

CABINET

10 MAY 2016

GATEWAY 3 REPORT: PROVISION OF FULLY INTEGRATED SEXUAL HEALTH SERVICES

Portfolio Holder: Councillor David Brake, Adult Services

Report from: Dr Andrew Burnett, Interim Director of Public Health

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Summary

This report seeks permission to award a contract for the provision of fully integrated sexual health services to the supplier as highlighted within Section 2.2 of the accompanying Exempt Appendix.

The Cabinet approved the commencement of this requirement at Gateway 1 on 28 October 2014. A copy of the Gateway 1 Report is available upon request.

This Gateway 3 Report has been approved for submission to Cabinet after review and discussion at the Public Health Directorate Management Team Meeting on 12 April 2016 and Procurement Board on 13 April 2016.

1. Budget and Policy Framework

- 1.1 This procurement will be funded from the Public Health Grant. A price ceiling will be applied to the tariffs within the sexual health contract. The sexual health service is a mandated open access service and therefore activity levels cannot be capped.
- 1.2 No cost uplifts are planned and providers have been informed that savings will be expected across the life of the contract.
- 1.3 Government Policy Framework:
 - Public Health Outcomes Framework (PHE 2013)
 - Framework for sexual health improvement in England (DH 2103)
 - Making it work- A guide to whole system commissioning for sexual health, reproductive health and HIV (PHE 2014)
 - Contraceptive services with a focus on young people up to the age of 25 (Nice 2014).

1.4 This procurement is consistent with the 2016-17 to 2020-21 Council Plan:

Medway council priorities

- Medway: A place to be proud of
- Supporting Medway's people to realise their potential
- Maximising regeneration and economic growth

Medway Council ways of working

- Giving value for money.
- Digital services so good that everyone who can use them prefer to do so
- Working in partnership where this benefits our residents

2. Background

2.1 Local authorities are mandated under 'The Local Authorities (Public Health Functions and Entry to Premises by Local Healthwatch Representatives) Regulations 2013' to provide sexual health services, the core services of which must be open access. Medway NHS Foundation Trust (MFT) currently provide Genitourinary Medicine (GUM) and Kent Community Health NHS Foundation Trust (KCHFT) provide Contraceptive and Sexual Health (CaSH) services. Both providers are on rolled over contracts, which do not adequately meet the sexual health needs of Medway.

2.2 The commissioning intention is to have one lead provider for both services plus other associated sexual health services. Since Gateway 1 it has been identified that additional savings can be made, and an improved service can be delivered, by including all elements of sexual health. Elements to be commissioned:

1: Hub and Spoke clinics offering a full level 1-3 service and Self-managed care

2: Outreach

3: Psychosexual therapies; short to medium term therapy

4: National Chlamydia Screening Programme

5: CCard condom scheme

6: LARC (Long acting reversible contraception) fitting and removal in primary care

7: EHC (Emergency hormonal contraception) in Pharmacies

8: Community based Targeted HIV screening

9: HIV Adult services

2.3 Recent government guidance in 'Making it work: A guide to whole system commissioning for sexual health, reproductive health and HIV' has stated that fragmentation of services should be avoided. To ensure that HIV adult services (Element 9) remain within the remit of the Sexual Health Service provider a Section 75 Agreement has been agreed with NHS England in October 2015. This has caused delays in procuring the Integrated Sexual Health Service.

2.4 Elements 1-8 will be funded from the Public Health Grant and Element 9 will be funded by NHS England in accordance to the Section 75 Agreement. A maximum total contract value has been applied to the integrated sexual health contract as the sexual health service is a mandated to be an open access service and therefore activity levels cannot be capped.

- 2.5 A venue in Chatham town centre, 4 Clover Street, has been sourced and refurbished to act as an integrated Sexual Health services hub with increased opening hours that will improve accessibility for all and ensure a full range of services are available. Other suitable sites and methods of delivery have been proposed by the lead provider.

