

<b>Committee</b>	<b>Dated:</b>
Community and Children's Services Committee	<b>11 May 2018</b>
<b>Subject:</b> Local procurement of sexual health services	<b>Public</b>
<b>Report of:</b> Director of Community and Children's Services	<b>For Decision</b>
<b>Report author:</b> Farrah Hart, Consultant in Public Health, DCCS	

### Summary

The transformation of sexual health services in London is designed to reduce costs and improve outcomes for users of sexual health services.

This report considers the North Central London procurement of clinic-based sexual health services, of which Hackney and the City of London form a single distinct lot

This is part of the London-wide transformation of clinic-based sexual health services. The model and specification was been developed in consultation with a variety of stakeholders to help meet the growing demand and need for sexual health provision in London.

### Recommendation

Members are asked to:

- Note the procurement process and endorse the award of the contract to the successful bidder, The Homerton Hospital.

### Main Report

#### Background

1. All local authorities are mandated to provide open access sexual health services to their residents. This includes HIV prevention and sexual health promotion, open access genito-urinary medicine (GUM) and contraception services for all age groups. It does not include treatment of HIV in people who have been diagnosed (which is commissioned by NHS England), and does not include termination of pregnancy (which is commissioned by Clinical Commissioning Groups (CCGs)). The open access model means that City residents can access GUM services across the country and the City of London Corporation is required to reimburse providers from the ring-fenced Public Health Grant. The cost of providing sexual health services is increasing each year; whereas the grant allocation has reduced sharply, with further cuts due for the next two years.

1. The need for sexual health services in London is significantly higher than the England average, and has risen significantly in recent years. HIV, Sexually Transmitted Infections (STI's) and abortions are significantly higher in London than national averages, and there are significant differences and inequalities within London.
2. Currently, the City of London commissions sexual health services through an SLA with the London borough of Hackney. Despite the older age profile of City residents, rates of STI diagnoses are reported as very high for our population. Genito-urinary sexual health services (GUM) attendances by those recorded as City of London residents are extremely high, with over 2,100 attendances in 2015/16. It is likely that some of these attendances and STI diagnoses are attributable to City workers who are using a business postcode for extra anonymity when accessing sexual health services.
3. The transformation of sexual health services in London presents an opportunity to reduce costs and improve outcomes for users of sexual health services. Currently each London borough provides its own service to residents in relation to sexual health. This means that there are a multitude of providers providing the same services across the 32 London boroughs and the City, with all the duplication of costs this entails.
4. Given London's complex pattern of open access services, there are important advantages for London boroughs to transform and commission services together. The London Sexual Health Transformation Programme aims to transform the way sexual health services are provided in London. The Programme aims to deliver high quality, innovative, equitable and accessible services that can meet the sexual health challenges we face now and in the future, and which reflect the expectations of service users and the technology they use.
5. 31 boroughs and the City have been working together on a sub-regional basis for clinical service transformation, and across London for on-line sexual health services. This collaborative working between local authorities across London is unprecedented, and represents a step change in the way services will be designed and delivered.
6. Sexual health clinics are currently used for a variety of purposes, but the main activities are:
  - Testing for STIs
  - Contraception (including Long Acting Reversible Contraception (LARC)) and emergency contraception)
  - Treatment of symptomatic STIs
  - Complex specialist treatment (e.g., for pregnant women with STIs)

### **Testing and the new e-healthcare service**

7. The results of a waiting room survey carried out across London showed that 60% of those attending Tier 3 do not have any symptoms and were attending for just a check-up rather than because they were experiencing any effects. Most sexual

health testing services are not currently digitalised so users/residents are required to attend surgery or their local clinics in order to be tested. This has the result of putting more strain on services

8. A new e-healthcare service is currently being implemented, whereby symptomless people can order a STI testing kit online, which will be posted to them using a number of different address options (for example, they may not wish the kit to be posted to their home address). They can collect their own samples, and return the kit via post. They then receive their test results via text message, email, or via another medium of their choice, within a few days. This type of kit is a much cheaper and more accessible way for people to get tested regularly without having to visit a specialist clinic.
9. Unless the tests are returned positive, there is no further involvement by the provider other than to notify the patient of a negative result. If the tests return positive results, then a personal meeting is arranged at any of the agreed partner locations (walk in clinics, some chemists and GP's surgeries) and a regime of assistance to the patient is provided.
10. The e-healthcare service went live in January 2018. The contract for this service is hosted by the City of London Corporation.

### **Contraception**

11. Public engagement with users of sexual health services in Hackney and the City of London revealed that many local women choose to use sexual health clinics to get routine contraception, rather than going to their GPs. This works out as extremely expensive, particularly as GPs are already paid for dispensing some forms of oral contraception under their basic medical contract (GMS/PMS).
12. The more reliable forms of contraception, referred to as LARC (Long Acting Reversible Contraception) are not covered by the GP contract, and are instead commissioned by local authorities, from the public health budget. LARC can be fitted by some GPs, but not all, and so many women are choosing instead to go to a specialist sexual health clinic for LARC fitting.
13. The public health team is speaking to local GPs about how to encourage more women to use their GPs for obtaining routine contraception and LARC. We are also involving the City and Hackney Clinical Commissioning Group in these discussions. By enabling more women to access high quality contraception services through primary care, it will save money and further free up sexual health clinic capacity.

