

**Decision Maker:** EXECUTIVE

**Date:** For Pre-Decision Scrutiny by the Care Services Policy Development and Scrutiny Committee on Tuesday 28 June 2016

Wednesday 13 July 2016

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

**Title:** GATEWAY REVIEW - PROCUREMENT FOR A SEXUAL HEALTH EARLY INTERVENTION SERVICE

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**Chief Officer:** Dr Nada Lemic, Director of Public Health

**Ward:** Borough-wide

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## 1. Reason for report

- 1.1 The Council currently contracts for a range of community sexual health services from Bromley Healthcare (BHC) through a joint block contract with the Bromley Clinical Commissioning Group (CCG).
  - 1.2 The Contract for Community Contraceptive and Sexual Health Services was extended for 6 months by the Executive on the 23 March 2016, and is due to expire on 30 September 2017. This report is seeking approval to re-procure a Sexual Health Early Intervention Service to commence on 1 October 2017.
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## 2. RECOMMENDATIONS

- 2.1 The Care Services Policy Development and Scrutiny Committee is asked to note and comment on the proposal for commissioning sexual health services from October 2017.
- 2.2. The Council's Executive is asked to:
  - i) Approve the commissioning approach for a Sexual Health Early Intervention Service as set out in this report and detailed in 3.22
  - ii) Consider the investment from the existing budget of £30k per annum for the online STI testing service
  - iii) Note the recurring saving of £60k from decommissioning the Sex and Relationships Education (SRE) programme and the saving will contribute towards the reduction of grant.

### Corporate Policy

1. Policy Status: Existing policy.
  2. BBB Priority: Supporting Independence. Safer Bromley
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### Financial

1. Cost of proposal: Estimated cost £1,187k p.a.
  2. Ongoing costs: Recurring cost. £1,187k p.a.
  3. Budget head/performance centre: Public Health
  4. Total current budget for this head: £15,479k
  5. Source of funding: Public Health Grant
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### Staff

1. Number of staff (current and additional): 1
  2. If from existing staff resources, number of staff hours: 7.2 hours
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### Legal

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

1. Estimated number of users/beneficiaries (current and projected): Boroughwide
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### Ward Councillor Views

1. Have Ward Councillors been asked for comments? N/A.
2. Summary of Ward Councillors comments: N/A

### 3. COMMENTARY

#### ***Current Contract Value***

Community Block Contract - £1,116k p.a. consisting of:-  
(Cumulative value of £5,022k - 4½ years to September 2017)

• Open Access contraception services	£721k	
• Health Improvement Services	£229k	
• Community HIV Nurse service	<u>£166k</u>	£1,116k
• National Chlamydia Screening Programme		£ 127k
• Specialised Prevention Programme		£ 10k

Total contract sum p.a. **£1,253k**

#### ***Estimated New Contract Value***

New Block Contract - £897k p.a. consisting of:-  
(Cumulative value of £3,588k – 2 years with option to extend for a further 2 years to September 2021)

• Open Access Contraception Services	£425k	
• Health Improvement Services	£169k	
• Community HIV Nurse Service	£166k	
• National Chlamydia Screening Programme	£127k	
• Specialised Prevention Programme	<u>£ 10k</u>	£897k

Non-contractual out-of-borough contraceptive open access activities  
as statutorily required £260k

#### **Service Development**

Purchase of online STI home sampling service £30k

Total sum p.a. **£1,187k**

#### ***Proposed Contract Period (including extension options)***

2 years with the option to extend on an annual basis for a period of 2 further years (2 years +1 +1)

