

REQUEST FOR DIRECTOR DECISION – DD1157

Title: London Health Commission – Expenditure

Executive Summary:

MD1286 records the Mayor's approval of the receipt of an expected £4.0m from NHS England (final amount may be subject to negotiation) to fund a range of activities including the establishment of the London Health Commission and a GLA contribution of up to £35k in this regard; and delegation of authority to the Executive Director of Communities and Intelligence to take all further actions required to implement Commission activities.

The Commission will examine issues about how health improvement and the healthcare system can best operate to meet the needs of London and improve health outcomes for Londoners.

The GLA will work alongside the Commission to support the project management and stakeholder engagement elements of the Commission's work and this DD details the GLA staffing resources required for this. The commission also require a service provider to provide the project management and commissioning expertise. On approval of this decision form the GLA will commence a competitive procurement process in accordance with the GLA's Contracts and Funding Code and recruitment of staff.

Decision:

Following the receipt of £4m from NHS England to support the work of the London Health Commission (LHC) and its running costs, the Executive Director approves immediate expenditure of up to:

- £150k on services required to provide project management & health commissioning expertise for the LHC for the period of January - October 2014;
- £450k on analysis and engagement activities in January prior to the approval of the full budget
- £23k on two short term posts based within the GLA Health Team between 1 January and 31 March 2014; and
- £12k on a temporary PA/ project support officer to support the LHC between January to 31 March for.

AUTHORISING DIRECTOR

I have reviewed the request and am satisfied it is correct and consistent with the Mayor's plans and priorities. It has my approval.

Name: Jeff Jacobs

Position: Executive Director for Communities and Intelligence

Signature:

Date:

PART I - NON-CONFIDENTIAL FACTS AND ADVICE

Decision required – supporting report

1. Introduction and background

The Mayor of London announced the independent London Health Commission in September 2013. The Commission will examine issues about how health improvement and the healthcare system can best operate to meet the needs of London and improve health outcomes for Londoners. This commission will be informed by independent advisers and broad stakeholder engagement. This document details a proposed consultancy agreement for a cross-cutting coordination and advisory role in order to deliver the final report by autumn 2014.

The London Health Commission will begin with understanding the context of London's health and healthcare system and identifying what is and is not working effectively. This will in part be informed by an assessment of the progress in implementing the changes proposed in the 2007 Healthcare for London review. It will also look to future health and healthcare, as well as the link between social care and impact on health outcomes. It will consider how future challenges and opportunities might help shape health and healthcare.

The commission will examine four broad themes and make recommendations under each:

1. Improving the quality and integration of care
2. Enablers to high quality and integrated care delivery
3. Healthy lives
4. Health economy, research and education

2. Requirement

2.1 The Commission will operate independently and will require both project management and commissioning expertise to develop the recommendations of the Commission

2.2 Expertise is required to commission the range of policy analysis and research in line with its priorities. This independent analysis will inform and support the Commission's recommendations. This includes:

- Knowledge and understanding of NHS strategic planning data sources, information governance rules and an understanding of provider landscape such that we can ensure that best possible field of potential providers included in procurement process and provide expert health commissioning advice to panel members in awarding bids
- Previous experience of working with health analytic providers
- Health programme management expertise to ensure a joined up cohesive approach between the clinical input and wider health management aspects including the ability to flex contracts / deliverables if required through the life of the programme.

2.3 An initial breakdown of proposed expenditure to be funded by £4m NHS income and £150k by the GLA itself is set out in the Appendix to this approval form. This has yet to be reviewed by the London Health Commission and by IPB. It will be considered by IPB in early 2014 following which the proposed budget and arrangements for authorisation of further expenditure for the Commission will be formally approved on behalf the Mayor by DD. However, in order to proceed with essential preparatory work and procure project management and commissioning expertise, approval to expenditure of up to £185,000 is now sought. Additionally we propose to award contracts up to the value of £0.4m for analysis and engagement activities in January prior to the approval of the full budget.

2.4 The GLA is seeking to appoint a Service Provider to undertake the project management & reporting of the London Health Commission and manage the specification, procurement and management of a series of contracts/grants associated with the delivery of analysis to the Commission. The principal role of the service provider will be to deliver the Health Commission programme management & analysis on behalf of the GLA.

The estimated cost has been determined from initial conversations with potential suppliers, the NHS Commissioning Support Units and TfL's procurement team who have previously commissioned contract management support. It is proposed that the four London Commissioning Support Units are invited to bid for the work in the first instance as they have the

2.5 Staffing

It is proposed to recruit two London Health Commission fixed term posts to the GLA's Health Team up to a maximum of £35k for the period 1 January to 31 March 2014:

- Project Support Officer (Grade 5) to carry out the administrative work that will be needed to service the contract.
- Engagement Programme Manager (Grade 10) to support the LHC team in its stakeholder engagement, to lead GLA policy response to the emerging recommendations of the Commission and to oversee the management of the health expertise contract described above.

These posts will be recruited in line with GLA HR processes.

