

**Committee: Cabinet**

**Date: 20 March 2017**

**Wards: All**

**Subject: Award of Integrated Sexual Health Contract in partnership with London Boroughs Richmond and Wandsworth**

Lead officer: Dr. Dagmar Zeuner, Director of Public Health

Lead member: Tobin Byers, Cabinet Member for Adult Social Care and Health

Contact officer: Dr. Anjan Ghosh, Consultant in Public Health

**Reason for urgency:** The Chair has approved the submission of this late item as the contract award deadline is the first week of April. To wait until the next Cabinet meeting in June would cause unacceptable delays.

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**Recommendations:**

That Cabinet:

- A. Notes the tender process has adhered to Corporate Procurement Procedures, EU Procurement Regulations and the new contract will afford the Council with on-going year on year performance and value for money benefits
  - B. Notes the procurement process and endorses the award of the contract to the successful Bidder, as outlined in Part 2 of this Report. The contract will commence 01 October 2017 and be for an initial period of five (5) years with the option to apply two periods of extensions of one year each, subject to satisfactory performance, availability of budget and continued need at the discretion of the Council in partnership with London Boroughs of Richmond-upon-Thames and Wandsworth. The maximum possible contract period would be no more than seven years.
  - C. Notes that the current proposed model, subject to negotiations with the provider, will be further enhanced for the provision for east Merton residents. London boroughs of Richmond-upon-Thames and Wandsworth are supportive of more detailed work between the three boroughs to ensure that the Hub and Spoke allocation is responsive to the evidenced need across the regional (tri-borough) patch.
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## **1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY**

### **PURPOSE OF REPORT**

- 1.1. The purpose of this Part 1 report is to brief cabinet members on the tender process that has taken place for Integrated Sexual Health service delivery in Merton. This tender process has been carried out in partnership with neighbouring London boroughs Richmond-upon-Thames and Wandsworth, and
- 1.2. To seek approval of the service delivery model for Merton residents, and
- 1.3. To seek approval to award the contract for Integrated Sexual Health Services to the successful Tenderer, noted in Part 2 of this Report.

### **EXECUTIVE SUMMARY**

- 1.4 A tender process has been completed for the provision of the Integrated Sexual Health Community Services contract for the London Boroughs of Merton, Richmond-upon-Thames and Wandsworth.
- 1.5 The contract consists of core services and aligned services specific to boroughs in the partnership (see Appendix A).
- 1.6 The current Contraceptive and Sexual Health (CaSH) contract with Central London Community Healthcare (CLCH) will formally expire 30 September 2017 and the tender supports the Council with mitigating for unnecessary risks.
- 1.7 This procurement strategically sits in a wider Pan-London programme of work underway to maximise the effectiveness and efficiency of the sexual health provision across London, called the London Sexual Health Transformation Programme (LSHTP) and this is a major driver for changes in sexual health service design to an integrated model (the integration is across the three levels described above, particularly levels 2 and 3). This is also a key driver for all SW London boroughs and facilitates a more joined up and seamless service to residents, while achieving potential savings, economies of scale and enhancing quality and patient experience.
- 1.8 The financial envelope of this contract is discussed in Part 2 of this Report and the value will remain as per schedule throughout the term of the

contract. It is capped at the maximum fixed price level for the duration of the contract, being 60 months/5 years (covering 2017 - 2022) with options to extend + 1 year + 1 year (to a maximum period of 7 years).

