

REPORT TO: Executive Board

DATE: 19 April 2018

REPORTING OFFICER: Director of Public Health

PORTFOLIO: Health & Wellbeing

SUBJECT: The procurement of a new Integrated Sexual Health Service
for Halton

WARD: Borough-wide

1.0 PURPOSE OF REPORT

- 1.1** Halton and Warrington are currently leading on a programme of collaboration across Cheshire and Merseyside for the development of **Integrated Sexual Health Services**. As part of this work, we seek to formalise the current commissioning arrangements so that services can be integrated across Halton and Warrington so that local people can be given greater choice on how and where they access information, guidance and support.
- 1.2** In accordance with Standing Orders, the Executive Board is requested to authorise the Director of Public Health to conduct a joint procurement exercise with **Warrington Borough Council** to determine the most economically advantageous and effective organisation to deliver an **Integrated Sexual Health Service** for Halton and Warrington.
- 1.3** The tender exercise will test the current market and, subject to the financial implications from any tender submissions received, seek Executive Board approval to award a contract to a provider or providers for the delivery of an integrated Sexual Health Service for the people of Halton and Warrington. The contract will be for a period of 5 years with the option for two further one year extensions.
- 1.4** Members' approval is sought to enter into a joint commissioning arrangement with Warrington Borough Council which will increase access to local services, ensure consistency of delivery and to realise efficiencies from the management of the service. Warrington Borough Council has agreed to lead the procurement process on behalf of the service at no charge to the Local Authority. Following the procurement, a further report will be brought to the Executive Board for approval.

2.0 RECOMMENDATION: That the Executive Board

- 1) Approve the proposal to commence the procurement of a new integrated Sexual Health Service for Halton and Warrington;**
- 2) Support the proposal to enter into a joint commissioning arrangement which will be led by Warrington Borough Council; and**

- 3) **When the commissioning exercise is completed a report will be submitted to the Executive Board with a view to formally approving the detailed arrangements.**

3.0 SUPPORTING INFORMATION

3.1 Halton Borough Council is responsible for commissioning services to promote the health and wellbeing of the residents of Halton with the aim of improving public health outcomes and reducing health inequalities across the life course. Commissioning responsibilities in relation to sexual health were set out in the Health and Social Care Act 2012.

3.2 It is a mandatory requirement of the Public Health grant that Local Authorities are responsible for the commissioning of sexual health services. This includes the following:

1. **Contraception Services** - including the costs of Long Acting Reversible Contraception (LARC) devices and prescription or supply of other methods including condoms) and advice on preventing unintended pregnancy in specialist services and those commissioned from primary care (GP and community pharmacy) under local public health contracts.

2. **Sexually transmitted infection (STI) testing and treatment** in specialist services and those commissioned from primary care under local public health contracts; chlamydia screening as part of the National Chlamydia Screening Programme (NCSP); HIV testing including population screening in primary care and general medical settings; and partner notification for STIs and HIV

3. Sexual health aspects of **psychosexual** counselling

4. Any **sexual health specialist services**, including young people's sexual health services; outreach; HIV prevention; sexual health promotion; publicity; services in schools and colleges; and pharmacies.

3.3 The Integrated Sexual Health Service aims to improve sexual health by:

- Promoting good sexual health through primary prevention activities including behaviour change and those which aim to reduce the stigma associated with STIs, HIV and unwanted pregnancy;
- Providing rapid and easy access to open access STI testing, treatment and management services through a variety of mechanisms which may include online services;
- Providing rapid and easy access to open access reproductive health services including full range of contraceptive services; referral to NHS funded abortion services; support in planning pregnancy; through a variety of mechanisms which may include online services;
- Reducing late diagnosis of HIV and undiagnosed HIV and improving the sexual health of those living with HIV;
- Providing a quality service with appropriately trained staff; clinical governance and service user safety arrangements;

- Being responsive to local need (a) provide rapid response to outbreak management; and (b) through continuous improvement and response to the ongoing analysis of local population need;
- Operating as system leader in the local sexual health economy providing clinical leadership, development of and involvement in local networks and development of clear referral pathways between all directly connected and indirect service providers.

