

COMMISSIONING AND PROCUREMENT SUB COMMITTEE

10 June 2015

| | | | |
|---|---|---------------------------------|---|
| Subject: | Re-procurement of Sexual Health Services | | |
| Corporate Director(s)/ Director(s): | Alison Michalska - Corporate Director Children and Adults Candida Brudenell - Strategic Director Early Intervention Alison Challenger – Interim Director of Public Health | | |
| Portfolio Holder(s): | Councillor Alex Norris, Portfolio Holder for Adults and Health | | |
| Report author and contact details: | <p>Carl Neal – Insight Specialist Public Health 0115 8765527 Carl.Neal@nottinghamcity.gov.uk</p> <p>Rachel Doherty – Lead Contract Manager 0115 8765108 Rachel.Doherty@nottinghamcity.gov.uk</p> <p>Dawn Cafferty - Procurement Category Manager – Community, Health and Education 0115 8765888 Dawn.Cafferty@nottinghamcity.gov.uk</p> | | |
| Key Decision | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No | Subject to call-in <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| Reasons: | <input checked="" type="checkbox"/> Expenditure | <input type="checkbox"/> Income | <input type="checkbox"/> Savings of £1,000,000 or more taking account of the overall impact of the decision |
| | | | <input checked="" type="checkbox"/> Revenue <input type="checkbox"/> Capital |
| Significant impact on communities living or working in two or more wards in the City | | | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| Total value of the decision: £29,268,384 (Annual Value of the decision: £ 3,658,548) | | | |
| Wards affected: All | Date of consultation with Portfolio Holder(s): Councillor Norris | | |
| Relevant Council Plan Strategic Priority: | | | |
| Cutting unemployment by a quarter | | | <input type="checkbox"/> |
| Cut crime and anti-social behaviour | | | <input type="checkbox"/> |
| Ensure more school leavers get a job, training or further education than any other City | | | <input type="checkbox"/> |
| Your neighbourhood as clean as the City Centre | | | <input type="checkbox"/> |
| Help keep your energy bills down | | | <input type="checkbox"/> |
| Good access to public transport | | | <input type="checkbox"/> |
| Nottingham has a good mix of housing | | | <input type="checkbox"/> |
| Nottingham is a good place to do business, invest and create jobs | | | <input type="checkbox"/> |
| Nottingham offers a wide range of leisure activities, parks and sporting events | | | <input type="checkbox"/> |
| Support early intervention activities | | | <input checked="" type="checkbox"/> |
| Deliver effective, value for money services to our citizens | | | <input checked="" type="checkbox"/> |
| Summary of issues (including benefits to citizens/service users): | | | |
| This report seeks approval to the re-procurement and award a contract for the Integrated Sexual Health service (ISHS). This service will underpin the prevention of sexual ill-health and early intervention services across the City; reducing health inequalities and improving health and well-being outcomes. | | | |

It is proposed that the re-commissioning and tender process be undertaken jointly with the County Council. This will allow the continued development of an Integrated Sexual Health Service (ISHS), offering a seamless, universal open access service for people resident in Nottingham City and Nottinghamshire South County (Broxtowe, Gedling and Rushcliffe).

Exempt information:

Appendix 2 is exempt from publication under paragraph 3 of Schedule 12A to the Local Government Act 1972 because it contains information relating to the financial affairs of a particular person (including the authority holding that information) and having regard to all the circumstances, the public interest in maintaining the exemption outweighs the public interest in disclosing the information. It is not in the public interest to disclose this information because it is commercially sensitive and may jeopardise contract negotiations.

Recommendation(s):

1. To approve the procurement of the sexual health services outlined in exempt Appendix 2, jointly with Nottinghamshire County Council.
2. To delegate authority to the Interim Director for Public Health in consultation with the Portfolio Holder for Adults and Health, to allocate funds for the above expenditure and to secure best value for Nottingham Citizens.
3. To delegate authority to the Interim Director for Public Health in consultation with the Portfolio Holder for Adults and Health to approve the outcome of tenders, agree the final values and award contracts for the services detailed in exempt Appendix 2, providing this does not exceed the maximum values indicated
4. Delegate authority to the Head of Contracting and Procurement to sign the final contracts in respect of the services detailed in exempt Appendix 2, following approval by the Director of Public Health to the agreed contract awards.
5. Approve the budget to support the contractual values set out in exempt Appendix 2. If the contractual values are over and above the indicative maximum values a separate report will be presented for approval.