#### ***Context***

- 3.1 The Health and Social Care Act 2012 brought about the split in commissioning responsibility and funding arrangement for sexual health services between local authorities, NHS England (NHSE) and the local Clinical Commissioning Groups (CCG).
- 3.2 Local authorities are mandated to commission comprehensive, open access and free sexual health services including Sexually Transmitted Infection (STI ) testing and treatment, partner notification and contraception provision under the Local Authorities (Public Health Functions and Entry to Premises by Local Healthwatch Representatives) Regulations 2013.
- 3.3 To meet its statutory obligations, the Council commissions a range of sexual health services delivered by different providers in different settings. In the community, the Council spends a total of £1,253k per annum in this area which is broken down as follows:-

**Table 1: Total Annual Spend By Service in the Community**

Community Services	Annual Spend £'000
<b>Block Contract:</b>	
• Open Access Contraception and Reproductive Health Services	721
• Health Improvement Services	229
○ Sex and Relationship Education (SRE)	
○ Outreach Programmes	
○ Condom Distribution Schemes	
• Community HIV Nurse Specialist Service	166
<b>Other Community Prevention Programme:</b>	
• Specialised prevention programme for vulnerable young people	10
• National Chlamydia Screening Programme	127
<b>Total</b>	<b>1,253</b>

3.4 These public health commissioned services are in line with the Public Health Outcomes Framework Indicators published by Public Health England:

- Early Detection and Control of STIs including HIV
- Reduce Unplanned Pregnancies including Teenage Conception Rates

**Contraception and Community Sexual Health Services**

3.5 This paper focuses on the community block contract and other prevention programmes. It covers primarily the block contract the Council has with Bromley Health Care (BCH) for Contraception and Community Sexual Health Service which has an overall budget of £1,116K p.a. This contract was extended by the Executive on 23 March 2016 (report CS16008) until 30 September 2017 when the option of further extension will be exhausted. Any services required will then have to be re-tendered in accordance with the Council's contract procedure rules.

3.6 Other prevention programmes covered in this paper are:

- National Chlamydia Screening Programme
- Specialised Prevention Programme for Vulnerable Young People

3.7 The National Chlamydia Screening Programme which offers dual testing for Chlamydia and Gonorrhoea infection for the under 25s, is delivered through our contracted providers. Clinical management of positive test result and partner notification are provided in-house by a 0.2 full time equivalent registered nurse.

3.8 The Specialised Prevention Programme for Vulnerable Young People provides a confidential advice and early intervention service to the most vulnerable young people in the Borough. The contract is currently provided by The Metro Centre and has been extended to 30 September 2017.

3.9 In assessing the provider performance and their contributions towards achievement of the local strategic outcomes of lower teenage conception and STI rates, there is now evidence to demonstrate that having a local prevention strategy has had a positive impact on the local teenage pregnancy rate which is at its lowest since 1998 with local STI rates maintained and continuing to be below average England rates.

**Table 2: A comparison of Bromley, London and England Under 18 conceptions rate (rate per 1000 women) showing year on year decrease**

	1998	2011	2012	2013	2014
<b>Bromley</b>	32.1	26.3	24.2	19.5	16.7
<b>London</b>	51.1	28.7	25.9	21.8	21.5
<b>England</b>	46.6	30.7	27.7	24.3	22.8

*Data Extracted from Office of National Statistics*

3.10 Despite the above performance, further prevention efforts are required because of:

- the rate of under 18 conceptions leading to abortion which remains above both London and England rate. (see table below and also Table A in Appendix 1). This suggests that more needs to be done to prevent unwanted pregnancy through increased provision of the more effective non-user dependent Long Acting Reversible Contraception (LARC) methods.

**Table 3: Percentage of under 18 conceptions leading to abortion**

	Bromley	London	England
2014	68.8	64	51.1

*Data Extracted from Office of National Statistics*

- The rise in gonorrhoea diagnoses is of increasing concern especially within the context of antimicrobial resistance with regard to this STI. Bromley is ranked 53 out of 326 local authorities for the rate of Gonorrhoea (a marker of high levels of risky behaviour) and 28% new STIs is among men who have sex with men (MSM).