3.4 The overarching objectives of the service are to:

- Ensure that services are acceptable and accessible to people disproportionately affected by unwanted pregnancy and sexual ill health based on up to date sexual health needs assessment which identifies the needs of vulnerable/at risk groups;
- Engaging local prevention groups and non-governmental organisations to facilitate collaboration in service development, health promotion and outbreak management;
- Respond to the public health needs of the local population and ensure robust links and pathways are in place to the wider public health services and specialist;
- Ensure robust information governance systems are in place and the service is reporting to mandatory national datasets;
- Supporting evidence-based practice in sexual health (this should include participation in audit and service evaluations and may include research);
- Promoting service and key sexual health messages to the local population, via the use of innovative and appropriate media and marketing techniques tailored to specific audiences.

3.5 The contract for the current integrated sexual health service is due to end in **September 2018**. Within the terms of the current contract there is capacity for a one year extension and it is intended that the existing contract be extended to **March 2019**, to enable the procurement of the new service to take place, and also to align the contract with that of Warrington.

4.0 PROPOSAL

4.1 The provision of sexual health services are a mandatory requirement of the Public Health grant. It is proposed that the Executive Board grants approval for the commencement of a procurement exercise to secure a provider to deliver a new integrated Sexual Health Service for Halton.

4.2 In order to maximise the impact of service delivery, Halton is seeking to create an integrated service in partnership with Warrington Borough Council. Such an arrangement will increase access and choice for local people and enable the better utilisation of resources across the larger footprint. Joint commissioning will also support the reduction in 'Out of Area' (OOA) patient flow arrangements across the two areas as well as lead to the removal of back office functions related to cross charging for patients.

4.3 Such economies of scale can also support the re-negotiation of drug tariffs, the re-negotiation of laboratory costs and an overall reduction in other overheads.

The larger service will also permit the development of improved IT systems and the development of new staffing structures which will likely be much improved, leaner, and will include detailed plans on how to train the sexual health workforce of the future.

- 4.4 The Commissioners will seek the delivery of a high quality service that is both effective in improving universal outcomes through the use of evidence based interventions delivered by skilled practitioners, and also safeguards local people at risk of harm.
- 4.5 The expectation is that the service will combine a balance of advice/guidance and promotional/prevention activity as well as direct evidenced based interventions for those that require clinical support. Such an approach will enhance the availability of local services that are joined up, supportive and affordable.
- 4.6 The service will be delivered in a 'hub and spoke' system that will encourage locality based teams to be resourced to meet the identified needs of the population of the area they serve. The service will also commit to streamlining and improving access to public health/ health improvement services and will also seek to be co-located with partner organisations where appropriate.
- 4.7 Local stakeholders have informed and influenced the development of a refreshed service specification to ensure that it is fit for purpose and represents value for money. A number of further engagement activities will take place with potential providers, service users and other stakeholders to further inform the development of the service.

5.0 BUSINESS CASE

5.1 Value for Money

The contract for the new service will be awarded on the basis of quality and price, thus ensuring value for money. It is anticipated that applications to deliver this service will enable efficiency savings to be made which will represent a reduction on current expenditure. Tender submissions will be evaluated using MEAT (Most Economic Advantageous Tender) principles. The initial contract will be awarded on a five year basis with an opportunity to extend by two one year extensions. An integral element of the procurement process will be a proportionate approach to Social Value and all prospective providers will be evaluated against the Halton Social Value Procurement Framework.

5.2 Transparency

Contracts will be recorded in the Council's Contracts Register accessible via the internet together with the publication of all spend in excess of £500.

5.3 Propriety and Security

Compliance with anti-corruption practices will be adhered to and any of the contracts within the subject of this report will be terminated if there is any occurrence of corruption by any organisation or their staff.

