



# Report to the Leader (Health & Wellbeing portfolio)

<b>Decision Date:</b>	6 July 2022
<b>Reference No:</b>	HW03.22
<b>Title:</b>	<b>Recommissioning of Sexual and Reproductive Health Services</b>
<b>Cabinet Member(s):</b>	Councillor Angela Macpherson, Deputy Leader and Cabinet Member for Health and Wellbeing, and
<b>Author and/or contact officer:</b>	Adam Johnson, Specialist Commissioning Manager

*There is a confidential part to this report, which is exempt by virtue of paragraph 3 of Schedule 12A of Part 1 of Schedule 12a of the Local Government Act 1972 because it contains information relating to the financial or business affairs of any particular person (including the authority holding that information).*

## Recommendations:

1. Re-commission sexual health services on a 5 + 4 contract (open market tender) with a 70/30 split for quality/finance scoring ratio.
2. Agree Option 4 – Commission in two lots, with one service specification and one tender process. Lot 1 will be for integrated clinical services. Lot 2 will be for health promotion, engagement and prevention.
3. Maintain the existing arrangements for cross charging and primary care and exclude these in the new commissioned service model.
4. £3,658,112 per annum budget cap to be included in tender documents, with the following split: Lot 1 = £3,053,851, Lot 2 = £604,261 (Budget cap split between lot 1 and lot 2 is subject to final service specification).
5. To delegate the decision to award the contract to the successful bidder to the appropriate authorised officers in accordance with the Financial Scheme of Delegation.

## Reason for decision:

This option is the most feasible option for re-commissioning Sexual and Reproductive Health Services for Buckinghamshire. This option has service delivery benefits, will be attractive to the provider market, and is the option that will enable the greatest potential for efficiency savings.

## **1. Executive summary**

- 1.1 The Council has a statutory responsibility to provide open access sexual and reproductive health services in Buckinghamshire, to treat and prevent the spread of sexually transmitted infections (STIs), enable access to a broad range of contraception and to give advice on preventing unplanned pregnancies. In addition to the Council's statutory responsibilities, research shows the benefits of spending on STI testing interventions outweigh the costs and that publicly funded contraception is a highly cost-effective public health intervention.
- 1.2 The Council currently commissioned two providers to deliver open access sexual health services in Buckinghamshire under block contracts:
- Buckinghamshire Health Care NHS Trust – specialist Level 3 clinical services
  - Terrence Higgins Trust – Level 2 services such as health promotion, chlamydia screening, outreach clinics, condom distribution, and prevention work.

All allowable contract extension options have been utilised, therefore under the current procurement regulations the Council is required to re-tender these services this summer for provision to continue locally from April 2023.

- 1.3 The Business Case for re-commissioning has been informed by a Health Needs Assessment, soft market testing via a request for information to the provider market, and financial modelling. The options appraisal within the business case explores all options for re-commissioning, including using the proposed new Provider Selection Regime, and commissioning jointly with neighbouring local authorities within the Integrated Care System geographical footprint.
- 1.4 The recommended option is to re-commission a Buckinghamshire service via an open and competitive tender process and to re-configure services so that all clinical services are commissioned as one contract (lot 1) and prevention, health promotion and outreach services are commissioned as a second contract (lot 2). This option is the most feasible option, has service delivery benefits, will be attractive to the provider market, and is the option that will enable the greatest potential for efficiency savings.
- 1.5 The recommendations listed above have been agreed by the re-commissioning Project Board and the Public Health Extended Management Team.

## **2. Content of report**

- 2.1 The scope for this business case is the re-commissioning of local authority commissioned sexual and reproductive health services in Buckinghamshire. These

services form part of a wider sexual and reproductive health system with Clinical Commissioning Groups (CCGs) and NHS England responsible for commissioning other parts of the system including: Level 1 contraception (oral pill) in Primary care, Sterilisation and Vasectomy Services, and Termination of Pregnancy services. The NHS England and CCG commissioned services are not in scope for this business case.

- 2.2 The Council also commissions sexual health and reproductive health services directly from General Practices and Community Pharmacies. Sub-contracting these services via a lead provider model has been considered as part of this business case, however this is not recommended as no additional value would be realised and there would be additional costs associated with managing sub-contractors.
- 2.3 The Council's current contracts were commissioned in April 2016 for a period of 5 years with an option to extend for a further two years. The contracts were extended in March 2020 for the full two years, which coincided with the first wave of the Covid-19 pandemic. Service provision evolved during the first 6 months of the extension period; a digital STI service was added to enable asymptomatic residents to test for STIs without needing to attend face-to-face appointments, telephone consultation, online appointment booking, contraceptive pills by post were introduced, and dedicated digital support for under 25s was established. All these changes to service delivery will form part of the new service specification when the services are re-commissioned.
- 2.4 The current cost of delivering both services is £3,538,112. Cost pressures linked to increased pension costs and rising inflation will mean it would not be possible to re-commission Sexual and Reproductive Health Services on the same model within the same budget envelope. Some of the budget shortfall can be met by re-profiling the overall sexual health budget; however, to commission the services within budget efficiency savings are needed.
- 2.5 Changing the contract model so that all clinical services are integrated into one contract will enable the greatest level of efficiency savings. Integration of clinical services will eliminate any risk of duplication of provision between Level 2 and Level 3 services, minimise the risk of unfilled appointment slots, and ensure that all clinics offer a full range of contraception improving the offer to residents. It would also enable the service to easily respond to increases in demand for digital services by reducing the number of face-to-face appointments without having to co-ordinate with another service provider. This model will also enable efficiencies in IT costs, administration costs and travel costs.
- 2.6 The efficiency savings detailed above, combined with the re-profiling of the overall Sexual and Reproductive Health budget, will make it possible to re-commission Level

2 and Level 3 Sexual Health Services without any increase in budget over the next 5 years. There is potential for a budget pressure of £57,016 in Year 5 of the contract, however commissioners will work with providers to deliver further efficiency savings in the first 4 years to mitigate this risk.

