

# Report seeking authority to procure a new sexual health service

Date: 29<sup>th</sup> March 2023

Report of: Head of Public Health (Health Protection)

Report to: Director of Public Health

Will the decision be open for call in?  Yes  No

Does the report contain confidential or exempt information?  Yes  No

## Brief summary

Leeds City Council has a statutory duty to provide open access, comprehensive sexual health services, and the current contract will end on 30<sup>th</sup> June 2024. This report seeks authority to procure a new contract to continue this provision.

## Recommendations

The Director of Public Health is recommended to:

- a) approve authority to proceed with a competitive procurement process, as outlined in this report and in line with Contract Procedure Rules (CPRs) 3.1.7, to procure a suitable provider/consortium to deliver a new sexual health service, for a period of 5 years and 9 months commencing 1<sup>st</sup> July 2024 (with an option to extend for a period of up to 48 months in any combination, which if utilised would be subject to a separate decision at the appropriate time) with a budget of up to a maximum of £6,858,962 per annum (£67,374,880 for the full contract period including extensions and non-recurring mobilisation budget).
- b) note that a report will be submitted for approval at the end of the procurement process to approve the contract award, which will be a direct consequence of this key decision and will therefore be a significant operational decision at most, which will not be subject to call in.

## **What is this report about?**

- 1 Under the terms of the Health and Social Care Act 2012, local authorities are responsible for the commissioning of:
  - open access, comprehensive sexual health services, offering the full range of contraception provision and all prescribing costs
  - sexually transmitted infection (STI) and blood-borne virus (BBV) testing, treatment and partner notification
  - specialist services, including young people's sexual health, teenage pregnancy services, outreach, HIV prevention - including PrEP prescribing and management, sexual health promotion, services in schools, colleges and pharmacies
  - LARC (long-acting reversible contraception) offer in primary care

Other aspects of the sexual and reproductive health system (e.g. non-LARC contraception offered in primary care, and abortion services) are commissioned by NHS England and the Integrated Commissioning Board.

- 2 The current contract has been in place since 2015, and will end on 30<sup>th</sup> June 2024.
- 3 A service review has been undertaken to inform the design and requirements of the new contract. This included consultation with service users and stakeholders, data analysis and a review of best practice.
- 4 The proposed model has been informed by the findings of this review and will take a specialist hub and community spoke approach, which is similar to the current service. However, there will be a greater emphasis on the hub providing the more specialist procedures and supporting people with more complex needs. This will be supported by a new single point of access, which will provide a triage service and help people to access the most appropriate part of the service for them. There will also be an increased digital offer, with the facility to book appointments, access certain health records, and order tests or contraception where appropriate.
- 5 The total budget will consist of four elements:
  - Core service delivery – the cost of this will be determined by the price submitted by the successful bidder, within a given range
  - Clinic time for the provision of Pre-exposure prophylaxis (PrEP) – ring-fenced and paid according to the level of activity provided
  - The supply of Emergency Hormonal Contraception (EHC) through community pharmacies – ring-fenced
  - A mobilisation budget for initial set up costs, such as creating the single point of access, establishing new premises etc., which will be available up to the end of Year 3 of the contract, with any left unspent being returned to the Council.

- 6 The contract length would be a period of 5 years and 9 months, which will bring it into line with the financial year, followed by an extension of up to 48 months to be taken in any combination. This is because there will be an ongoing requirement to provide this service, and therefore a longer contract will provide stability. Staff recruitment and retention will be easier as a result of longer terms of employment, greater job security and opportunities for development, and it may be beneficial to the provider when negotiating terms for premises. The service specification will require that the service remains adaptable to changing need over this period.

## **What impact will this proposal have?**

- 7 The service will improve the sexual health of the local population through:

- Increased accessibility of up-to-date information about all services providing contraception and sexual health services for the whole population, including preventative information targeted at those at highest risk of sexual ill health
  - Increased uptake of effective methods of contraception, including rapid access to the full range of contraceptive methods, including Long-Acting Reversible Contraception (LARC), for all age groups
  - Delivery of a citywide equitable model of care for LARC
  - A reduction in unplanned pregnancies in all ages
  - Improved access to services for those at highest risk of sexual ill health
  - Narrowing of inequalities in sexual health between most at-risk populations and the general population
  - Reduced sexual health inequalities amongst young people
  - Increased timely diagnosis and effective management of sexually-transmitted infections (STIs) and blood-borne viruses (BBVs)
  - Increased testing and frequent, repeat, testing of those that remain at risk
  - Increased uptake of HIV testing with particular emphasis on first time service users and repeat testing of those that remain at risk
  - Improved access to HIV PrEP among those at highest risk of HIV infection
  - Monitoring of HIV late diagnosis rate and uptake of partner notification
  - Increased availability of condoms and safer sex practices
  - A reduction in the stigma associated with acute and chronic STIs, HIV and unplanned pregnancy.
- 8 Bidders will be required to commit to delivering against a number of social value measures, which will be monitoring through contract management.
- 9 An Equality, Diversity, Cohesion and Integration Impact Assessment has been carried out and is included. It includes actions concerning requirements to be included in the specification and for tasks to be undertaken during mobilisation and throughout contract delivery.

