary across services.

3. Changes to the forward plan of dates

- 3.1 All decisions relating to this programme of work will be taken in line with the Council's governance processes, with regular updates shared with this committee. Each new service model has been either presented or will be brought to cabinet committee for members to consider and endorse prior to the cabinet member taking the decision.

- 3.2 The table below gives an estimation of timeframes.

Table 1. Public Health Service Transformation Programme – Proposed Key Decision scheduling

Public Health Service(s)	HRPHCC indicative Key Decision date
Children and Young People – School Health and Therapeutic Support services	March 2025
Adult Healthy Lifestyles – Smoking, Weight Management and Healthy Lifestyles	March 2025
Sexual Health Services – change of date	July 2025
NHS Health Checks - change of date	July 2025

- 3.3 There has been a change to schedule with Sexual Health Services and NHS Health Checks moving the presenting Key Decision proposals date from March to July 2025.

3.4. Sexual Health Services

- 3.4.1 The Sexual Health services Key Decision was scheduled for March 2025 but has been postponed allowing time to gain assurance of the commissioning intentions for the HIV treatment services which are funded by NHS England (NHSE) currently and due to transfer to the Kent & Medway Integrated Care Board (K&M ICB) in April 2025.

- 3.4.2 This is currently commissioned by NHSE to KCC and is linked to integrated sexual health services as part of the integrated model of care. The movement of dates will allow time for certainty over the impact on budget and lengths of contract. Public Health and Integrated Commissioning are working closely with the K&M ICB and NHSE to progress this, with support from Commercial and Procurement, legal, and Commissioning. The start date of the new service remains unchanged.

3.5 NHS Health Checks

3.5.1 The NHS Health Check Key Decision was scheduled for March is has been moved to July 2025, this is to fully explore the impacts and costs of the proposed new service model and interdependencies with other primary care service. The contract go live date is estimated to be 2026/27.

3.6 Cabinet committee members will be kept informed of future dates as the detail is worked through.

4. Performance and Quality

4.1 The Health Reform and Public Health Cabinet Committee regularly receive updates on the performance of commissioned services.

4.2 During the programme period the performance targets and metrics will be reviewed and readjusted to ensure they are fair and deliver best value for money. The committee may see some changes to Key Performance Indicators (KPI's) in 2026 and beyond.

4.3 A review of quality indicators and information is also taking place to information future specification requirements. This will include expected standards around user satisfaction, audit, data quality and monitoring

5. Commercial Considerations

5.1 The Programme team is working with Commercial and Procurement on the proposed procurement routes and commissioning arrangements such as payment mechanics, supplier sustainability, risk allocation and strategies to manage inflationary price rises.

5.2 Procurement route, commercial arrangement and contract price proposals continue to be tested with the market to ensure they mutually sustainable, affordable to KCC, and do not result in supplier failure, market exits, or unacceptable compromises in service quality.

5.3 It is important that KCC are mindful and understanding of the many financial challenges that are currently facing suppliers from uncertain funding sources, inflationary increases in staff costs and those from the recent central government changes to National Insurance Contributions and to both the National Minimum and Living Wages.

5.4 KCC have set financial constraints and cannot agree to long term contracts that may be unsustainable to fund. KCC will need to work alongside suppliers to find solutions.

5.5 The commercial terms for services need to balance value-for-money for KCC and be favourable enough to be considered attractive by providers.

5.6 In addition to the considerations above, teams will be incorporating the requirement for providers to demonstrate the Five Key Criteria as required under Provider Selection Regime (PSR) which cover Value, Social Value,

Quality and Innovation, Integration and Collaboration, and Improving Access and Reducing Health Inequalities.

- 5.7 Procurement routes will consider the various procurement options available under PSR as well as the impact changes in provider may have on the population of Kent.

6. Risks

- 6.1 In addition to the inherent risks associated with the Commercial Considerations, the programme is managing other risks.
- 6.2 There are uncertainties around whether the proposed contracts will be attractive to suppliers in terms of what is being asked to deliver in the service model specification and within the financial constraints of funding and potential TUPE liabilities. This risk is being mitigated by testing the market and through discussions with providers.
- 6.3 The current operating environment for commissioners and suppliers is challenging, with increases in costs, increases in staffing costs, uncertainties of grant funding and sustainable long-term contracts. Both suppliers and commissioners need to be mindful of potential supplier market failures due to other financial pressures.
- 6.4 Transformation Governance – most of the contracts within the transformation programme, end on 31st March 2026. The time allocated to scheduling of the programme, is the minimum time needed to deliver new commissioning arrangements. If for any reason KCC governance is delayed, it is likely an extension to the current contract would be required to re-commission the service.
- 6.5 Complexity – The Transformation programme is a complex programme of work. There are multiple services, transforming at the same time, new Provider Selection Regime legislation, uncertainties around future funding arrangements, internal resource pressures and many other complexities involved. Therefore, it may be possible that there are delays in some areas due to unforeseen circumstances.
- 6.6 It is critical that during this period of transformation that service stability is maintained that any (negative) impacts on residents are minimised.

7. Oral Health and Postural Stability Services

- 7.1 Oral Health and Postural Stability services are part of the transformation programme and in receipt of the Public Health Grant. Both services are low value services (under £1m) and as such new commissioning arrangements will be put in place in line with KCC policy.

7.2 Oral Health Service

- 7.2.1 Within the scope of the Transformation Programme is the Oral Health Service.

7.2.2 The Health and Social Care Act (2012) amended the National Health Service Act (2006) to confer responsibilities on local authorities for health improvement, including oral health improvement, in relation to the people in their areas.

7.2.3 This service is delivered by Kent Community Health Foundation Trust. The current contract expires 31st March 2026. Commissioners will use a compliant procurement route that builds on the good work the provider has already delivered under the existing contract. The outcome of this will be shared with the committee.

7.3 Postural Stability

7.3.1 A decision (Non-Key Decision) will be required in relation to the proposed Postural Stability service model, this is likely to be presented at the July cabinet committee, with members be kept updated

8. Updates on procurement activity

8.1 Drug and alcohol services have been successfully re-commissioned using a The Health Care Services (Provider Selection Regime) Regulations 2023 compliant route of direct award. The procurement awarded three contracts to incumbent supplier as below, all of which begin from the 1st February 2025

- West Kent Drug and Alcohol Services – Change Grow Live Limited
- East Kent Drug and Alcohol Services – The Forward Trust
- Young Persons Drug and Alcohol Services – We Are With You.

8.2 The new services will include enhancements in the commissioning model and specification as shared with committee.

9. Conclusions

9.1 The Public Health Service Transformation Programme presents an opportunity to improve services and health outcomes.

9.2 The programme has made good progress, and work will continue to ensure timeframes are met with Key Decisions being shared at Health Reform and Public Health Cabinet Committee for members to consider and endorse the proposed key decision for each service.

10. Recommendation(s):

10.1 The Health Reform and Public Health Cabinet Committee is asked to **NOTE** the information contained within this update report, and to **COMMENT** on the programme and the next steps.

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