

HAMPSHIRE COUNTY COUNCIL**Decision Report**

Decision Maker:	Executive Member for Policy and Resources
Date:	14 April 2011
Title:	Proposal to Tender for Occupational Health and Staff Counselling Services
Reference:	2866
Report From:	Director of Human Resources

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1. Executive Summary

- 1.1. This paper seeks approval to commence a procurement process to secure an effective, efficient and responsive Occupational Health and Staff Counselling Service for Hampshire County Council and a number of partners.
- 1.2. Over the last twelve months the Heads of Human Resources in Hampshire have been reviewing areas of potential collaboration to achieve greater efficiencies and improved quality of services. This work has been managed by a Shared Services Board and progress has been regularly reviewed by the HIOWLA Chief Executives Group.
- 1.3. Significant progress has already been made in developing joint working in the areas of learning and development through shared programmes and recruitment through the regional recruitment portal. The third area of review has been Occupational Health and Staff Counselling which makes up both the County's and partner organisations health and wellbeing offering to staff.
- 1.4. A review of existing provision has shown that the current cost of providing these services in the County Council and partners is £1.4m per annum. The contract value for the County Council including schools, is circa £880,000 per annum.
- 1.5. The current services provided by the County Council and partner organisations are delivered through either an outsourced model or in-house service and it is believed that greater efficiencies and improved service delivery can be achieved from procuring a single provider across all partners.
- 1.6. The Shared Services Board have agreed that Hampshire County Council should act as the lead authority and manage the procurement process on behalf of the other partners with implementation of the new arrangements to take place as soon as possible in 2012.

2. Contextual information

- 2.1. Under the auspices of the HR Shared Services Board a review has been undertaken of current occupational and staff counselling services which make up health and wellbeing services provided to staff.
- 2.2. The findings of the review have highlighted that current services provided by the County and others are delivered through either an outsourced model or an in-house service with many medical and other records being retained in a paper based system. The aim of all of the partners is to modernise current provision and to transition to an on-line and electronically managed service to improve the efficiency and quality of health and wellbeing services across the County. To achieve this at an individual organisational level would incur considerable expense as well as a significant duplication of effort. On the basis of this the partners agreed to collaborate on a potential single health and wellbeing offering and undertook a soft market testing exercise to inform the decision of whether a full procurement exercise should be undertaken. This exercise provided a useful insight into how health and wellbeing services might be provided across Hampshire exploiting technology and adopting a more flexible approach in terms of telephone triage, appropriate interface with individuals and managers in order to provide the best outcome whilst also achieving efficiencies. On the basis of this it was agreed that a full tender process should be recommended.

3. Occupational Health and Staff Counselling Services at Hampshire County Council.

- 3.1. The County Council currently has an in-house service for all its employees as well as for a selection of Southampton Schools and a small number of external clients. Schools procure the service through the Education Personnel Services Business Unit as part of their HR and Payroll service provision.
- 3.2. Following non-compliance with HSE requirements in 2005 the Occupational Health Service has significantly improved over the last five years to deliver the legislative requirements and support the transformation of the HR Service within the Council. The Government Strategy on Wellbeing and the White Paper "Working for a Healthier Tomorrow" were key drivers for the transformation of the service. To now develop further, the service would require additional investment to support an integrated IT infrastructure to modernise existing arrangements.
- 3.3. The combined workforce for the Council's Occupational Health and Staff Counselling Service is currently 21 fte and should Health and Wellbeing Services be provided by an external contractor as a result of the tendering exercise there will be TUPE implications for this staff group. The current contract value for Occupational Health and Staff Counselling Services within the Council is circa £880,000.

4. Financial Implications

4.1. The current overall contract value for Health and Wellbeing Services within the County and its partners is currently circa £1.4m and the soft market testing exercise has suggested that savings of 20% and upwards might be achieved through engaging a new provider.

5. Scope of Service

5.1. The County Council and partners are proposing to tender for a Health and Wellbeing Service that includes but is not limited to:

- Post offer employment screening
- Effective and efficient case management
- Clinical / medical advice
- Occupational health services
- Health and wellbeing programmes to reduce absence
- Service delivery through a distributed model providing ease of access
- Timely management information to inform business decisions
- Confidential counselling services for all employees of the County Council and partners.

5.2. The provider will also need to support the management of sickness absence providing early interventions to reduce the impact on productivity and ensure the cost of absence is reduced. Furthermore, the provider will need to ensure access to specialist medical assessments or diagnostics where long term sickness absence is experienced, for example, early access to physiotherapy services or MRI scans. Design and delivery of Health and Wellbeing Programmes to support the County Council and partners will also be vital to maintain health and safety at work as well as health surveillance to ensure compliance with health and safety legislation. Such programmes, together with any additional services and medical advice and support will also need to comply with the organisations policies and procedures.

6. Conclusion

6.1. In conclusion the County Council and partners wish to proceed to a full tender process to deliver efficiencies and ensure existing services are modernised with more robust management information that supports business decisions rather than simply focussing on individuals.

6.2. The soft market testing exercise has demonstrated the opportunity to achieve efficiencies through economies of scale and provide an innovative and cutting edge service. It has also highlighted the gap between the County Council's existing service and a modern integrated solution that aims to deliver reduced absence, mitigate health risks and increase productivity.

6.3. Having a robust and resilient IT infrastructure and case management system is key to the successful implementation of a modernised service. In the current economic climate it is unlikely that the County Council and partners

will want to invest in a new in-house IT system to provide a similar service which will facilitate a move to on-line assessments and electronic records.

7. Recommendations

- 7.1. That approval be given to the commencement of a procurement process to secure Health and Wellbeing Services including Occupational Health and Staff Counselling Services for the County Council in collaboration with partner organisations.

CORPORATE OR LEGAL INFORMATION:**Links to the Corporate Strategy**

Hampshire safer and more secure for all:	no
Corporate Improvement plan link number (if appropriate):	
Maximising well-being:	yes
Corporate Improvement plan link number (if appropriate):	
Enhancing our quality of place:	no
Corporate Improvement plan link number (if appropriate):	
OR	
This proposal does not link to the Corporate Strategy but, nevertheless, requires a decision because:	
<i>NB: Only complete this section if you have not completed any of the Corporate Strategy tick boxes above. If it is not applicable, please delete.</i>	

IMPACT ASSESSMENTS:

1. Equalities Impact Assessment:

- 1.1. The scheme will provide a health & wellbeing service that will be able to be accessed by all staff of both the County Council & its partners

2. Impact on Crime and Disorder:

- 2.1. None

3. Climate Change:

- a) How does what is being proposed impact on our carbon footprint / energy consumption? N/A

- b) How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts? N/A