

Report for: Leader of the Council

Title: Award of Contracts for North Central London for 1) Genito-Urinary Medicine (GUM) and 2) Sexual Health Reproductive Services (SRH)

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Ward(s) affected: All

Report for Key/

Non Key Decision: Non Key Decision

1. Describe the issue under consideration

- 1.1 This report recommends the award to the Central and North West NHS Trust (known as CNWL) of contracts for North Central London for Genito-Urinary Medicine (GUM) and Sexual Health Reproductive Services (SRH), which were tendered as lots 1a and 1b respectively, following a Competitive Procedure with Negotiation completed as one-stage tender.
- 1.2 The recommended provider submitted a strong tender bid that clearly demonstrated their expertise and commitment to providing the services required and meeting the service outcomes as specified. They have a strong track record of delivery of sexual health services and were able to demonstrate a number of areas of added value.
- 1.3 The award decision is being submitted to the Leader of the Council in line with the decision made by Cabinet on 15th December 2015.

2. Cabinet Member Introduction

- 2.1. Sexual and reproductive health is an area of commissioning that has benefited from transfer into the local authority. Faced with escalating cost and poor outcomes, the Council has over the last two years implemented a phased local 'step change' programme and more recently worked with 29 London councils on a joint programme of transformation. It's been impressive to see London local authorities working together to find a solution to this health issue.
- 2.2. The time is right for change. Haringey residents have moved away from using the Haringey Genito-Urinary Medicine (GUM) clinic - 68% of our residents using a GUM service do so outside of Haringey. To improve the local offer the public health team has been introducing innovative new community based services which as well as being local should reduce use of GUM clinics. Residents can now get the majority of their sexual health needs met free of charge via our 32 pharmacies, 18 GP practices or from Embrace outreach service. In addition in July, the Central North West London Trust (CNWL) will open a new service for young people and Long Acting Contraception (LARC).

- 2.3. However there are some complex sexual health services that need to be delivered at a GUM clinic and this is why we have commissioned this new service with other local authority partners in North Central London (NCL). Having a service delivering for all of NCL partners creates economies of scale which deliver high quality and more cost effective services. Residents will benefit from having a state of the art service, which will include access to advanced technology systems for the first time and will provide 24 hour on line booking and access to home testing kits. The opening hours of the new service will simplify and extend the current St Anne's offer of Monday, Thursday & Friday 9am-4pm, Tuesday 9am-12pm and Wednesday 12pm-7pm to CNWLs offer of two clinic providing Monday-Friday, 8am-8pm, Saturday 9am-5pm. The scale of CNWL's new service will also have reputational benefits, attracting in skilled staff and research and development opportunities. Finally working at scale means that there will be capacity to offer more tailored services to those with protective characteristics, for example there will be female only reproductive health clinics and tailored programme offers to men who have sex with men (MSM).
- 2.4. It is reassuring that CNWL currently delivers services in Camden and Islington which are already used by Haringey residents. They have 20 years of experience in delivering sexual healthcare and were rated as "Outstanding" by the Care Quality Commission (CQC, 2015). CNWL operates two of the country's largest sexual health services in Camden (Mortimer Market Centre/MMC) and Islington (Archway Centre/AC) and the Margaret Pyke service being a unique centre-of-excellence in contraception and reproductive health care. In addition CNWL has one of the UK's largest dual-trained (sexually transmitted infection and contraception) team of clinicians.
- 2.5. I welcome the proposal contained in this report to open this new clinic.

3. Recommendations

For the Leader of the Council:

- 3.1. To approve the award to the Central and North West NHS Trust of contracts for lots 1a - Genito-Urinary Medicine (GUM) services and lot 1b - Sexual Health Reproductive Services (SRH) as follows:
- 3.2. Lot 1a - GUM services, for a period of 5 years from 1 July 2017 at an estimated cost of £7,963,771 for the initial 5-year term with the option to extend the contract for 3 further periods of one year each at an estimated cost of £1,608,073 for each of these years. The maximum total estimated cost of the contract is therefore £12,787,991.
- 3.3 Lot 1b - SRH services, for a period of 5 years from 1 July 2017 at an estimated cost of £258,335 for 5 years or £51,667 per annum with the option to extend the contract for 3 further periods of one year each. The maximum total estimated cost of the contract is therefore £413,336 over 8 years.

