

**Decision Maker:** CARE SERVICES PORTFOLIO HOLDER

**Date:** For Pre-Decision Scrutiny by the Care Services Policy Development and Scrutiny Committee on 10th March 2016

**Decision Type:** Non-Urgent Executive Non-Key

**Title:** **CONTRACT AWARD FOR POINT OF CARE TESTING SERVICE AND LABORATORY TESTING FOR SEXUALLY TRANSMITTED INFECTION**

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**Ward:** All Wards

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## 1. Reason for report

- 1.1 This report seeks permission to approve call-off from the Public Health Agreement Framework the contracts for:
- Category I: Point of Care Testing Service to Support the NHS Health Checks Programme and approve the award of contract to Alere Ltd
  - Category L: Laboratory Testing for Sexually Transmitted Infection and approve the award of contract to The Doctors Laboratory

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## 2. RECOMMENDATIONS

- 2.1 The Care Services Policy Development and Scrutiny Committee is asked to note and comment on the proposals
- 2.2 The Care Services Portfolio Holder is asked to note the history and cumulative value of the contracts and agree to:
- i) Call-off the contract for Point of Care Testing Service to Support the NHS Health Checks Programme and approve the award of contract to Alere Ltd

- ii) Call-off the contract for Laboratory Testing for sexually transmitted infection and approve the award of contract to The Doctors Laboratory
- iii) The award of both contracts for one year from 1 April 2016 to 31 March 2017 with the option to extend for one further year to 31 March 2018 and the agreement of the extension to be authorised by the Chief Officer in consultation with the Portfolio Holder

## Corporate Policy

1. Policy Status: Existing Policy:
  2. BBB Priority: Healthy Bromley:
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## **Financial**

1. Cost of proposal (over 1 year) £172,000
  2. Ongoing costs: N/A:
  3. Budget head/performance centre: Public Health
  4. Total current budget for this head: £13,935,160
  5. Source of funding: Public Health Grant
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## Staff

1. Number of staff (current and additional): N/A
  2. If from existing staff resources, number of staff hours: N/A
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## Legal

1. Legal Requirement: Statutory requirement:
  2. Call-in: Applicable:
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## Customer Impact

1. Estimated number of users/beneficiaries (current and projected):

94,312 residents of Bromley (40-74year olds eligible for an NHS Health Check)  
Young people and Adult residents in the Borough

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## Ward Councillor Views

1. Have Ward Councillors been asked for comments? Not Applicable
2. Summary of Ward Councillors comments: N/A

### **3. COMMENTARY**

#### **3.1 Background**

##### **3.2 Category 1: Point of Care Testing**

NHS Health Checks is a mandatory Public Health Programme offering assessment of risk of heart disease, stroke, diabetes, chronic kidney disease and dementia in 40 -74 year olds without existing disease.

3.3 The NHS Health Check programme is supported by measurement of blood cholesterol (and where relevant, HbA1c) using Point of Care Testing (POCT). The provision of POCT increases the feasibility, acceptability and convenience of the NHS Health Check, reducing the need for multiple visits or repeated appointments.

##### **3.4 Category L: Laboratory Testing for Sexually Transmitted Infection (STI)**

Controlling the transmission of STIs is an important public health function of health protection. The service supports delivery against the Department of Health's 'Public Health Outcome Framework' measure of working towards capturing positive Chlamydia diagnoses and recently early detection of HIV. There has also been a steady increase in Gonorrhoea and Syphilis locally over the last few years which is of Public Health England concern.

3.5 In 2015 Bromley Borough was ranked as 53rd for gonorrhoea and Syphilis ranked 43rd out of 326 local authorities nationally, with 1<sup>st</sup> rank being the highest rate. Testing for the six most common STIs is now available for home testing for adult residents over 25.

3.6 The Doctors Laboratory (TDL) provides a free self-sampling postal laboratory service that links directly with an internet ordering facility. Postal tests are dispatched directly to people's homes, therefore maximising opportunities for Bromley residents to access chlamydia and other STI screening.

3.7 Tests are processed within set timescales and facilitate a pathway to inform service users about how to access treatment if needed via a pharmacy (for Chlamydia) or fast tracked to the Sexual Health Clinic (for HIV, Gonorrhoea or Syphilis). Synchronisation between the laboratory, the individual, the online testing provider and the Bromley Sexual Health Office, gives additional opportunities to signpost service users to appropriate sexual health services within the borough at a far greater cost saving than if individuals attend a Sexual Health Clinic primarily for this service.

#### **3.8 Contract History**

3.9 Both contracts were transferred to the Local Authority on 1 April 2013 as part of the Public Health duties to the Local Authority. The Public Health Framework was put in place in April 2014 following a full tender exercise and approval from Executive for Framework arrangements. The contracts were approved by Director 16 May 2014 following direct call-off from the Framework and were awarded for one year with the option to extend for one year to 31 March 2016 which was approved by Director on 9 February 2015. The Public Health Framework Agreement was approved for extension to 31 March 2018 by Executive on 14 October 2015 (CS15925).

3.10 This report requests authority to award both contracts for one year from 1 April 2016 to 31 March 2017 with the option to extend for one further year to 31 March 2018 and the agreement of the extension to be authorised by the Chief Officer in consultation with the Portfolio Holder.