- 1.9 The Young People's Sexual Health Outreach element and NCSP services will be paid via twelve monthly block payments. The GUM and CaSH (integrated sexual health) activity will be paid by results using the Integrated Sexual Health Tariff (Appendix B) within the contract financial ceiling.
- 1.10 To afford the year-on-year efficiency gains for the Council, whilst addressing the steady growth on activity, Tenderers have been required to:
- (a) deliver a GUM service in-borough, which will lead to the reduction in out-of-borough activity and result in potential savings throughout the life of the contract; and
  - (b) reduce clinical attendance for those that require full sexual history taking and risk assessment (all practitioners), with appropriate onward referral to other services where indicated (for example as regards safeguarding, domestic violence, healthy lifestyle services, and other sexual health services) by promoting the use of the on-line self-sampling service for STI, HIV and Hepatitis B and C through the website and booking system, for people who are residents covered by the on-line sexual health service and for whom the self-sampling service is an appropriate alternative option. This may include but would not be limited to people seeking routine asymptomatic STI screening annually or a re-test three months post the first diagnosis of uncomplicated genital chlamydia.
- 1.11 Following approval from Cabinet on the 12<sup>th</sup> October 2016, a full tender process was implemented, which adhered to Corporate Procurement Procedures and EU Procurement Regulations.
- The procurement exercise for Integrated Sexual Health Services commenced on the 13<sup>th</sup> December 2016 when the tendering opportunity was advertised on the London Tenders Portal (LTP) and the Contract Notice was posted in the Official Journal of the European Union (OJEU), reference 2016/S 243-443466.
- The Open procurement procedure was employed, which allowed all interested parties to tender, thereby maximising the potential for a wide and diverse range of bids.
- 1.12 A Bidders' Day event was held on 14<sup>th</sup> December 2016, to address any initial queries potential Bidders may have. The event was well attended by 13 organisations of which were all established organisations and Trusts.

1.13 The tender panel consisted of representatives from the three partnership Boroughs and included an independent evaluator from the Society of Sexual Health Advisers.

1.14 The ITT stage completed on the 3<sup>rd</sup> February 2017, with the tender evaluation commencing thereafter and in order to finalise the procurement process, agreement is now being sought from Cabinet to approve the award of contract to the successful Tenderer, noted in Part 2, for an initial period of five (5) years with the option to extend up to a further two (2) years (periods of 1 (one) year each), subject to satisfactory performance, availability of budget and continued need.

## **2 HEALTH AND WELLBEING STRATEGY**

2.1. The Merton Health & Wellbeing Strategy 2015/18 has a focus on supporting people to improve their wellbeing. It has a commitment to improve health and wellbeing and to reduce health inequalities across the borough.

2.2. This refreshed strategy takes a sharper focus on where we face the biggest inequalities and challenges for Merton residents and has five key themes:

- a best start in life;
- good health;
- life skills, lifelong learning and good work;
- community participation and feeling safe; and
- a good natural and built environment.

2.3. The Integrated Sexual Health Service directly relates to a number of outcomes that are identified in three out of the five strategic themes: best start in life; good health; and community participation and feeling safe, and seeks to deliver public health services that are cost-effective and based on the latest available evidence.

Merton Clinical Commissioning Group (MCCG) are key partners in the delivery of the outcomes of Merton's Health and Wellbeing Strategy and support the commissioning of this service as contributing towards those outcomes.

## **3 COMPONENTS OF THE INTEGRATED SERVICE**

The Integrated Sexual Health Service model consists of a suite of preventive and treatment programmes to support residents to be healthy and are currently delivered either as a stand alone or out-of-borough service.

3.1. The Service Delivery Model across the three boroughs will consist of:

1 x Hub Clinic	Opening Hours: Mon – Fri: 8am – 8pm Sat: 9am – 2pm
The Hub Clinic will be located for easy access for residents from the three boroughs and will deliver a single integrated clinic for SRH and STIs. Offering a walk-in and appointment system. The Hub will be consultant led	
4 x Spoke Clinics	4 sessions per week, 3.5 hours per session, across am, pm and eve, one session on Saturday.
Spoke clinics will be community sites in areas of need and will deliver a single integrated clinic for SRH and STIs via walk-in and appointments. The Spokes will be delivered by a skill mix of HCAs, nurses with specific consultant-led clinics delivered by consultants/doctors visiting from the Hub.	