**Table 4: Number of new STIs in MSM and In Heterosexual Men in Bromley: 2010-2014**

	2010	2011	2012	2013	2014
<b>MSM</b>	115	165	160	225	295
<b>Heterosexual Men</b>	660	690	885	855	750

*Source: Bromley Local Authority HIV, Sexual and Reproductive Health Epidemiology Report (LASER): 2014*

- This means more targeted and focused prevention programmes such as promotion of condom use and early detection through frequent testing to minimize onward transmission of STIs with a particular focus on MSM need to continue.
- HIV infection in Bromley continues to rise and disproportionately affects MSM and Black African groups (see Tables B and C in Appendix 1) with Bromley figures for late and very late diagnosis shown to be above the London average. Increasing both the frequency and uptake of testing amongst these groups will play a key role in tackling HIV.

3.11 It is therefore necessary to continue the proportionately small investment in prevention programmes to further improve outcomes and minimise future costs. Equally, a more cost effective and sustainable strategy in the long term needs to be found to address not only the issues highlighted above but also the increasing challenging financial position of the Council.

### **Outcomes**

3.12 The expected outcomes are:

- the rise in the rate of new STIs, especially the rate in Gonorrhoea (current rate is 65.4 per 1,000 population), is minimized through early intervention, screening and routine

testing targeting those high risk vulnerable individuals in particular MSM and Black African and Caribbean;

- the number of unplanned pregnancies is further reduced, especially among young women.

The returns on investment of these prevention programmes are expected to reduce spend on treatment of infections, especially hospital GUM treatments, and to minimize social and welfare costs associated with teenage conceptions.

### ***London Sexual Health Transformation Programme***

- 3.13 Commissioners of sexual health services in London boroughs including Bromley, are working together to transform sexual health services through service redesign and changing specifications, demand management and pricing strategy.
- 3.14 Currently, Community Contraceptive and Reproductive Health Services are contracted on a block basis. There is no tariff available for providers to charge services for residents from other boroughs. Therefore, the block contract covers all activities irrespective of areas of residence. However, the London tariff will provide the charging mechanism for out of borough resident activities. Providers will be required to charge the relevant borough for services provided.
- 3.15 The current expenditure for the Contraceptive and Reproductive Health Service is £721k p.a. but it is anticipated to reduce to £685k p.a. using data from providers based on 2015 activities.
- 3.16 In addition, public health commissioners of sexual health services in south east London are collaborating on upscaling online home sampling (testing) service for STIs with the following aims:
- offer a more accessible and responsive service as part of the preventative strategy, targeting MSM and Black African and Black Caribbean groups;
  - divert testing of STIs for those patients showing no symptoms of disease away from the more expensive GUM clinics to lower cost access points in the community;
  - Achieve cost efficiencies and better value for money.
- 3.17 According to the 2014 Bromley Local Authority HIV, sexual and reproductive health epidemiology report (LASER) 2014, there were 580 people (295 MSMs and 285 Black Ethnic Groups) diagnosed with a new STI during 2014 in GUM clinics. Based on the findings of a recent audit conducted in Bromley, it indicates that approximately 30% of attendances were complex conditions which required GUM treatment.
- 3.18 It is therefore proposed the online STI home sampling service should aim at diverting 70% of the above cohort (210 MSMs and 200 Black Ethnic Groups) for testing in the community as part of the preventative strategy. Using the current price of a full screen of £58 for Black Ethnic Groups and £86 for MSM, the service will cost £29,660.
- 3.19 The cost of the same amount of tests at the only alternative provider i.e. GUM clinic would be £65,600 based on an average price of a first attendance of £160 at a London Hospital GUM clinic. This is more than twice the cost of the online service which has the potential of avoiding increased costs of GUM spend that would occur due to rising incidence of STIs.

- 3.20 The expiry of the community block contract presents the opportunity for a larger scale transformation across the entire sexual health pathway focusing on early intervention which helps in achieving better outcomes and cost efficiencies.