### **3. Other options considered**

- 3.1 **Decommission services** – Decommissioning is not feasible as the Council has a statutory duty to provide open access sexual health services
- 3.2 **Re-commission on current model** – this option is not affordable as it would result in a budget shortfall of £366,707 by year 5
- 3.3 **Integration of Level 2 and Level 3 services into one contract** – this is a lead provider model and is feasible, however it would incur sub-contracting costs and therefore will not deliver the same level of efficiency savings as the recommended option of commissioning in two lots. It may also prevent smaller voluntary and community sector providers from tendering
- 3.4 **Re-commission in partnership with other Local Authorities** – re-commissioning across the Integrated Care System (ICS) area of Buckinghamshire, Oxfordshire, and Berkshire West (BOB) is not currently possible due to differing contract end dates in Oxfordshire and Berkshire. However, suitable notice clauses will be built into future contract terms and conditions to enable an early exit from contracts to enable a joint BOB approach should there be an appetite for joint commissioning over a larger geographical footprint in the future.
- 3.5 **Provider Selection Regime (PSR)** – the proposed new PSR cannot be used until legalisation has been passed later this summer and subsequent statutory guidance is issued, therefore it won't be available in time for this cycle of re-commissioning. This option would require contract extensions with incumbent providers, however as all allowable contract extensions have already been utilised, any further extension would breach current procurement rules. This option is therefore not a feasible option.
- 3.6 Consideration of including cross-charging for out-of-area sexual health activity has also been considered as part of the business case, however this is not recommended because it may prevent the Council from realising any potential cash savings as a result of the current trend of reduced demand.

## 4. Legal and financial implications

- 4.1 The recommended re-commissioning approach is within the approved budget and medium-term financial plan for Sexual Health services and is funded in full by Public Health grant. No legal implications have been identified.

## 5. Corporate implications

- 5.1 The commissioning of Sexual and Reproductive Health Services delivers against the following two priorities within the 2020-2023 corporate plan:

Strengthening our communities – the services will help improve the health and wellbeing of local residents and improve health outcomes by ensuring that STIs are diagnosed and treated effectively and in a timely manner as well as ensuring that people look after their reproductive health.

Protecting the vulnerable – the services work with vulnerable people to ensure that they have suitable access to sexual and reproductive health services.

The following implications have also been taken into account:

- a) Property: There is no council property associated with this project. The providers will be required to provide their own property.
- b) HR: There may be TUPE considerations for a new provider. TUPE information will be provided to the successful bidders.
- c) Climate change: As part of the tender process providers will be asked to demonstrate how their bids will address the issue of climate change. Providers will be encouraged to maximise the use of remote and digital services to reduce the number of service users that need to attend face-to-face appointments.
- d) Equality: Sexual Health Services need to be inclusive for all and an Equalities Impact Assessment will be carried out alongside the development of the service specification.
- e) Data: Contractual arrangements with the providers will set out how data, information and records should be managed and will be agreed during the implementation period. Providers will be required to submit data to the government via GUMCAD and CTAD which are the two data systems that all sexual and reproductive health providers are required to use.
- f) Value for money: The business case details how there are significant economic impacts relating to unplanned pregnancies and prevention of transmission of STIs and therefore there is a significant return on investment in sexual and reproductive health services, particularly in relation to unplanned pregnancies and HIV. Efficiency savings will also be delivered as part of this re-commissioning project.

## **6. Local councillors & community boards consultation & views**

- 6.1 This business case relates to the whole of Buckinghamshire. Both Councillor Angela Macpherson, Deputy Leader and Cabinet Member for Health and Wellbeing, and Councillor Carl Jackson, Deputy Cabinet Member for Public Health, have been informally briefed and their feedback has been used to finalise the report presented to the Adults and Health Board.

## **7. Consultation and communication**

- 7.1 A request for information with potential providers was carried out and this has informed the business case.
- 7.2 The business case has been presented to the Project Board and to Public Health Extended Management Team, and once fully approved will be presented to the Integrated Commissioning Executive Team (ICET) to share with CCG partners.
- 7.3 If the recommended option is accepted, a communication plan will be put in place during the implementation period to ensure that residents and key stakeholders are informed about the new services.

## **8. Next steps and review**

- 8.1 If the recommendation is agreed, the next steps will be to go out to open and competitive tender in July 2022 with new contracts in place for 1<sup>st</sup> April 2023.

## **9. Background papers**

- 9.1 None

## **10. Your questions and views (for key decisions)**

- 10.1 If you have any questions about the matters contained in this report, please get in touch with the author of this report. If you have any views that you would like the cabinet member to consider please inform the democratic services team. This can be done by telephone 01296 382343 or email [democracy@buckinghamshire.gov.uk](mailto:democracy@buckinghamshire.gov.uk).