3.1.1 The Hub and Spokes will function as a system through:

- Multi-channel triage system, integrated with the e-service, to signpost people to the right place, based on their need and enable direct booking;
- Combination of booked and walk-in appointments at all sites;
- Single electronic patient record enabling access to patient records at all sites;
- Dual trained and flexible workforce able to work at sites with the greatest need within the three boroughs e.g. to cover absence;
- Centralised and standardised ordering and delivery processes across all our sexual health services to achieve economies of scale;
- Centralised management of supplier performance e.g. pathology to ensure SLAs achieved.

While there has been a degree of flexibility in the approach of the model in the three Boroughs, the three Boroughs are in agreement to work together to look at the service as a whole (both the clinical and the outreach aspects), which will include the proposed model for LB Merton which is the allocation of two Spoke clinics with 4 x 3.5 hour sessions in each Spoke that is equitable

and aligned with the needs of the Borough i.e. east and west Merton. The service model is not static and will be further developed according to need across the three boroughs.

London boroughs Richmond-upon-Thames and Wandsworth are supportive of more detailed work between the three boroughs to ensure that the Hub and Spoke allocation is responsive to the evidenced need across the regional (tri-borough) patch. The locations will be reviewed on an on-going basis.

- 3.2. These specific service components are integrated due to the potential for innovation in delivery mechanism; overlap in approach to behaviour changes; the single point of access offering a seamless provision and the potential for financial efficiencies from a single management structure and back office functions:

3.2.1 **Enhanced Open Access Level 2 services** are currently provided through Contraception and Sexual Health (CaSH) services by Central London Community Healthcare (CLCH) NHS Trust via a new contract that commenced 1<sup>st</sup> April 2016.

The CaSH service is delivered from two sites – Patrick Doody Clinic, Wimbledon is the Hub and Wideway Clinic, Pollards Hill is the satellite. Services provided include:

- a) Contraception
- b) Cervical screening
- c) Chlamydia and Gonorrhoea screening (part of the national screening programme for under 25s)
- d) Sexual health advice and assessment
- e) Psychosexual counselling

3.2.2 **Level 3 GUM (genitourinary medicine )services** have not been provided within Merton as there is no Acute Trust in the Borough. Residents have been travelling out of borough to attend clinics for STI tests and treatment, with the principle providers for Merton residents being:

- St George's Hospital (Wandsworth) – 42.9%
- St Helier's Hospital (Carshalton, Surrey) – 12.6%
- Kingston Hospital – 11.0%

Approximately 20% of Merton residents attend GUM services in and around London.

3.2.3 **Targeted youth outreach service for under 20s** is currently a stand-alone contract that provides a nurse-led outreach service in schools, FE colleges and other community settings where young people can be reached and where they feel safe to access services without fear of stigma.

This service includes clinics offered in schools, colleges and other community settings providing EHC, chlamydia and gonorrhoea screening, free condoms, pregnancy testing, alcohol and substance misuse advice and brief interventions, advice on sex and relationships including delay, and fast track referral to appropriate mainstream clinics where required.

The service receives referrals for 1:1 interventions with vulnerable young people including support to access mainstream services, from professionals and organisations working with young people.

Training on contraception and sexual health will be provided to other organisations working with young people to ensure professionals are equipped to deliver prevention messages, early intervention and timely onward referral.

The service works closely with the Council's local young people's Risk and Resilience service to ensure promotion and access to the local condom distribution scheme and other advice/support e.g. substance misuse.

3.2.4 **National Chlamydia Screening Programme management and delivery service**, works to control chlamydia through early detection and treatment of asymptomatic infection, so reducing onward transmission and the consequences of untreated infection. It is a web-based programme currently managed through the CaSH contract.

3.2.5 **The London sexual health e-healthcare service** will be part of the Integrated Sexual Health service delivery (launched 01 April 2017 on a phased basis).

The E-Healthcare service will provide an on-line service (accessible via personal computer, tablet or smartphone devices) for ordering self-sampling kits for STIs, including chlamydia, gonorrhoea, syphilis, HIV, and Hepatitis B and C, linked to an on-line triaging of risk and a results management service, together with a portal for access to users' testing and results records.