### ***Proposed Commissioning Arrangements***

- 3.21 ***Option 1 – Decommission the services when their contract expires in October 2017. This is not really an option because of the following risks:***

- Provision of free contraception is a statutory responsibility and legal requirement of the Council which has to ensure reasonable access to all methods of contraception. Without such provisions, the Council will be subjected to significant challenges and potentially judicial reviews.
- To decommission the sexual health improvement service in its entirety will have significant repercussions. There is evidence to show that the local prevention strategy of sexual health advice and education messages coupled with the condom scheme begins to have a positive impact on the local teenage pregnancy rate. Local teenage conception rate is now at its lowest since 1998 and is amongst those boroughs with the lowest rate in London.
- Women, as a consequence, will not benefit from a full range of contraceptive service provision. This means they may not be offered the best method for their personal circumstances, and the risk of method failure and unintended pregnancy, especially teenage pregnancy, is increased.
- STI rate will also go up especially amongst young people and their partners and among those at risk groups of MSM and Black Africans. Onward transmission will create a major public health problem with additional costly treatments at specialist GUM service.

- 3.22 ***Option 2 – Commissioning a Sexual Health Early Intervention Service***

It is proposed that services be reconfigured into a Sexual Health Early Intervention Service by:

- incorporating other early intervention and STI programmes (i.e. Chlamydia Screening and Specialised prevention programme for vulnerable young people) with the current Sexual Health Improvement Service;
- using London tariff as a basis to procure a block contract for contraceptive service for Bromley residents only;
- using residual contraceptive funding from the current block contract for charges from out of borough providers and the online STI testing service.

- 3.23 This option essentially restructures existing services and builds in extra capacity within existing budget. By commissioning the service in this way there is a level of integration that supports a wider and more sustainable prevention programme which empowers individuals to take responsibility of their own health and wellbeing. It is expected to achieve greater efficiencies. It also provides an opportunity to reconfigure current service model and take into account some of the developments which are being considered by the London Sexual Health Transformation Programme. This option has the further potential of mitigating some of the risks associated with the high spend on GUM treatments.

- 3.24 Under this option, the local school based Sex and Relationships Education programme (SRE) which is not a statutory function, will be decommissioned. While school based sexual

health services have positive effects on reduction in births to teenage mothers, there is a need to widen the current local SRE programme to cover the broader subject of risky behaviours. The programme would benefit from further integration with the Personal, Health and Social Education (PHSE) curriculum with the potential of facilitating a better outcome for schools in this area and should be funded by schools.

3.25 The proposed Sexual Health Early Intervention Service will comprise of two elements:

**Table 5: Proposed Sexual Health Early Intervention Service**

The Offer	Components of the service
Early Intervention	<ul style="list-style-type: none"> <li>• STI screening programme to include chlamydia screening and online testing</li> <li>• Free condom schemes for young people</li> <li>• Outreach to include condom distribution, targeting those at risk groups of young people, MSM and Black Africans/Caribbean ethnic groups</li> <li>• Specialised prevention programme for vulnerable young people</li> <li>• HIV Community Nurse Specialist Service</li> </ul>
Contraceptive Service	<ul style="list-style-type: none"> <li>• Community Contraceptive and Reproductive Health Service for Bromley residents</li> </ul>

3.26 By re-specifying the sexual health preventative services in this way, Public Health can:

- Decommission the SRE programme which will realise a potential saving of £60K per annum.
- Amalgamate all other elements of the current Community Sexual Health Improvement Service with the Contraceptive Service and tender as one with the potential to achieve efficiency savings. This is based on similar tendering exercise conducted by other London boroughs but the level of saving cannot be quantified at this stage.
- Fund out-of-borough open access contraceptive activities (£260K p.a.) and online STI testing (£30k p.a.) within existing budget.