### **How does this proposal impact the three pillars of the Best City Ambition?**

Health and Wellbeing

Inclusive Growth

Zero Carbon

- 10 The proposal delivers on the Health and Wellbeing commitment to invest in essential health services that are accessible to every community across Leeds. It will help to break the link between poverty and inequality, and poor health and wellbeing outcomes, exacerbated by the pandemic – by improving access to health and care.
- 11 The service will operate from a number of sites to ensure easy access for service users, and therefore minimising the need to travel and encouraging the use of public transport. This helps to reduce carbon emissions and environmental pollution which contributes to city actions to better manage air quality.
- 12 The service specification will require that the service undertakes to meet all legislation, guidance and good industry practice in environmental management and the objectives of the Council's sustainability policies. Officers from Adults and Health work with the provider through the established contract management process to ensure the service is proactively seeking to minimise its carbon footprint and thereby support the Council in achieving its ambition to be carbon neutral by 2030.

### **What consultation and engagement has taken place?**

Wards affected: All

Have ward members been consulted?  Yes  No

- 13 As part of the service review, consultation events have been held with service users, partners in related services and professionals from across the health and care system to provide feedback on the current model and inform the requirements for the new contract.
- 14 The Executive Member for Public Health and Healthy Lifestyles was consulted on the proposal on 23<sup>rd</sup> February 2023 and was supportive.
- 15 Public Health Programme Board has also given its support to this approach.
- 16 The model has been presented to the Healthy Adults Population Board and will also discussed with the Integrated Commissioning Executive at the next available meeting.

### What are the resource implications?

- 17 There is provision within the Public Health revenue budget for this procurement, which is as follows:

	Non-recurring	Per year	Initial contract period <i>July 2024 – March 2030</i>	Possible extension <i>to March 2034</i>	Total
Core contract	-	£6,462,792	£37,161,054	£25,851,168	£63,012,222
PrEP	-	£276,170	£1,587,978	£1,104,680	£2,692,658
Emergency Hormonal Contraception	-	£120,000	690,000	£480,000	£1,170,000
Mobilisation	£500,000	-	-	-	£500,000
<b>Total</b>	<b>£500,000</b>	<b>£6,858,962</b>	<b>£39,439,032</b>	<b>£27,435,848</b>	<b>£67,374,880</b>

- 18 The tenders will be evaluated using the price-quality separated approach, in which bidders who achieve the minimum score thresholds in respect of the method statement questions will be evaluated based upon the lowest priced submission received within a stated budget envelope, with the lowest priced bidder being awarded the contract, thereby offering the opportunity for realising savings.
- 19 It is recognised that the council is in a challenging financial position. As such, the contract would be awarded on the basis that efficiencies may be required in future, which would be the subject of a contract variation, and would include standard break clauses. As the provision of this service is a statutory function, then the procurement of the service must be undertaken to ensure that the council continues to meet its statutory obligations.

### What are the key risks and how are they being managed?

- 20 A risk register was established by the Project Team, including identification of risk owners and mitigations.
- 21 A mobilisation period has been built into the procurement timetable to ensure that the service can be fully mobilised before the contract start date.
- 22 This procurement will enable a continuity of provision that addresses a key public health priority. The risks are the same as with any procurement, such as TUPE, the potential loss of existing experienced, skilled and trusted staff members and a transition period in which the service has

to build trust, confidence and reputation amongst in-scope populations. This will be managed through a Project Team throughout the procurement and mobilisation process, and then through robust a contract management process.

- 23 If this decision is not approved, the current service will fall out of contract on 30<sup>th</sup> June 2024, causing significant risk to the Council since this is a mandated requirement.
- 24 Requirements relating to information governance and the processing of personal data will be included in the specification and monitored through contract management processes.

### **What are the legal implications?**

- 25 This is a Key Decision since the total value of the contract (including potential extensions) is £67,374,880 and is therefore subject to Call In. It was published on the List of Forthcoming Key Decisions on 22<sup>nd</sup> February 2023.
- 26 This report does not contain any exempt or confidential information under the Access to Information Rules.
- 27 The total contract value over the nine years and nine months, including the possible extensions, will exceed the procurement threshold for Health and Social Care services as defined under the Public Contracts Regulations 2015, which stands at £663,540. Whilst the service is not subject to the “full” regulations but to the “Light-Touch Rules Regime” under the regulations, there is still a requirement to advertise this opportunity via the council’s YORtender portal, Contracts Finder and the Find a Tender Service to ensure an open competitive tendering exercise. Whilst the Light-Touch Rules allows for a more flexible approach to be undertaken when procuring such services, this procurement will be undertaken using the Open Procedure as prescribed by the regulations.
- 28 There is minimal risk of challenge, since the proposed approach is to award this contract through an open and competitive procurement process.
- 29 Subsequent decisions arising from this report, for example the decision to award the contract and the utilisation of the extension period, will be treated as a consequence of this Key decision and will therefore be treated as a significant operational decision at most, which will not be subject to call in.

### **Options, timescales and measuring success**

#### **What other options were considered?**

- 30 The option to allow the service to end when the current contract expires is not available, since the Council is required to provide it.
- 31 A direct award to the current provider was considered but there are other providers who are able to deliver this service and would have an interest in the tender opportunity.

#### **How will success be measured?**

- 32 The contract will include a Performance Framework for the purpose of monitoring service delivery and outcomes. This will reflect the aims listed in paragraph 6 above.

#### **What is the timetable and who will be responsible for implementation?**

- 33 If approval is given, the intention is to go out to tender in April 2023. Approval to award the contract will be sought in November 2023, which will allow for a mobilisation period before the new contract starts on 1<sup>st</sup> July 2024.

## Background papers

- None.