The offer of self-sampling kits via the e-healthcare service is intended for people aged 16 and over who do not self-identify symptoms or other risks that indicate the need to attend a clinic-based service.

It is expected that the service will develop over time, and that new components such as a partner notification system, single patient identifiers and appointment booking system will be implemented.

3.2.6 The above services (components) will be performance managed monthly and reviewed annually to ensure that outcomes are in line with the Councils' sexual health strategic directions.

3.3. It should be noted that Level 1 services are currently, and will remain being, provided in LB Merton through GP practices and community pharmacies, which provide:

- Oral contraception (OCP) – GP practices via Merton CCG funding
- Emergency hormonal contraception (EHC) – GP practices via MCCG funding and pharmacies via Public Health Grant funding
- Long Active Reversible Contraception (LARC) – 10 GP practices via PHG funding
- Chlamydia testing – 19 GP practices via PHG funding

#### **4 PROCUREMENT PROCESS**

4.1. The intention to procure the service with the London Boroughs of Richmond-upon-Thames and Wandsworth was taken to Cabinet 12<sup>th</sup> October 2016 where approval was given.

4.2. The tendering process was carried out strictly in accordance with the council's Contract Standing Orders and in accordance with the Public Contracts Regulations 2015 and the EU Procurement Directive 2014/24/EU, using the open procurement process and the following stages.

4.3. **Stage 1 (Invitation to Tender):** The tender was advertised on 13 December 2016 through the London Tenders Portal (LTP). Organisations are invited to submit detailed solutions, including financial information for evaluation using the provided Method Statement template.

4.4. **Stage 2 (Bidders' Day Event):** Interested parties attended a presentation with a Q&A session to address any initial queries they may have from the documents registered on the LTP.

- 4.5. **Stage 3 (Clarification Questions):** Organisations are able to ask for clarification on areas of the service specification within a specified timeframe.
- 4.6. **Stage 4 (Evaluation and clarification):** The panel individually evaluated the response and met to discuss their scoring and any clarification required from the submission. The panel agree on awarding the contract.
- 4.7. **Stage 5 (Contract Award):** A bidder is appointed to deliver the Services.
- 4.8. The London Borough of Richmond-upon-Thames, as the nominated procurement lead, undertook the tendering process on behalf of the three boroughs - London Boroughs of Merton, Richmond-upon-Thames and Wandsworth.
- 4.9. The exercise has been supported throughout by LB Merton's procurement service to ensure a robust approach that adopted good practice.

## **5 ALTERNATIVE OPTIONS**

- 5.1. This procurement exercise followed a review of the current sexual health service in the Borough that highlighted its impact on residents and the vulnerability of those specifically in the identified deprived areas of the Borough where GUM testing and treatment was undetected or diagnosed late; there is the need to reduce inequalities in sexual health and reduce the increase in unwanted (teenage) pregnancies.
- 5.2. The review recommended that GUM services should be provided in-borough and take advantage of the opportunity to create an integrated sexual health pathway for Merton residents in partnership with the neighbouring London boroughs of Richmond-upon-Thames and Wandsworth.  
Delivering an integrated sexual health service that Merton residents can access across three boroughs will have a single point of access, and maintain the strong outreach components of the existing services.
- 5.3. Public Health explored entering this procurement in isolation, looking at feasibility and cost effectiveness and found the single borough model would not be able to offer the most appropriate local solution to best meet needs, in

terms of cost and quality. It is our view that the proposed service fulfils each of these criteria, is affordable and good value for money.

- 5.4. Should Cabinet decide not to agree to the recommendation, the increase in undetected STIs, the financial risk to the Council due to residents attending more expensive clinics out-of-borough and the increase in unwanted pregnancies – particularly within the teenage community – will continue, placing the Council in a place of extreme vulnerability.