**4. PROCUREMENT**

4.1 Health, social and related services are covered by Schedule 3 of the Public Contracts Regulations 2015, and thus any tender would be subject to the application of the “Light Touch” regime (LTR) under those regulations. Authorities have the flexibility to use any process or procedure they choose to run the procurement, as long as it respects the following obligations:

- i) The tender must be advertised in OJEU.
- ii) A Contract Award Notice must be published in OJEU at the end of the procurement.
- iii) The procurement must comply with Treaty principles of transparency and equal treatment.
- iv) The procurement must conform with the information provided in the OJEU advert regarding any conditions for participation; time limits for contacting/responding to the authority; and the award procedure to be applied.
- v) Time limits imposed, such as for responding to adverts and tenders, must be reasonable and proportionate. There are no stipulated minimum time periods in the LTR rules, so contracting authorities should use their discretion and judgement on a case by case basis.



- 4.2 In conducting an ‘Open’ procurement process in accordance with the Council’s Contract Procedure Rules and the indicative timetable below, these obligations will be met.

**Table 6: Indicative Timetable**

September 2016	Service Model Developed National Specification Localised with Specific Local Metrics and KPIs Provider Event
October 2016 to March 2017	Tendering process from advertisement to award contract
April to September 2017	Mobilisation
1 <sup>st</sup> October 2017	Commence new service

- 4.3 It is not expected there will be a wide commercial market but where boroughs have conducted similar tendering exercise, there is a small number of providers that are eligible for delivering these services.
- 4.4 There is strong support for the implementation of Integrated Sexual Health Tariff (ISHT) in South East London as a sub-region which is taking a similar approach of commissioning a community block contract for contraceptive services and will accept cross charges for out of borough activities.
- 4.5 Proposed New Contract Period (including extension options)

Any new contracts will be for 2 years with the option to extend on an annual basis for a period of 2 further years (2 years +1 +1). This provides the flexibility to review the funding and performance of the contract, it can allow for variations and also for the possibility of regional and pan-london options for commissioning these services in the future.

## 5. LOCAL POPULATION PROFILE

- 5.1 See Appendix 2

## 6. STAKEHOLDER CONSULTATION

- 6.1 It is planned to consult the school community and young people on decommissioning the SRE should Members approve the recommendation.
- 6.2 A provider event will be organised as part of the Procurement Process to inform potential providers of the commissioning intentions and procurement timetable.

## 7. SUSTAINABILITY / IMPACT ASSESSMENTS

- 7.1 It is expected to conduct impact assessments as an integral part of the procurement process at a later stage.

## 8. POLICY IMPLICATIONS

- 8.1 The proposals set out in this report are consistent with current policy and is in line with the proposal for the Council’s Public Health Budget 2016/17 and 2017/18.
- 8.2 The Council’s Contract Procedure Rules (CPR 5.3) require that “Where the value of the intended arrangement is £1,000,000 or more the Executive will be *Formally Consulted* on the intended action and contracting arrangements.”

## 9. FINANCIAL IMPLICATIONS

9.1 The overall budget available for Sexual Health Services in 2016/17 is £3.538m which is broken down in the table below:-.

<u>DESCRIPTION</u>	<u>BUDGET</u> <u>£'000</u>	<u>PROPOSED</u> <u>£'000</u>	<u>VARIATION</u> <u>£'000</u>
Staffing, running expenses, etc	285	285	0
<u>Contracts (dealt with in this paper)</u>			
Contraceptive and reproductive health services	721	685	-36
Health improvement services	229	169	-60
HIV community nurse specialist services	166	166	0
National Chlamydia screening programme	127	127	0
Specialised prevention programme for vulnerable young people	10	10	0
Online STI testing	0	30	30
	<u>1,253</u>	<u>1,187</u>	<u>-66</u>
<u>Other contracts</u>			
GUM Contract	1,609	1,543	-66
Future GUM increases in demand	0	66	66
Other Health contracts	118	118	0
Payments to other third party contractors	28	28	0
Payments to GP's/Pharmacists	245	245	0
	<u>2,000</u>	<u>2,000</u>	<u>0</u>
<b>Budget for Sexual Health</b>	<b><u>3,538</u></b>	<b><u>3,472</u></b>	<b><u>-66</u></b>

9.2 The services being considered in this report relate to the block contract with Bromley Health Care totaling £1,116k p.a. for the Community Contraceptive and Sexual Health Services, £127k for the Chlamydia Screening Programme and £10k for the specialized prevention programme for young people. A total of £1,253k.

