



RECORD OF DECISION TAKEN UNDER DELEGATED POWERS OUTLINED IN THE CONSTITUTION – Part 3 Section 16

DELEGATED OFFICER DECISION TAKEN BY: Director HR, Legal & Governance
PORTFOLIO AREA: Resources

SUBJECT: EMPLOYEE OCCUPATIONAL HEALTH SERVICES

1. DECISION

The Director of HR Legal & Governance approves a proposal to bring the Occupational Health Service primarily `in house` as set out in this report.

2. REASON FOR DECISION

The service has been reviewed and it has been found that the current procured service not being delivered locally can create issues for staff seeking access to the service. The current service as procured can also be inflexible as it is case driven and proactive work is limited. There are opportunities via internalising the service to address these issues and also assure tight control on expenditure given the reduction in budget determined and agreed for 2019/20.

3. BACKGROUND

Blackburn with Darwen Borough Council entered into the AGMA collaboration on the April 2017. Following a full procurement process Health Management were successful in being appointed the contract for both occupational health and EAP services across the AGMA network. The EAP services are delivered by Health Assure through this contract.

Prior to Health Management being awarded the contract OHU services were delivered locally by PAM Assist.

Health Management initially agreed that they would be holding a Blackburn clinic however due to the relative low number of OHU referrals made in Blackburn they felt it was not financially viable and therefore the Blackburn clinic was never set up. Currently any employees referred are triaged to establish if a phone appointment is suitable and if so this will be arranged with a nurse, alternatively a face to face appointment will be made for the next available time. As Blackburn does not hold any clinics the appointment could be at any of the clinics across the AGMA collaboration. This has caused significant issues with some staff who have been referred having no access to travel and others not being well enough to travel any distance.

The AGMA Collaboration is currently in the process of retendering the OH contract. The NHS is one of the largest OH providers however they have announced they will be outsourcing their provision moving forward.

The average number of referrals per month varies significantly from 5 to 24 per month, with the average being 15 per month. It would be expected that if OH was to be delivered in house the

number of referrals would increase, as there would also be a number of proactive referrals. The in house OH could also be utilised by providing ad hoc manager training and support sessions. Other activity may include: Health Surveillance, Flu inoculations, New Starter health checks and Driver Medicals.

The available budget for the OHU service has been reduced significantly in recent years as the workforce of the Council has reduced. However the range and scale of some services still places a significant expectation on a good and consistent Occupational Health Service provision given the Council still employs over 2,000 staff. Despite the changes in service provision however there continues to be a high expectation of value for money and therefore ensuring that budget reductions are balanced with ensuring more effective services with the resources remaining has been at the forefront of considerations about a future model of service.

It is proposed that the service be internalised with the appointment of a 0.5 WTE fixed term qualified Occupational Health Officer who will be part of the Health, Safety & Wellbeing Team. They will be supported in the delivery of their work by commissioned specialist services, which would ensure some resilience at time of leave/absence etc. They would also conduct some of the more specialised health certification work (e.g. pension medical certification).

The half time post would be more than adequate to meet the demand for the current service meaning it would also be able to contribute more directly to preventative and other general health related occupational health services, within the revised and reduced budget envelope.

This proposal would provide a flexible option integrated within an existing team of health, safety and wellbeing specialists. By being able to offer Occupational Health internally we would also have the opportunity to market and sell this service to our external customers whom we know experience similar difficulties at present which would assist in the management of service overheads.

The overall budget for the service is £50K per annum and the proposals above provide for the funding of this post, the supported commissioned services and related accommodation, equipment and administrative costs.

4. OPTIONS CONSIDERED AND REJECTED

The Council could continue to operate a procured model via the existing collaboration agreement however given the relatively small number of referrals the location for appointments and referrals for advice would remain a problem for staff access. Financially to remain in the funding envelope the range of services that could be included would be more limited.

Similarly a full re-procurement could be undertaken but the same problems associated with volume and flexibility for a relatively small value contract would be highly likely to be repeated, alongside the budget limitations.

Collaboration with another local authority has also been considered, however most are currently working within alternative arrangements presently with some obligated to ongoing contracts. This is however an option that may be re-considered over the longer term when experience of the internalisation of services is fully known

The creation on a permanent basis of a model of service as set out in this report. This would create more risk in terms of ensuring we develop future services to reflect the modern range of roles and services in the council. This option could be reconsidered after the experience from the preferred option set out in this report.

5. DECLARATION OF INTEREST

All Declarations of Interest of the officer with delegation and the any Member who has been consulted, and note of any dispensation granted should be recorded below:

VERSION: 1

CONTACT OFFICER: David Fairclough

DATE: 15 04 2019

BACKGROUND DOCUMENTS: Replacement of OHU Contract

Signed:



Director HR, Legal & Governance

Date: 15th April 2019