## 6 TIMETABLE

- 6.1. The timetable for contract signature (which is subject to democratic procedures) is as follows:

Richmond-upon-Thames	Tollgate 3 Report (Directors Adult Community Services SMT Programme Board)	15/03/2017
	Submit Tollgate 3 Report (PB - Delegated to AD of Financial Services)	20/03/2017
Merton	Cabinet Meeting	20/03/2017
	Call in	30/03/2017
Wandsworth	SO83(A) to Democratic Services	22/03/2017
Richmond	Record of Decision Democratic Services (Director of Adult Community Services)	22/03/2017
Notify Rejected Suppliers		(no longer applicable)
Notify Successful Supplier		08/04/2017
Standstill period		N/A

## 7 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

- 7.1. The Public Health grant has been reduced and following detailed examination of the commitments, savings and future plans the expenditure associated with the contract award can be contained within the public health grant.
- 7.2. There is a financial ceiling to the contract, which protects the Council.
- 7.3. LB Merton will only be responsible for the services and activity relating to the borough.
- 7.4. The clinic locations and financing will be clearly outlined in the contract and are the responsibility of the provider, but final sites in Merton will be signed off by Public Health.

## **8 LEGAL AND STATUTORY IMPLICATIONS**

- 8.1. Pursuant to the Local Authorities (Public Health Functions and Entry to Premises by Local Health Watch Representatives) Regulations 2013/351, part 2 Public Health Functions, Regulation 6 (1) states that subject to paragraphs (4) and (5), each local authority shall provide or shall make arrangements to secure the provision of, open access sexual health services in its area.

Legal Services were consulted and provided advice and assistance, where necessary, throughout the tendering process. The final contracts documentation will be issued by South London Legal Partnership.

- 8.2. The Council must comply with the Public Procurement Regulations 2015 (the Regulations) and its Contract Procedure Rules (CPR). This report confirms that Regulations and the CPR have been fully complied with by LB Richmond-upon-Thames and LB Wandsworth joint procurement team.

- 8.3. The Council must comply with its obligations with regards to obtaining best value under the Local Government (Best Value Principles) Act 1999.

- 8.4. The Council has power under section 1(1) of the Localism Act 2011 to do anything that individuals generally may do provided it is not prohibited by legislation and subject to public law principles. Section 111 of the Local Government Act 1972 includes the power to do anything ancillary to, incidental to or conducive to the discharge of any of its statutory functions.

- 8.5. LB Wandsworth will be the contract lead with LB Merton and LB Richmond-upon-Thames as associates to the contract.

- 8.6. Each council will be responsible for the performance management of the service for their residents and will manage the financial elements specific to the services for each borough commissioned.

- 8.7. There will be a Memorandum of Understanding signed by all three councils agreeing on the Terms & Conditions of managing the contract.

## **9 HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS**

- 9.1. The service has been designed mindful of the inequalities in each of the boroughs and the inequities in terms of access. The specification particularly focuses on vulnerable groups such as Black and Minority Ethnic Groups (BAME), Lesbians, Gay, Bisexual and Transgender people (LGBT) and young people. Furthermore the service aims to improve quality, access, equity and safety, including safeguarding in areas such as Female Genital Mutilation (FGM), and Child Sexual Exploitation (CSE).
- 9.2. We are confident that the service will contribute to a reduction in health inequalities and unwarranted variations in equity across our communities, especially in relation to sexual and reproductive health.
- 9.3. There are not expected to be any human rights issues from the programme.
- 9.4. Service User Surveys will be undertaken on a regular basis by the provider and the feedback will be used to inform service delivery priorities.

## **10 CRIME AND DISORDER IMPLICATIONS**

- 10.1. There are not expected to be any crime and disorder issues from the programme.

## **11 RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS**

- 11.1. All risks, assumptions, issues and dependencies are being actively managed as part of the programme.
- 11.2. There are not expected to be any Health and Safety implications.

## **12 BACKGROUND PAPERS**

- 12.1. The following documents have been relied on in drawing up this report but do not form part of the report
  - 20<sup>th</sup> October 2016 Cabinet Report.