1 REASONS FOR RECOMMENDATIONS

- 1.1 To ensure that the Public Health funding allocations are utilised to commission and procure services in an appropriate way and in accordance with the correct legislation. The re-procurement of these sexual health services will seek to ensure the delivery of high quality services, at the best possible value for money. Exempt appendix 2 sets out the proposed maximum service values, contract duration and details of potential efficiencies.
- 1.2 To allow for relevant and mandatory commissioning activity to continue in order to maintain service provision for citizens and meet identified local need, including meeting the recommendations from the Nottingham City Joint Strategic Needs Assessment. Commissioning activity will also contribute to ensuring continued progress of the Health and Wellbeing Strategy, and relevant Public Health Outcomes Framework targets.
- 1.3 To enable contracts to be issued in a timely manner to ensure continuity of service delivery from April 2016, when the current contractual arrangements time expire.

2 BACKGROUND (INCLUDING OUTCOMES OF CONSULTATION)

- 2.1 Under the provisions of the Health and Social Care Act (2012) Nottingham City Council (NCC) now has a statutory responsibility to commission open access sexual services to improve and maintain the health of Nottingham citizens. This transition was completed on 1 April 2013

- 2.2 Open access locality based and secondary care sexual health services are currently provided by Nottingham University Hospitals NHS Trust (NUH). The services currently sit within the multi-lateral NUH contract, led by NHS Nottingham West CCG on behalf of a range of public sector agencies. Notification of NCC's intention to terminate this contractual arrangement was issued on 23rd March 2015.
- 2.3 The current contract relating to sexual health services expire on 31/03/2016. Re procurement will be undertaken to commission services from 01/04/2016.
- 2.4 Open access sexual health services aim to:
- Prevent and reduce the spread and onward transmission of sexually transmitted infections (STIs)
 - Test, treat and care for those with STIs
 - Provide advice and access to a full range of contraception
 - Provide advice on preventing unplanned pregnancy.

There are some sexual health services that are the commissioning responsibility of other organisations. For example, the provision of Human Immunodeficiency Virus (HIV) treatment and care is the commissioning responsibility of NHS England. Whilst HIV testing and prevention is the responsibility of the Local Authority.

A summary of the current commissioning arrangements for Sexual Health Services can be found in **Appendix 1**.

2.5 Local Context

Summary of sexual health needs in Nottingham City:

- Nottingham City has higher rates of acute STIs when compared to the national average
- There is a clear relationship between sexual ill health, poverty and social exclusion, with the highest burden of sexually related ill-health borne by groups who often experience other inequalities in health
- STIs, including HIV, remain one of the most important causes of illness due to infectious disease among young people (aged between 16 and 24 years old).
- If STIs, including HIV, are not diagnosed and treated early, there is a greater risk of onward transmission to uninfected partners and a greater risk that complications might occur
- The impact of STIs remains greatest in young heterosexuals under the age of 25 years and in men who have sex with men (MSM)
- Large increases in STI diagnoses were seen in MSM, including a 26% increase in gonorrhoea diagnoses. Although partly due to increased testing in this population, ongoing high levels of unsafe sexual behaviour probably contributed to this rise
- The most commonly diagnosed STI in 2013 was Chlamydia. Targeting vulnerable groups and those identified as most at risk is crucial to achieve the recommended diagnosis rate of 2,300 per 100,000 15-24 year old population as set out in the Public Health Outcomes Framework (PHOF)
- The number of gonorrhoea diagnoses has increased in recent years and reducing gonorrhoea transmission, ensuring treatment resistant strains of gonorrhoea do not persist and spread remains a public health priority

- Nottingham City has a 'high' HIV prevalence (2.41 per 1,000 population), higher than both the regional (East Midlands) and national (England) averages. Within Nottingham City 63.9% of HIV cases are diagnosed late compared to the England average of 45%
- There has been a decline in the rate of teenage pregnancies in Nottingham City since 2007, although the City still ranks higher than the national average
- Evidence identifies that in recent years the percentage of total first contacts for LARC (long-acting reversible contraception) has increased; however the rate of GP prescribed LARC during 2012/13 per 1,000 female population aged 15-44 in Nottingham City (46.0) was lower than the England average (49.0)
- The full version of Nottingham City's Sexual Health JSNA can be accessed on http://jsna.nottinghamcity.gov.uk/insight/Strategic-Framework/Nottingham-JSNA/Adults/Sexual-Health-and-HIV.aspx#exec_summary

2.6 Nottingham City's (in partnership with Nottinghamshire County Council) proposed approach is to commission a range of sexual health services as part of an integrated sexual health service (ISHS) model. The ISHS model reflects current evidence-based practice and is informed by national and local guidance (DH, 2013; DH 2014) and intelligence about the health needs of the population in Nottingham City (and Nottinghamshire County).

2.7 Services delivered in an integrated way help to enable people to access contraceptive advice and STI testing and treatment at one appointment or site, with the option for referral to more specialist treatment and services when needed. The ISHS model is underpinned by health promotion and prevention activity, to increase sexual health wellbeing, knowledge and awareness and enhance the accessibility of services.