NHS England Sexual Health Services

- 2.6 Locally commissioned NHS England sexual health services include adult HIV patients and routine cytology screening (this excludes cytology screening activity undertaken by GP practices).
- 2.7 A Section 75 Agreement is in place with NHS England for HIV adult services with the responsibility of performance management for the contract remaining with NHS England. No agreement has been reached with NHS England regarding cervical cytology and activity has been capped in council funded services to existing levels.

3. Procurement Process

3.1 Procurement Process Undertaken

- 3.1.1 Section 3.3.1 of the Contract Procedure Rules advised that: 'All requirements above £100K must be advertised on the Council's Website, the Kent Business Portal and in the OJEU (where above the EU tender thresholds for goods, services or works).'
- 3.1.2 The value of the procurement for the sexual health service means the service was advertised to comply with these rules, and to support the Council's procurement strategy to provide best value.
- 3.1.3 Category Management conducted a full OJEU open procedure for this procurement as the value will exceed the relevant EU threshold for a services contract.

3.2 Evaluation Criteria

- 3.2.1 Given the nature of the services a 70% quality 30% cost split was utilised to achieve best value.

4. BUSINESS CASE

4.1 Delivery of Procurement Project Outputs / Outcomes

The following procurement outcomes/outputs identified as important at Gateway 1 to the delivery of this procurement requirement have been appraised in the table below to demonstrate how the recommended procurement contract award will deliver said outcomes/outputs.

Outputs / Outcomes	How will success be measured?	Who will measure success of outputs/ outcomes	When will success be measured?	How will recommended procurement contract award deliver outputs/outcomes?
1. Reduction in Under 18 Conceptions	Continued decrease in teenage pregnancies as evidenced in national and regional statistics	Medway Public Health Public Health England	Annually and on-going aiming to see a reduction in teenage pregnancies to below the national and regional averages	<ul style="list-style-type: none">• Quality Outcome Indicators, with potential of financial penalty should they not be met (QOI), are used to ensure adequate support for young people.• Universal and targeted services accessible to those at highest risk of teenage pregnancy.• Free Condom distribution scheme as part of procured service.• Emergency Hormonal Contraceptives available free of charge through pharmacies.

<p>2. Reduction in Diagnosis of chlamydia in those aged 15-24</p>	<p>Increased testing for chlamydia as evidenced by national and local statistics will result in an initial increase in positive diagnoses and increase in the prevalence of chlamydia. Over time as positive cases are identified and treated the activity will reflect a reduction in the prevalence of chlamydia</p>	<p>Medway Public Health Public Health England</p>	<p>Annually and on-going monitoring of diagnosis rates aiming at a target of 2300/100,000 with the proportion of the population being screened above both national and regional averages</p>	<ul style="list-style-type: none"> • QOIs set screening rates expected from provider • Programme now embedded in wider sexual health service provision. • Suitable provider will have agreed to be bound by QOIs with a financial penalty and or additional monitoring should QOIs not be met
<p>3. Reduction in the late diagnosis of HIV</p>	<p>Decrease in percentage of people diagnosed with a CD4 count of less than 350 cells cubic mm</p>	<p>Medway Public Health Public Health England</p>	<p>Annually monitoring of late diagnosis to remain below both national and regional averages</p>	<ul style="list-style-type: none"> • QOIs specify screening should be targeted to those at highest risk, a minimum number of community screens should be taken in addition to clinic based testing, positive screens should indicate good targeting of screens. • QOI to achieve reduction in late diagnosis. • Suitable provider will have agreed to be bound by QOIs with a financial penalty and or additional monitoring should QOIs not be met