### **North Central London procurement of Genito-Urinary Medicine (GUM) and Sexual and Reproductive Health (SRH) Services**

14. The North Central Sub-region comprises of Islington, Camden, Barnet, Haringey, Hackney and the City of London. For procurement purposes, this area is split into two areas – with Lot 2 comprising Hackney and the City of London. This aligns with where City and Hackney patients tend to go for services. Islington has led

the procurement on behalf of the sub-region, with a NCL sub-regional steering group chaired by Camden and Islington Public Health working closely with the leads from the other Councils including Hackney and the City. Hackney and the City were a separate lot within this procurement, allowing for refinement of the specification to meet specific need in the area.

15. Partnership agreements and in particular an Inter-Authority Agreement (IAA), have been developed to support the LSHTP arrangements, ensuring that there are reciprocal arrangements to share one another's prices across London and to support collaboration. These are key agreements which outline governance and partnership obligations and help with risk management.
16. Together, a specification was developed and shared across London partners for their agreement. Working alongside and in collaboration with our London partners has been a key feature of this procurement. Alongside this, work has been undertaken to model how many service users will move to the new e-service, focussing on those who are asymptomatic. The new clinical service will be focussed on meeting higher clinical levels of need, and a strategy for channel shift from physical sites to the new e-service is a key element of our plans for sexual health in London. Bidders were explicitly required to state how they would work alongside the e-service to demonstrate this.
17. This procurement supports the London-wide aim to reduce the number of major level 3 GUM services (fully comprehensive consultant-led Sexual Health Services, able to treat the most complex STIs and/or provide complex contraception services). Hackney and the City of London previously hosted two highly specialist sexual health clinics and two clinics that could deal with routine and uncomplicated sexual health issues (which account for the majority of cases). The specification for Lot 2 required that the new model only have one specialist centre, with remaining clinics providing more general/routine care. The specification required that at least one clinic must be located within the City of London.
18. As part of the London wide transformation of sexual health services, clinics across the North East London sub region (consisting of Newham, Waltham Forest, Redbridge and Tower Hamlets) are to be merged, with two new highly specialist sexual health centres to be located in Whitechapel and Stratford. These centres will continue to be open access, and will be conveniently located near transport hubs, meaning that City residents and workers will be able to easily travel to either of these sites in addition to the City and Hackney clinics.
19. The tender process followed was the Competitive Procedure with Negotiation (CPN) conducted in accordance with the Public Contract Regulations 2015. This approach was intended to allow the NCL boroughs to work with interested parties to develop the specification and the solutions offered by bidders.
20. Alongside the development of the specification, the London Integrated Sexual Health Tariff was developed. The advantages of this tariff are that we are able to more fully understand what we are paying for as the tariffs relate more closely to actual procedures. The result of this work is the creation of the London Integrated

Sexual Health Tariff (ISHT) which was used as a maximum price in the procurement process.

## **Tender process**

21. This procurement was in accordance with the Public Contracts Regulations 2015. The procurement is subject to the provisions of such Regulations concerning Social and Other Specific Services. The procedure which was adopted was based upon the Competitive Procedure with Negotiation (CPN), as recommended across the sub-region by the LSHTP board. The CPN procedure outlined that the procurement process would be conducted in successive stages which could result in reducing the number of bidders and would offer the opportunity to improve bids and develop the proposals through negotiation and clarification.
22. Providers were required to have significant experience working within the GUM/SRH field in order to be considered. Those who successfully expressed an interest were automatically invited to tender and had access to all tender documents. Those who submitted a tender and met the minimum requirements had their full tender, method statements and pricing evaluated and were invited to negotiate.
23. The service was split into two Lots for NCL. Lot 1 covered Haringey, Barnet, Islington and Camden as outlined above. Hackney and the City formed Lot 2. These Lots were then further broken down, and for Hackney and the City; this was into:
  - Lot 2a: the Core sexual health service, and
  - Lot 2b additional modules
24. These Lot 2b additional modules could only be awarded to the bidder successful in Lot 2a, and if a minimum score was achieved. The Homerton Hospital was successful in winning Lot 2a and also provided a robust response for Lot 2b. The panel were satisfied in their evaluation that The Homerton Hospital provided an offer that exceeded minimum requirements and recommended award of Lot 2a and 2b.

## **Tender Evaluation**

25. The tender was advertised on 24th August 2016 via OJEU, Contracts Finder and the London Tender Portals. 38 Expression of Interests were received for both Lot 1 and Lot 2 together. Out of the 38 bidders, Lot 2 (City and Hackney) received two tender submissions. The final moderation meeting was concluded on 27 February 2017.
26. The tender panel included an independent Clinical Consultant who was also involved in developing the specification for this tender, as well as the DPH for City and Hackney and the City's consultant in Public Health. Hackney's Head of Finance for Health and Community Services was also on the panel to support with the adoption of the new pricing model. The tender panel were supported by Islington Procurement and the Public Health Commissioning Team.