2.6 Temporary worker

It is proposed to source a temporary member of staff as PA/ project support (Grade 5) to the LHC Programme Director. The total cost is based on 37 hours per week at an agency rate of £19.68 per hour to 31 March 2014

3. Other considerations

3.1 Key Risks and Issues

Risk detail	Contingency
Failure to identify sufficient resources within the project timeline	A phased approach to implementation is planned
Failure fully to engage the health sector to provide evidence and input to the Commission's recommendations	Ensure clinical engagement via both Commissions membership & the working groups is sufficiently broad to minimise this risk

3.2 Links to strategies and Mayoral and corporate priorities

- Contributes to delivery of Mayor's Health Inequalities Strategy – relating to the access of Londoners to quality health care services
- Supports the London Health board priority of making the case for London & reduce the impact of public spending cuts to medical research and development.
- Aligns with Mayor's economic priorities in terms of realising the financial impacts of growth to the health sector as a major employer & contributor to the London economy and in particular

- o Generating more high value jobs and opportunities in London for construction & health related businesses
- o Improving returns for investors and taxpayers (measured through GVA), increasing economic resilience and attracting investment in healthcare related industries

3.3 Impact Assessments and Consultations

- The London Health Commission will invite a broad range of stakeholders and interested parties, from London and beyond, to inform its work and recommendations. This will include public consultation on its emerging findings and draft recommendations.
- A variety of engagement activities will be considered. The decision on the final process will be based on:
 - the consultation's detailed and specific objectives
 - the people whom the Commission wishes to consult and
 - the period of time set aside for the consultation.
- It is likely that the consultation process will include both traditional and more innovative methods, including paper based, online and face to face work. Activities may include: a series of focus groups, a series of stakeholder events, public opinion polling, webcasts of key public meetings etc.

4. Financial comments

Background

4.1 Approval is being sought for expenditure on resources required for the effective project management & stakeholder engagement elements of the work for the London Health Commission, specifically the following:

- Award contracts up to the value of £450,000 for analysis and engagement activities in January prior to the approval of the full budget.
- The procurement of managing agent services to provide project management & health commissioning expertise for the London Health Commission for the period January to October 2014 (up to the value of £150,000).
- Staffing resource for the period Dec 13 to 31 March 2014 (two posts and agency temp up to the value of £35,000).

Budget

- 4.2 MD1286 approved the establishment of the London Health Commission, which includes and the receipt of £4m grant funding (£2m in 2013-14 and £2m in 2014-15) from NHS England and a GLA contribution of £35,000 in 2013-14 to fund various policy and research activities in line with priorities set out by the Commission.
- 4.3 It is expected that the GLA will make a further contribution to the London Health Commission in the 2014-15 financial-year totalling £115,000, which will bring the total gross budget for the Commission to the £4.150m for which principle approval is being sought. This will however, be subject to formal approval via the 2014-15 budget process currently underway.

- 4.4 The receipt of income and the associated expenditure will be accounted for within the Health & Communities Unit. Any changes to this proposal, including budgetary implications and other specific individual expenditure items not covered explicitly via this approval will be subject to further approval via the Authority's decision-making process for which delegation to the Executive Director of Communities & Intelligence was approved through MD1286. All appropriate budget adjustments will be made.
- 4.5 The Health & Communities Unit within the Communities & Intelligence Directorate will be responsible for managing all the GLA's activities relating to the commission and ensuring that all associated expenditure complies with the Authority's Financial Regulations, Contracts & Funding Code, Expenses & Benefits Framework and Funding Agreement Toolkit.

5 Legal Comments

- 5.1 Sections 1 – 4 of this report indicate that the decisions requested of the Director (exercising the authority delegated to him under cover of MD1286) fall within the GLA's statutory powers to do such things considered to further or which are facilitative of, conducive or incidental to the promotion of economic development and wealth creation, social development or the promotion of the improvement of the environment in Greater London in manner which promotes the improvement of health of persons, health inequalities between persons and to contribute towards the achievement of sustainable development in the United Kingdom.
- 5.2 Officers must ensure that:
- any supplies and services which may be required in relation to the work of the London Health Commission are procured by Transport for London Procurement who will determine the detail of the procurement strategy to be adopted in accordance with the GLA's Contracts and Funding Code;
 - appropriate contract documentation is put in place and executed by the successful bidder(s) and the GLA before the commencement of such services; and
 - they comply fully with all GLA HR/Head of Paid Service protocols in respect of any staffing proposals, in particular the need to gain all necessary approvals for the creation of any new posts.

Public access to information

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FOI Act) and will be made available on the GLA website within one working day of approval.

If immediate publication risks compromising the implementation of the decision (for example, to complete a procurement process), it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary.

Note: This form (Part 1) will either be published within one working day after approval or on the defer date.

Part 1 Deferral:**Is the publication of Part 1 of this approval to be deferred? YES**

If YES, for what reason:

It contains information the disclosure of which would be likely to prejudice the Authority's commercial interests by distorting competitiveness in the relevant market. Such distortion impacts upon the Authority's ability to secure competitive and sustainable bids for the provision of such supplies and services and value for money which is not in the public interest

Until what date: (a date is required if deferring) 24 January 2014

Part 2 Confidentiality: Only the facts or advice considered to be exempt from disclosure under the FOI Act should be in the separate Part 2 form, together with the legal rationale for non-publication.

Is there a part 2 form – NO

ORIGINATING OFFICER DECLARATION:

Drafting officer to confirm the following (✓)

Drafting officer:

Amanda Coyle has drafted this report in accordance with GLA procedures and confirms that:

✓

Assistant Director/Head of Service:

Amanda Coyle has reviewed the documentation and is satisfied for it to be referred to the Sponsoring Director for approval.

✓

Financial and Legal advice:

The Finance and Legal teams have commented on this proposal, and this decision reflects their comments.

✓

EXECUTIVE DIRECTOR, RESOURCES:

I confirm that financial and legal implications have been appropriately considered in the preparation of this report.

Signature

Date