4. Reasons for decision

- 4.1. From 1 April 2013, local authorities were mandated to ensure that comprehensive, open access, confidential sexual health services were available to all people in their area (whether resident in that area or not).

5. Alternative options considered

- 5.1. The Public Health team could have acted outside of the London Sexual Health Transformation Programme (LSHTP) and re-procured as a single local authority. However it chose to be part of the LSHTP which is a partnership between 29 London boroughs with the purpose of creating a collaborative approach to commissioning sexual health services. The LSHTP case for change and business case demonstrated that the level of improvement in quality and cost reduction that all London clinics needed could only be obtained by commissioning at scale. For this reason Haringey gained agreement from Cabinet in December 2015 to procure as an NCL sub region.

6. Background information

- 6.1. Londoners' sexual health is worsening; in 2014 London had an increase in rates of sexually transmitted diseases (STI) including a 40% rise in diagnoses of syphilis and 23% in gonorrhoea. Although Haringey has moved from having the 4th highest STI rate in England in 2012, to 12th in 2014, STIs¹ continue to be a significant health risk to the population. In 2014, 4389 new STI cases were diagnosed in Haringey residents, a rate of 1666.4 per 100,000 compared to London (1366.6 per 100,000) and England (797.2 per 100,000).
- 6.2. Increasing sexual ill health has created demand for both testing and treatment in GUM clinics, which in turn has created pressures on Council budgets. An opportunity to reduce costs through using new testing technologies in primary care and outreach settings has not been maximised due to commissioners having to fund overspends in GUM clinics.
- 6.3. Turning this situation around has required a pan London approach. This is because residents are able to access services outside of their borough of residence, with 68% of our residents using a service doing so outside of Haringey. In 2014 29 London councils joined together as the London Sexual Health Transformation Programme (LSHTP) to remodel sexual health services across the capital. In tandem to this locally the Council has been investing in prevention and community testing, increasing residents' access to pharmacy, GP and community services.
- 6.4. The business case developed by the LSHTP recommended reducing the number of GUM/CaSH clinics in London and increasing the scale of commissioning, moving from individual councils' commissioning their local service, to commissioning within 4 sub regional commissioning teams. The NCL sub region is based on current patient flows and consists of Barnet, Camden, Haringey, Hackney, Enfield and Islington. Haringey's main patient flow is into Camden and Islington services.

¹ Most commonly diagnosed STIs are Chlamydia, gonorrhoea, genital herpes, and genital warts.

- 6.5. In December 2015 Cabinet agreed for Haringey to participate in an NCL sub-regional procurement strategy for re-procurement of GUM and CaSH services. Because Enfield had already procured its services it was not included within the procurement strategy.
- 6.6. Following Cabinet’s decision, the sub-region then entered into a co designing phase. Haringey, because of its patient flows, made the decision to tender within lot 1 with Barnet, Camden and Islington. Hackney and City tendered for their requirement within lot 2. Within lot 1, the need was identified for two sub lots - lot 1a for a core service and lot 1b reflecting additional services. The Lot 1a core service (level 3) will be shared by all of the lot 1 councils. Because it has limited local non complex services (level 2) Barnet required a level 2 service. Haringey will have the new Haringey based CNWL service and a network of primary care services. In Lot 1b Haringey, Islington and Camden wanted to co design a shared sex worker project and to commission training for primary care workers. The table below describes the two lots.

<p>Lot 1 a (Core services)</p> <p>A fully comprehensive sexual health system for STIs and contraception level 3 clinical services based in Camden and in Islington, including a fully comprehensive, specialist contraception service in Camden</p> <p>A Level 2 service in Barnet</p>
<p>Lot 1 b (Additional services)</p> <p>Service for people with Learning Disabilities (Camden and Islington)</p> <p>Sexual Health promotion and Targeted Outreach Provision (Camden and Islington)</p> <p>Sex Workers Provision (Camden, Islington and Haringey)</p> <p>Primary Care training (Camden, Islington and Haringey)</p>

Table1. NCL service lots

- 6.7. In terms of pricing, Lot 1a (core service) is based on activity, not a fixed contract price. What is fixed is the tariff for the activity i.e. an HIV test will have a different tariff to Chlamydia treatment. All councils will be charged the same tariff for their residents. Lot 1b (additional services) all have a fixed block cost to the Councils procuring them.
- 6.8. Procurement process
- 6.8.1. Islington Council led the procurement with a team of commissioners, this included attendance at all meetings by Haringey’s Senior Commissioner of Sexual health. The tender procedure adopted was the Competitive Procedure with Negotiation completed as a one-stage tender.
- 6.8.2. Islington published the contract notice on Official Journal European Union (OJEU), Contracts Finder and London Tenders Portal on 24th August 2016. The tender submission date was the 11th October 2016. The tender documents

included questions designed to ensure that the organisations met the Councils' minimum requirements to perform the contracts.