9.3 It is proposed that within the health improvement service the SRE budget will be decommissioned reducing the budget from £229k p.a. to £169k p.a. delivering a saving of £60k per annum.

9.4 The £60k saving would be put against savings targets for 2017/18 and used to mitigate against any further grant reductions. It is proposed that the SRE budget is decommissioned which will generate a saving of £60,000 p.a.

9.5 It is anticipated that there will be savings in the contraceptive and reproductive health services area because of the tariff changes, which based on the activity data from 2015, would result in a reduction in expenditure from £721k p.a. to £685k p.a., a saving of £36k p.a.

9.6 As set out in paragraph 3.16 to 3.20 changes around online accessibility could reduce long term need for more costly treatments. This would cost £30k p.a. but has the potential saving of £66k p.a. by avoiding more expensive GUM treatments. It is proposed that this is funded from the savings generated in the new contract and that the savings of £66k p.a. generated be used to offset increased costs of future GUM spend which are predicted to occur due to rising incidence of STIs in Bromley.

9.7 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.

	16/17 BUDGET £000	17/18 BUDGET £000
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
Total Grant	<u>-15,479</u>	<u>-15,097</u>

- 9.8 The 2016/17 Budget includes further losses on public health funding over the period 2016/17 to 2019/20. Recently announced grant reductions in the settlement show a loss of £358k in 2016/17 and an additional reduction in 2017/18 of £382k (cumulative £740k).

## 10. PERSONNEL IMPLICATIONS

- 10.1 In the event that a recommendation is made to proceed with the proposals outlined in this report there is one sexual health nurse (0.2. FTE) currently employed by Bromley Council who would be directly affected by these proposals. Informal consultation has been undertaken with the employee affected, along with staff representatives, on the proposals outlined in this report.
- 10.2 As more detailed proposals are developed these would be the subject of formal consultation in accordance with Council policies and procedures and with due regard for the existing framework of employment laws. The tendering process would consider whether or not the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE) as amended by the Collective Redundancies and Transfer of Undertakings (Protection of Employment) (Amendment) Regulations 2014 would apply.

## 11. LEGAL IMPLICATIONS

- 11.1 The Local Authority has a statutory responsibility to commission open access contraception and reproductive health and genitourinary medicine services under the Health and Social Care Act 2012 - Regulation 6 of The Local Authorities (Public Health Functions and Entry to Premises by Local Health watch Representatives) Regulations 2013.

<b>Non-Applicable Sections:</b>	None.
<b>Background Documents: (Access via Contact Officer)</b>	<u><a href="#">Health &amp; Social Care Act 2012</a></u> <u><a href="#">Local Authorities (Public Health Functions and Entry to Premises by Local Healthwatch Representatives) Regulations 2013.</a></u> <u><a href="#">Public Health Outcomes Framework (2<sup>nd</sup> Feb 2016)</a></u> <u><a href="#">CS15924 Public Health Contracts Update</a></u> <u><a href="#">CS15925 Public Health Commissioning Intentions 2016/17</a></u> <u><a href="#">CS16008 Gateway Review of Sexual Health Services</a></u> <u><a href="#">Office for National Statistics, Conceptions in England and Wales:2014</a></u> <u><a href="#">Bromley Local Authority HIV, sexual and reproductive health epidemiology report (LASER):2014, Public Health England, November 2015</a></u>