

EAST SUSSEX FIRE AUTHORITY

Meeting: Policy & Resources Panel
Date: 21 July 2022
Title of Report: Provision of Occupation Health Service
By: Assistant Director People Services
Lead Officer: Julie King, Assistant Director People Services

Background Papers: None

Appendices: None

Implications

CORPORATE RISK	✓	LEGAL	
ENVIRONMENTAL		POLICY	
FINANCIAL	✓	POLITICAL	
HEALTH & SAFETY		OTHER (please specify)	
HUMAN RESOURCES		CORE BRIEF	
EQUALITY IMPACT ASSESSMENT			

PURPOSE OF REPORT To consider the future arrangements for the provision of Occupational Health and Wellbeing Services within East Sussex Fire & Rescue Service.

EXECUTIVE SUMMARY East Sussex Fire & Rescue Service (ESFRS) entered an in-house Collaborated Occupational Health, Fitness and Wellbeing Service in 2018. The main aims of the Collaboration were to improve the quality of service, clinical governance and service resilience.

The collaboration agreement was for an initial 3 years, with a one-year extension agreed to by the Service and runs from 8 August 2021, with the expiry date of 8 August 2022.

A new collaboration agreement and service specification has been developed that clearly sets out how the partnership will operate in future.

Alternative options for the provision of these services have been considered but none are assessed to provide the same scope and quality of service as that provided through the current collaboration.

RECOMMENDATION

The Panel is recommended to:

- a) Agree to extend the collaboration for a further 5 years from 8 August 2022, with an option for a one-year extension, with the option to utilise the 6-months' notice period if the standard of service is not found to be adequate.
 - b) Note the performance improvement measures for the collaboration.
 - c) Note the granting of a waiver under the Authority's Procurement Standing Orders
 - d) Delegate authority to the Assistant Director People Services to take all actions necessary to put in place the new Collaboration Agreement.
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1. INTRODUCTION

- 1.1 On 1 July 2018, Surrey Police, Sussex Police, Surrey Fire and Rescue Service (SFRS) and East Sussex Fire and Rescue Service (ESFRS) went live with an in-house Collaborated Occupational Health, Fitness and Wellbeing Service. The main aims of the Collaboration were to improve the quality of service, clinical governance and service resilience.
- 1.2 The collaboration agreement was for an initial 3 years, with a one-year extension agreed to by the Service and runs from 8 August 2021, with the expiry date of 8 August 2022. Over the course of the agreement, end of year performance reports have been shared with SLT.
- 1.3 Regular performance reports are provided by the Head of Occupational Health and Wellbeing for the collaboration that are circulated via e-mail. In addition, performance reports are provided and presented at the quarterly Occupational Health managers meetings. The Collaboration Board comprises of two duly authorised and sufficiently senior representatives of each Party, this is currently the Assistant Director People Services and the HR/OD Manager

2. LEGAL ASSESSMENT

- 2.1 Counsel's opinion was sought on the original collaboration agreement and this confirmed that under Regulation 12(7) of the Public Contracts Regulations 2015, the

Hamburg exception, a competitive procurement process for these services was not required.

- 2.2 Given the value of spend over the life of the proposed extension of the Collaboration Agreement, in line with the requirements of Procurement Standing Order 4.1 the Treasurer has agreed a waiver from the requirement to conduct a competitive process following consultation with the Deputy Monitoring Officer, Procurement Manager and the relevant Member (in this case the Members of this Panel).