<p>4. A community that is more aware and responsible for its sexual health</p>	<ul style="list-style-type: none"> • Prevention is prioritised • Clear accessible and up to date information about services providing contraception and sexual health for the whole population • Targeted information for at those at highest risk of sexual ill health or least likely to access universal services • Preventative work in school and educational establishments building on the work of Student Health Services • Practitioners across the health and social care workforce trained in sexual health to an appropriate level • Practitioners having easy access to sexual health dashboards and data • Purposeful and targeted outreach to those not accessing universal 	<p>Medway Public Health</p>	<p>On-going performance management to collate both qualitative and quantitative data that evidences the outcomes</p>	<ul style="list-style-type: none"> • QOIs require easy access to self managed care services. • Increased use of internet and social media for disseminating information. • Universal and targeted services to improve sexual health. • Training will be provided to the wider workforce in line with their role and requirements. • Suitable provider will have agreed to be bound by QOIs with a financial penalty and or additional monitoring should QOIs not be met
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	services including socially disadvantaged young people			
5. Evidence based, patient centred, outcome focussed provision	<ul style="list-style-type: none"> • Increased development of evidence-based practice • Patient, Public Engagement used to constantly improve services and inform new services • Increased uptake of effective methods of contraception, including rapid access to the full range of contraceptive methods including LARC (Long Acting Reversible Contraceptive) for all age groups • A reduction in unwanted pregnancies in all ages (as evidenced by teenage conception and abortion with emphasis on repeat abortion rates) through easy and rapid access to appropriate contraceptive services 	Medway Public Health	On-going performance management to collate both qualitative and quantitative data that evidences the outcomes	<ul style="list-style-type: none"> • QOIs require patient / public engagement surveys and action plans. • Evidence based outreach to higher risk groups. • Training and support for the wider workforce. • Increased access to and use of LARC in GP and Sexual Health clinics. • Times and locations of clinics based on evidence of need and patient consultation. • Emergency Hormonal Contraceptives available free of charge through pharmacies. • HIV services treatment services are integrated with detection and prevention services. • Suitable provider will have agreed to be bound by QOIs with a financial penalty and or additional monitoring should QOIs not be met

	<ul style="list-style-type: none">• A reduction in STIs (as evidenced by annual STI prevalence data) through easy and rapid access to STI testing• Increased uptake of HIV testing with particular emphasis on first time service users and repeat testing of those that remain at risk• Within treatment services prevention is prioritised			
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<p>6. A healthier community</p>	<ul style="list-style-type: none"> • Increased diagnosis and effective management of sexually transmitted infections • Effective and robust partner notification procedures • Targeted provision to tackle inequalities with improved access to services among those at highest risk of sexual ill health as identified locally and nationally • Psychosexual support and counselling • Effective pathways to psychosocial support for those living with HIV 	<p>Medway Public Health</p>	<p>On-going performance management to collate both qualitative and quantitative data that evidences the outcomes</p>	<ul style="list-style-type: none"> • QOI sets partner notification rates and STI treatment expectations. • Increased access to self managed care and web based services. • Universal and targeted services to those at higher risk. • Psychosexual counselling element commissioned as part of integrated service. • Suitable provider will have agreed to be bound by QOIs with a financial penalty and or additional monitoring should QOIs not be met
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5. RISK MANAGEMENT

5.1 Risk Categorisation

1. Risk Category: Financial	Likelihood: Low	Impact: High
Outline Description: Budget will be insufficient to implement the proposed service specification		
Plans to Mitigate: Existing data has been used to understand current spend within the CASH block contract and GUM tariff. National tariff has been shadowed against current performance to refine that understanding. Service specification adjusted accordingly. Cap applied to state maximum contract value with a requirement for a business continuity plan if the maximum contract value is at risk of being reached.		
2. Risk Category: Service Delivery	Likelihood: Low	Impact: High
Outline Description: This is a new service delivery model that is untested in Medway model could fail to meet objectives.		
Plans to Mitigate: Using the national ‘Integrated Sexual health Services: National Service Specification’ as basis for Medway service specification. ‘A Framework for Sexual Health Improvement in England’ underpins all aspects of the service specification. Local and national consultation has taken place on the service model proposed.		
3. Risk Category: Reputation / political	Likelihood: Low	Impact: Medium
Outline Description: Changes to service resulting in negative impact on the Council’s reputation.		
Plans to Mitigate: New service will provide easier and more rapid access to the full range of sexual health services, communications plan will be written to promote this as a ‘good news’ story. Portfolio holder has visited current services and is aware of the plans to re-tender and relocate.		
4. Risk Category: Service delivery	Likelihood: low	Impact: High
Outline Description: New provider may fail to meet contractual obligations.		
Plans to Mitigate: Regular performance monitoring procedures, quality outcome indicators and consequences of failure to meet them are set out in service specification.		