### 3.11 Justification for Exemptions

#### 3.12 Category 1: Point of Care Testing

Alere Ltd provides an efficient and high quality Point of Care Testing Service which supports the NHS Health Checks Programme by:

- Ensuring accessible provision of high quality equipment and consumables for Cholesterol testing or Cholesterol and HbA1c testing
- Providing a Quality Management Service which ensure the Point of Care Testing in Bromley meets robust clinical governance standards for both internal quality control and external quality assurance
- Ensuring the Point of Care Testing Service meets locally agreed quality requirements based on Medicines & Healthcare Products Regulations Agency (MHRA) recommendations

3.13 There are a very limited number of Providers of POCT. Alere is the only provider who applied to be appointed to the Councils Public Health Services Framework. This was subject to approval of their quality by the Chemical Pathologist at Queen Elizabeth Hospital, Greenwich, as per MHRA recommendations.

3.14 Alere equipment is tried and tested in Bromley and the accuracy of results trusted by our GP's. The company provide a very good service in the provision of equipment and consumables for blood testing and as added value include quality assurance testing for internal quality control and external quality assurance. This quality assurance service is supported by an online data management tool which allows commissioners easy access to visibility of quality monitoring by users of the service.

3.15 There would be a significant disruption and unnecessary cost involved in changing to a different POCT provider. Different equipment would need to be purchased and then all staff requiring retraining in its use. The commissioner is satisfied that Alere remains the best option to ensure the key outcomes of each contract continue to be achieved and are therefore seeking an exemption from tendering and permission to grant a new contract.

3.16 As Alere is the only provider of this service on the Public Health Framework Agreement, it is therefore recommended to directly call-off this contract from the Framework for the period 1 April 2016 for one year with the intention to extend the contract for a further year subject to approval by the Chief Officer in consultation with the Portfolio Holder.

#### 3.17 Category L: Laboratory Testing for Sexually Transmitted Infection

3.18 Two providers were appointed to the Framework Source Bioscience and TDL. However, TDL is the only laboratory in the framework that demonstrates satisfactorily their capacity and capability to offer tests that cover all six common STIs - Chlamydia, Gonorrhoea, Syphilis, HIV, Hepatitis B and C.

3.19 In addition, TDL is required to set up and work specifically with the website hosting the local online Chlamydia (Checkurself) and other STI Screening programme (Checkurself Plus). The website was developed and hosted on our behalf by the Royal Borough of Greenwich through a Memorandum of Understanding (MoU). Working closely with the website developer, TDL is the only organisation in the framework that offers an end to end service of dispatching internet orders to processing the test with results notification. TDL has consistently performed to the standard and quality required at the same time offers value for money.

3.20 RB Greenwich, who holds the website, has plans to re-procure the site next year and consideration is being given to the potential of a joint procurement process for the website along with the laboratory service with Greenwich and Bexley. It is our intention to explore the joint re-procurement of an end-to-end service including the laboratory service for a new contract to be in place before April 2017. The re-procurement and timeline will be led and determined by RB Greenwich. However, if this does not take place in the given timeframe, the approval to extend the call-off contract for one further year to 31 March 2018 will be sought from the Chief Officer in consultation with the Portfolio Holder.

#### 4. POLICY IMPLICATIONS

4.1 The contracts detailed in this report are consistent with the objectives within 'Building a Better Bromley'

4.1.1 Healthy Bromley: work with health partners and focus on areas identified within the Health and Wellbeing Strategy in improving health and delivering Public Health outcomes

#### 5. FINANCIAL IMPLICATIONS

5.1 The budget and expenditure for these services is listed in the table below

	<u>2014/15</u> <u>ACTUAL</u> <u>£'000</u>	<u>2015/16</u> <u>PROJECTED</u> <u>£'000</u>	<u>2016/17</u> <u>BUDGET</u> <u>£'000</u>
Point of care	70	66	100
Laboratory testing	64	64	72
	<b>134</b>	<b>130</b>	<b>172</b>

5.2 It can be seen that there is a potential small saving obtainable at the current level of activity. The point of care contract is linked with the NHS Health Check programme and there is a saving of £126k overall in the service for 2016/17. This will need to be managed as part of this.

5.3 The Laboratory testing is projecting a small saving based on activity. However the method of testing for the over 25s is projected to grow as it is a more efficient and cost effective method of testing for non-symptomatic individuals than attendances at GUM clinics. The average cost for common STI online testing is under £60 and this compares with an average cost of £158 GUM attendance offers much better value for money.

5.4 These services are mandatory and are covered by the Public Health Grant. The Public Health Grant is a central government grant which is ring-fenced until 2017/18. In the next few years Bromley will see a reduction in grant as outlined in the table below.

	<b>16/17</b> <b>BUDGET</b> <b>£000</b>	<b>17/18</b> <b>BUDGET</b> <b>£000</b>
Grant income	-12,954	-12,954
Additional Health Visiting Grant	-3,802	-3,802
2015/16 in year grant reduction	919	919
Grant reductions announced	358	740
<b>Total Grant</b>	<b>-15,479</b>	<b>-15,097</b>

- 5.5 The 2016/17 Budget includes further losses on public health funding over the period 2016/17 to 2019/20. Recently announced grants reductions in the settlement show a loss of £358k in 2016/17 and an additional reduction in 2017/18 of £382k (cumulative £740k).
- 5.6 Any further efficiencies that can be gained from these services will need to offset the future grant losses.

## **6. LEGAL IMPLICATIONS**

- 6.1 These call-off contracts are requested under Contract Procedure Rules Section 7.3 Framework Agreements section 7.3.2 *Exemptions, Collaborative and e-procurement arrangements*.

## **7. PERSONNEL IMPLICATIONS**

- 7.1 There are no direct implications arising from this report.