3. ASSESSMENT OF CURRENT SERVICE

- 3.1 The current collaboration has provided effective Occupational Health and Wellbeing Services to the Fire Authority with a focus on:

- Driving quality and efficiency
- Ensuring greater assurance of clinical governance for the Service
- Enhancing wellbeing and reducing staff absence
- Enabling ESFA to discharge its statutory functions more effectively
- Ameliorate the impact of reduced budgets and meet savings targets

- 3.2 Connected to, but not part of the collaboration agreement, are the other contracts that are in place that also make up the overall OH provision. These contracts are reviewed as part of the contracts review between Procurement and People Services. These contracts are:

- Ascenti - physiotherapy service
- Psych Health - specialist trauma related service
- MCL Medics - Employee Assistance Programme
- Medigold - Doctor service that is used particularly with ill health retirements

- 3.3 There are alternative models of delivering this service and these were explored to establish if there was a better alternative to the current model:

- Bring in-house – some fire authorities do have in-house Occupational Health services, however this approach brings with it a range of risks primarily around lack of resilience and access to specialist skills. There have been a number of challenges in recruiting to key roles including Occupational Health advisors and physiotherapists.
- Fully externalise – it is possible to source a number of the services currently provided through the collaboration from the private sector. However, we have not identified a provider that would offer such an integrated service and it is unlikely that the outsourcing of Occupational Health and Wellbeing alone would be an attractive proposition and deliver a cost-effective solution.

- 3.4 It is accepted that there are always areas for additional focus and improvement and the parties are focused on continuing to build on the success of the collaboration. This will include supporting the ongoing wellbeing services within ESFRS and to work specifically on a reduction in sickness. Within ESFRS, there is a quarterly complex case review meeting that is attended by the geographical Group Managers along with medical and

fitness professionals and this will be developed further to assist with the focus on sickness reduction.

- 3.5 Part of this future work will also include consideration of an employee healthcare scheme such as the Benenden Scheme that is in place in other services which could further bring benefits of supporting staff remaining in the workplace or reducing time off work through sickness or light duties.
- 3.6 The Health and Wellbeing lead for the collaboration provides monthly updates and includes performance against a suite of KPI's. These include the waiting times for the different types of appointments and the average time for the next available appointment. There is also opportunity for staff to provide feedback on service provision and performance management meetings, where appropriate, with service providers.

4. **OTHER CONSIDERATIONS**

- 4.1 The Service is currently undergoing a significant programme of work on the IRMP and significant investment in IT and Estates. This sits alongside a continuing programme to evolve the Service's culture.
- 4.2 Any switch of Occupational Health and Wellbeing provider/collaboration would require not just the transition of services but also the procurement and implementation of a new Occupational Health, Wellbeing Service and System. This is assessed as being an 18-24 month project requiring significant financial investment and has the potential to divert the current function from supporting transformation and business as usual across the Service.

5. **FINANCIAL ASSESSMENT**

5.1

Year	2018/19	2019/20	2020/21	2021/22
	£'000	£'000	£'000	£'000
Spend				
<i>Internal</i>	63	95	99	52
<i>Third Party</i>	118	102	96	99
<i>Collaboration costs</i>	44	72	95	96
Annual Total Spend	225	269	290	247
Budget	310	305	318	293
Variance	(85)	(36)	(28)	(46)

- 5.2 The table above shows the total collaboration spend against each year since 2018/19 and includes the spend against three separate spend categories associated with the Occupational Health provision. These are internal costs; third party spend and the collaboration costs. It is difficult to calculate exactly how much will be spent for 2022/23 as there are some services that are on a pay as you go basis, primarily the third-party

contracts which depend on caseload volumes. The overall budget for 2022/23 is £306,000 and based on historic spend patterns should be sufficient to cover future costs. The Authority has made additional budget provision for OH services in 2018/19 and 2021/22 of approximately £55,000 to allow investment in this essential service. In relation to the overall financial commitment to the collaboration (Surrey FRS and Surrey/Sussex Police) as contained within the agreement for 2022/23 is £70,487 and estimated at £360,000 over the initial five year term.

6. CORPORATE RISK

- 6.1 ESFA and ESFRS cannot operate without the provision of an Occupational Health and Wellbeing provision and the current collaboration agreement and agreed service specification will provide a solid basis for the partnership to continue to improve the services.

7. CONCLUSION

- 7.1 Whilst there are alternative options for the provision of Occupational Health services, at this stage none are assessed to provide the same scope and quality of service as that provided through the current collaboration. It is therefore recommended that a new collaboration agreement is approved for five years with an option to extend by one further year.