## **13 CONFIDENTIAL APPENDICES – THE FOLLOWING DOCUMENTS ARE TO BE PUBLISHED WITH THIS REPORT AND FORM PART OF THE REPORT.**

- 13.1. A. Organisation to whom it is recommended to award the contract
- 13.2. B. Evaluation of Integrated Service Bids.
- 13.3. C. Financial Implications.

**Appendix A: A high level overview of the service model for London Boroughs of Merton, Richmond-upon-Thames and Wandsworth**

<b><u>Borough</u></b>	<b><u>Additional (block and sub-contract services)</u></b>	<b><u>Specialist Level 3 (Hub)</u></b>	<b><u>Level 2 (Spoke)</u></b>
<b>Merton</b>	Targeted youth outreach service to under 20s  NCSP management and delivery	The Hub will provide the full range of Level 2 as well as Level 3 services thus the choice of location for the Hub will impact on the most appropriate site choice for spokes.  The Hub should ideally be situated in a centralised location with excellent transport links to the three boroughs which it will serve, with a total of 4 spoke sites to compliment its delivery located across the boroughs to ensure ease of access to the service.	<p>4 Community based Spoke clinics across the boroughs:</p> <ul style="list-style-type: none"> <li>• at convenient locations for the general community with good transport links</li> <li>• to reach under-served, disadvantaged , or higher risk populations</li> <li>• To include YP clinical sessions within the service as detailed in Service Specification</li> </ul>
<b>Richmond</b>	Ccard management NCSP management and delivery	Level 3 contraceptive services also to be available as rotating weekly satellite clinics across all spokes.	
<b>Wandsworth</b>	Targeted outreach prevention service for vulnerable and high risk groups and individuals covering STI, contraception and HIV prevention  Ccard management NCSP management and delivery  Support services for people living with HIV	To include YP hub session  The service will provide training as detailed in the relevant section	

## Appendix B: Integrated Sexual Health Tariff

### Merton

Name	Category	London Primary (£)	London Additional (£)	Geographical weighting	Ceiling price	
					Local Primary (£)	Local Additional (£)
STI Intervention A	Intervention	24.43	17.86	17.00%	28.58	20.90
STI Intervention B	Intervention	99.06	82.15	17.00%	115.90	96.12
STI Intervention C	Intervention	239.63	212.16	17.00%	280.37	248.23
T7 HIV Test	Test	47.56	25.33	17.00%	55.65	29.64
T6 Hepatitis Test	Test	40.38	34.25	17.00%	47.24	40.07
T5 HSV Test	Test	65.88	60.37	17.00%	77.08	70.63
T4 Full Screen	Test	73.88	51.08	17.00%	86.44	59.76
T3 Chlamydia, Gonorrhoea and Syphilis Test	Test	56.31	39.92	17.00%	65.88	46.71
T2 Chlamydia and Gonorrhoea Test	Test	44.57	28.18	17.00%	52.15	32.97
TT Three Site Test	Test	58.05	58.05	17.00%	67.92	67.92
TS Microscopy	Test	13.92	13.92	17.00%	16.29	16.29
SRH Complex	SRH	154.47	132.21	17.00%	180.73	154.69
SRH Standard	SRH	51.23	29.04	17.00%	59.94	33.98

Psycho Sex / Counselling	Counselling	114.48	105.29	17.00%	133.94	123.19
Ultrasound	SRH	42.00	42.00	17.00%	49.14	49.14
T20 Shigella Test	Test	59.85	44.44	17.00%	70.02	51.99
DT Double Site Test	Test	30.76	30.76	17.00%	35.99	35.99
IUS Insertion	SRH	183.97	167.43	17.00%	215.24	195.89
IUD Insertion	SRH	104.56	88.02	17.00%	122.34	102.98
Implant Insertion	SRH	123.83	106.06	17.00%	144.88	124.09
Emergency Hormonal Contraception	SRH	50.23	34.81	17.00%	58.77	40.73
LARC Removal	SRH	54.66	34.18	17.00%	63.95	39.99
Self Sampling Kit Distribution	Self Sampling	6.08	6.08	17.00%	7.11	7.11

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