5.4 Accountability

Approval from both the Operational Director and Monitoring Officer (Legal and Democratic Services) has been gained as per **Standing Orders 1.4.2(a) and 1.4.2(c)**, and the Executive is asked to support the decision to enable Warrington Borough Council to lead the procurement process on behalf of both parties. Representatives from Halton will play a full role in all stages of the procurement and the final decision to award a contract will be brought to both Executive Boards for joint approval. The contracts will be joint performance managed by both Boroughs and service standards will be monitored by commissioners and the contracts team.

5.5 Position of the Contract under the Public Contracts Regulations 2015

The process will comply with the requirements of the Public Contracts Regulations (2015) and will follow the Light-Touch Rules Regime for Health (Regulations 74 to 77).

6.0 POLICY IMPLICATIONS

- 6.1 The method of procurement complies with the Council's procurement policy and Procurement Standing Orders and will utilise the Chest e-procurement portal.

7.0 FINANCIAL/RESOURCES IMPLICATIONS

- 7.1 Financial provision for the Service is contained within the Public Health ring fenced grant. A contract will be awarded for **five years** with **two one year optional extensions**. TUPE regulations will apply for affected staff, and measures will be put in place to review contract values on an annual basis in line with available resources.

The current budgets for services in Halton are:

Integrated Sexual Health Service	£735,180
GP Services	£26,450
Pharmacy Services	£10,000
TOTAL	£771,630 per year

In addition, Halton currently pays the following for access to Level 3 Genito Urinary Medicine (GUM) services. These services attract an individual tariff for each episode of care.

GUM (Level 3) Services **£476,120 per year**

Halton currently spends a total of c. **£1,250,000** per year on sexual health services. It is anticipated that the joint approach to commissioning, as well as tighter control on GUM services will enable the realisation of approximately **10%** in savings. As a result, Halton will identify a budget of c. **£1,125,000 pa** for the

total delivery of Sexual Health Services. It is anticipated that this will include both the integrated service and all episodes of level 3 interventions.

The estimated budget for the delivery of Sexual Health Services in Halton will therefore be a total of **£5,625,000** for the initial five year contract, with a further **£2,250,000** if the extensions are used. This brings a total commitment over the seven year period of **£7,875,000**.

8.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

8.1 Children and Young People in Halton

The Government's aim is to enable local services to meet local needs, and robust sexual health services are a critical component in supporting the reduction of "risk taking" behaviours and supporting positive health outcomes. The service will support the effective and efficient delivery of both national and local strategies and action plans to meet the needs of local young people.

8.2 Employment, Learning and Skills in Halton

N/A

8.3 A Healthy Halton

Universal and specialist public health services are important in promoting the health and wellbeing of people and reducing inequalities through targeted intervention for vulnerable and disadvantaged individuals. The service contributes to the delivery of the objectives of the Health and Wellbeing Board.

8.4 A Safer Halton

Reducing the incidence of crime, improving Community Safety and reducing the fear of crime have an impact on health outcomes particularly on mental health. There are close links between the service and on areas such as safeguarding, mental health, substance misuse and domestic violence.

8.5 Halton's Urban Renewal

N/A

9.0 RISK ANALYSIS

9.1 Risk will be a particular consideration in the tender evaluation process. Robust service monitoring should provide early warning of any performance issues. The proposals are not so significant as to require a full risk assessment.

10.0 EQUALITY AND DIVERSITY ISSUES

10.1 All contractors will be required to demonstrate that they embrace and comply with the Equality Act, and services will be monitored to ensure this is the case.

11.0 REASON(S) FOR DECISION

- 11.1** A decision is required to enable the procurement exercise to commence.
As the value of the proposed contract will exceed the EU threshold for services of this type, we are seeking Executive Board approval.

12.0 ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

- 12.1** N/A

13.0 IMPLEMENTATION DATE

- 13.1** The new procurement process will commence immediately, with the new service in place by April 2019.

14.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

- 14.1** None under the meaning of the Act.