An extensive engagement process has been undertaken with citizens and a range of other stakeholders through a series of focus groups. Following this a formal consultation process was also carried out in partnership with the County Council, In addition a soft market testing exercise has been completed to inform the re-commissioning process.

3 OTHER OPTIONS CONSIDERED IN MAKING RECOMMENDATIONS

- 3.1 Tender for sexual health services for the City only - This would ensure a compliant process and value for money. However this option would not deliver the added benefits for citizens of an integrated service and possible enhanced efficiency savings.
- 3.2 Do nothing – This option was rejected as this would mean that existing contracts for sexual health services expire, leaving the city without this statutory service or with a service that has not been compliantly procured.

4 FINANCIAL IMPLICATIONS (INCLUDING VALUE FOR MONEY/VAT)

- 4.1 The annual cost of the contracts included in exempt Appendix 1 is £3.658m and £29.268m for the maximum life of the contracts.
- 4.2 The funding of the contracts can be contained within the Public Health budget allocation. The services, referred to in Appendix 2, have been identified as being reduced to contribute towards the budget savings challenge from 2016/17 onwards. This report will enable savings of £0.155m to be achieved towards the target of £0.205m

- 4.3 Approval is given to award contracts up to their current annual cost. Any increase in contract values above that level will require further approval to be gained through the appropriate process.
- 4.4 Contract performance will be closely monitored to ensure the outcomes align to the City Councils framework to achieve value for money and deliver on the principles of economy, efficiency and effectiveness

5 RISK MANAGEMENT ISSUES (INCLUDING LEGAL IMPLICATIONS AND CRIME AND DISORDER ACT IMPLICATIONS)

- 5.1 The intention is to closely coordinate the County and the City's requirements as to the provision of their open access statutory sexual health obligations in both procuring the provision of the services and contract management.
- 5.2 Agreement with County as to the terms and conditions of contract is far advanced as, it is understood, is the specification.
- 5.3 The precise details of governance between the County and the City and the procurement mechanisms and contractual controls need to fully developed to ensure compliance with statutory constraints on decision making and the procurement regulations.
- 5.4 Legal have been fully involved in the development of the terms and conditions and will need to assist to help ensure the arrangements will fulfil all the statutory and regulatory requirements.

6 SOCIAL VALUE CONSIDERATIONS

- 6.1 Social Value is inherent in the subject matter of this procurement, as an open access health service for citizens. However the possibility for creating additional social value (for example generating employment and training opportunities) will be considered as part of the procurement process.

7 REGARD TO THE NHS CONSTITUTION

- 7.1 Local authorities have a statutory duty to have regard to the NHS Constitution when exercising their public health functions under the NHS Act 2006. In making this decision relating to public health functions, we have properly considered the NHS Constitution where applicable and have taken into account how it can be applied in order to commission services to improve the health of the local community.

8 EQUALITY IMPACT ASSESSMENT (EIA)

- 8.1 Risk Assessment and Equality Impact Assessments are being undertaken or will be undertaken (depending on the timescales for the tender) for those services to be tendered.

9 LIST OF BACKGROUND PAPERS RELIED UPON IN WRITING THIS REPORT (NOT INCLUDING PUBLISHED DOCUMENTS OR CONFIDENTIAL OR EXEMPT INFORMATION)

9.1 None

10 PUBLISHED DOCUMENTS REFERRED TO IN THIS REPORT

10.1 None

11 OTHER COLLEAGUES WHO HAVE PROVIDED INPUT

11.1 Brian Stewart, Solicitor, Contracts and Commercial Team, Legal Services
Dee Fretwell, Finance Analyst, Children and Families, Strategic Finance
Dawn Cafferty, Procurement Category Manager, Corporate Procurement

Appendix 1
Summary of Commissioning Responsibilities for Sexual Health Services

| Local Authorities | CCGs | NHS England |
|--|---|---|
| <ul style="list-style-type: none"> • Contraception • STI testing and treatment • Chlamydia testing as part of the National Chlamydia Screening Programme • HIV testing • Sexual health aspects of psychosexual counselling • Sexual services including young people's sexual health, teenage pregnancy services, outreach, HIV prevention and sexual health promotion work, services in schools, colleges and pharmacies | <ul style="list-style-type: none"> • Termination of pregnancy services • Vasectomy • Non sexual health elements of psychosexual health services • Gynaecology including use of contraception for non-contraception purposes | <ul style="list-style-type: none"> • Contraception provided as an additional service under the GP contract • HIV treatment and care including post-exposure prophylaxis after sexual exposure • Promotion of opportunistic testing and treatment for STIs • Sexual health elements of prison health services • Sexual Assault Referral Centres • Cervical screening • Specialist foetal medicine |
| <p>Original Source: Department of Health Commissioning Sexual Health services and interventions: Best Practice guidance for local authorities, 2013</p> | | |