27. During the tender process the panel met with bidders separately. The meetings covered negotiations and some clarifications. This enabled the panel to cover with bidders areas requiring expansion and clarify specific points directly relating to the bid. In addition the panel clarified points with bidders via Islington Procurement's e-tendering portal.
28. Bidders were given two weeks to complete their tenders for revised and final submissions. Bidders were emailed notes of meetings as well as additional notes in regards to information to be shared generally for the purposes of transparency and equal treatment. Revised tender submissions were received on 09 December 2016 and final tenders received on 23 February 2017.
29. Following final scoring, The Homerton Hospital was the winning bidder. The bids were very close in cost and this gives some comfort in similar outcomes being reached from within a competitive process. The Homerton Hospital was very marginally (0.28%) more expensive than provider B over the five year period but scored more highly on the quality aspect of the tender and hence was successful overall.

Lot 2a – Core Service	Quality Score	Price Score	Total Score
The Homerton Hospital	39%	49.86	88.86%
Bidder B	30%	50%	80%

Lot 2b - Chlamydia	Quality Score	Price Score	Total Score
The Homerton Hospital	40%	50%	90%
Bidder B	30%	50%	80%

Lot 2b - Outreach	Quality Score	Price Score	Total Score
The Homerton Hospital	40%	50%	90%
Bidder B	30%	50%	80%

Lot 2b - Pharmacy	Quality Score	Price Score	Total Score
The Homerton Hospital	40%	50%	90%
Bidder B	30%	50%	80%

Lot 2b - Governance	Quality Score	Price Score	Total Score
The Homerton Hospital	40%	50%	90%
Bidder B	30%	50%	80%

30. It was recommended that Lot 2a (sexual health clinical services) and Lot 2b (local leadership of chlamydia, sexual outreach and clinical governance) contracts, covering Hackney and City of London, be awarded to The Homerton Hospital. This is for an initial period of five years with the potential to extend to eight years. The service commenced from July 2017, with a new sexual health clinic opening in the City of London at 80 Leadenhall in April 2018. The contract is held between the provider and the London Borough of Hackney, with the City of London as a co-signatory. The City of London will pay for local residents to access the service through its existing SLA arrangements with the London borough of Hackney.

## **Corporate & Strategic Implications**

31. The programme of work described within this report supports the following strategic aim from the Corporate Plan: To provide modern, efficient and high quality local services, including policing, within the Square Mile for workers, residents and visitors.
32. Additionally, it supports the following Key Policy Priorities:
  - a. KPP2 Improving the value for money of our services within the constraints of reduced resources; and
  - b. KPP3 Engaging with London and national government on key issues of concern to our communities such as transport, housing and public health
33. It also supports the following priorities from the Department of Community and Children's Services Business Plan:
  - a. Priority Two – Health and wellbeing: Promoting the health and well-being of all City residents and workers and improving access to health services in the square mile.
  - b. Priority Five – Efficiency and effectiveness: Delivering value for money and outstanding services.

## **Implications**

34. The Local Authority has statutory duties to take such steps as it considers appropriate for improving the health of the people in its area. This means that the public health grant needs to be spent as prudently as possible, in the context of the overall reduction in grant funding on improving the health of the population.
35. Some public health services are “mandated”: these include the requirement to provide, either directly or indirectly, open access sexual health services for treating, testing and caring for people with such infections.
36. In order to ensure adequate public engagement has taken place, a waiting room survey was conducted with sexual health service users in clinics across London, and a local survey was conducted at St Bart's and at 3 clinics in Hackney. Focus groups with local service users from City and Hackney have been conducted. City of London Healthwatch was also consulted about the level of public interest in this issue.
37. There has been extensive consultation with London clinicians, and input from commissioners across London and wider. There has also been engagement with national expert bodies in sexual health provision who have helped with expert content. The LSHTP programme has also involved and or sought advice from other key stakeholders including the London Safeguarding Children's Board and wider. There has been a strong communication plan that has provided regular updates to interested parties as well as stakeholder events. Feedback has been used to inform the specification, the pricing model and the procurement process.

38. An equality impact assessment has been completed for this piece of work, and is available on request. The specification requires the successful provider to target key vulnerable groups and this is reflected in the KPIs. The procurement will not create any new impacts on the overall physical and social environment of City and Hackney, although there may be change of address and a move of clinic site.
39. The tender documentation explicitly requested bidders to confirm that they would be paying the London Living Wage to employees. This was confirmed.

## **Conclusion**

The procurement has concluded, and The Homerton Hospital was successful. The London borough of Hackney will performance manage the contract with The Homerton Hospital to ensure the sexual health clinic for the City of London meets local need and changing patterns of demand, in the context of the London-wide transformation of sexual health services.

## **Appendices**

- none

## **Farrah Hart**

Consultant in Public Health – Department of Community and Children’s Services

T: 020 7332 1907

E: [farrah.hart@cityoflondon.gov.uk](mailto:farrah.hart@cityoflondon.gov.uk)