6. SERVICE COMMENTS

6.1 Financial Comments

- 6.1.1 The procurement requirement and its associated delivery (as per the recommendations at Section 8) will be funded from existing revenue budgets.
- 6.1.2 Further detail is contained within Section 1.1 Financial Analysis of the **Exempt Appendix** that accompanies this report.

6.2 Legal Comments

- 6.2.1 The Section 75 Agreement between the Council and NHS England for sexual health services was made pursuant to the section 75 of the National Health Service Act 2006. Under the s75 Agreement, the Council is the Lead Commissioner and has delegated authority to carry out this procurement.
- 6.2.2 The process described in this report complies with the Public Contracts Regulations 2015 and the Council's Contract Procedure Rules.
- 6.2.3 This is a level 4 high-risk category B procurement and therefore the decision to award is for Cabinet. A Gateway 5 report must be made to Cabinet pursuant to Contract Procedure Rule 2.4.6.

6.3 TUPE Comments

- 6.3.1 TUPE will apply to this tender and will affect the relevant staff from Medway NHS Foundation Trust, Kent Community NHS Health Trust and Medway Council. Medway Council have passed all TUPE information from these providers to all bidders during the tender process.

6.4 Procurement Comments

- 6.4.1 The market for these services is clearly limited. However, the procurement process was preceded by 3 stages of advertised market engagement and consultation – i) a market event, ii) a memorandum of information which shared the proposed specification with the market, and iii) the publishing of a prior information notice in OJEU.
- 6.4.2 The service was tendered in accordance Public Contracts Regulations 2015 using the Open Procedure.
- 6.4.3 The original annual budget specified in the invitation to tender was reduced by £130,000. All providers were asked to clarify whether their bids could be delivered within this revised budget.
- 6.4.4 The delivery of this contract will enable the business to achieve value for money while maintaining high quality services managed through one service provider.

6.5 ICT Comments

6.5.1 It is confirmed that the site will be run by external contractors and not Medway staff. Therefore there is no requirement for network or IT services to be provided by Medway ICT.

7. Procurement Board

7.1 The Procurement Board considered this report on 13 April 2016 and supported the recommendations set out in paragraph 8 below.

8. Recommendation

8.1 The Cabinet is recommended to award the contract for the provision of Integrated Sexual Health Services to the tenderer as outlined in Section 2.2 of the exempt appendix.

9. Suggested Reason for Decision

9.1 The proposed procurement will provide the opportunity to deliver improved sexual health services whilst performing against Council strategic objectives including local and national public health obligations.

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BACKGROUND PAPERS

The following documents have been relied upon in the preparation of this report:

Description of Document	Location	Date
Gateway 1 report: Procurement Commencement: Sexual Health Services Re-Commissioning	http://democracy.medway.gov.uk/mgconvert2pdf.aspx?id=25362	28 October 2014
Integrated sexual health service specification	Public Health V:\33 - Commissioning and Assurance\Commissioning\Sexual Health Re-commissioning\ITT\ITT 2 Service Spec ISHS Part A.docx	October 2015

Sexual Health in Medway: Briefing document	Online http://democracy.medway.gov.uk/mgIssueHistoryHome.aspx?IId=16932&PlanId=247	October 2015
Commissioning Sexual Health services and interventions: Best practice guidance for local authorities	Online https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/144184/Sexual_Health_best_practice_guidance_for_local_authorities_with_IRB.pdf	March 2013
The Local Authorities (Public Health Functions and Entry to Premises by Local Healthwatch Representatives) Regulations 2013	Online http://www.legislation.gov.uk/uksi/2013/351/regulation/6/made	Feb 2013