- 6.8.3. Lot 1a was advertised with an estimated total contract value of no more than £70.1m. Lot 1b was advertised with an estimated contract value of no more than £3,850,000. This included contributions from each of the councils. All budgets are funded by Public Health. These budgets are an estimate after extensive analysis of activity within this sector including the fact that these services remain open access services.
- 6.8.4. The Invitation to Tender (ITT) and supporting documents were uploaded and the time allowed for tender submissions was 48 days. By the closing date, 3 organisations registered their interest. Final tenders were submitted by two organisations. Tenderers who submitted bids are listed in Part B (Exempt Information) of this report.
- 6.8.5. Tenders were evaluated on the basis of the most economically advantageous tender (MEAT) which included evaluation on a 50:50 Price: Quality basis as set out in the ITT documentation. See table below.

Lot 1a	
Quality (total) comprising the elements below	50%
SERVICE MODEL- including engagement of target communities; service user engagement; infrastructure, data systems and managing performance; website design and functionality, Governance and Quality Assurance	20%
Mobilisation/ action plan with challenges and opportunities identified	15%
Partnership working including but not limited to working with voluntary and third sector	10%
Social value	5%
Price	50%:
Currency/Tariff	40%
Overall Contract value	10%

Table 2 scoring methodology for lot 1a and 1b

Lot 1b	
Quality (total) comprising the elements below	50%:
SERVICE MODEL - including data systems and management, quality and governance, service user engagement, continuous improvement	20%
Mobilisation/ action plan with challenges and opportunities identified	15%
Partnership working including but not limited to working with voluntary and third sector	10%
Social value	5%
Price	50%:
Currency/Tariff	40%
Overall Contract value	10%

Table 3 scoring methodology for lot 1a and lotb

6.8.6. The tables below detail the outcomes of the tender evaluation and respective scores of the tenders (see also exempt information)

Market response

Market response		
	Lot 1a	Lot 1b
Number of tenders returned	3	3

Table 4 Market response

Tender scores

Lot 1a

Tenderer	Total quality score (/50)	Total price score (/50)	TOTAL TENDER SCORE
CNWL	46	50	96
Tenderer B	25	46	71
Tenderer C	Withdrawn	Withdrawn	Withdrawn

Table 5 Scores for 1a

Lot 1b

Tenderer	Total quality score (/50)	Total price score (/50)	TOTAL TENDER SCORE
CNWL	46	50	96
Tenderer B	30	46	76
Tenderer C	Withdrawn	Withdrawn	Withdrawn

Table 6 Scores for 1b

6.6.7. Key Features of the winning bidder were:

- Two flagship Hubs located in Camden and Islington - accessible by all North Central London (NCL) residents - including the Margaret Pyke Centre, a dedicated women's service in Camden
- Single Consultant-led service of dually trained staff supported by medical advice hotline to maximise use of skill mix at all sites
- Network-wide information technology solutions offering:
 - Single-point-of access via user-friendly website
 - 24h online appointment booking system
 - Easy-to-use tools for self-management, streaming and sign-posting to other relevant services including to London e-services for ordering of testing kits and simple treatments
 - Detailed and innovative services for key risk groups i.e. men who have sex with men MSM
 - Timely delivery of data to commissioners with ability to benchmark to assure quality across all sites in NCL.
- Dynamic and forward-thinking management team to ensure services remain agile and responsive to changing needs.

6.6.8. The contract for lot 1 will be a contract between the Councils within this lot jointly and the provider. Contract management will be undertaken as a North Central London (NCL) sub region consisting of commissioners from each of the local authorities. The provider will be expected to provide performance data on a quarterly basis on a set of key performance indicators which have been agreed across London.

7. Contribution to strategic outcomes

7.1. This service is linked to the Corporate Plan, in particular Priority 1: 'Enable every child and young person to have the best start in life and Priority 2: 'Empower adults to lead healthy, long and fulfilling lives'. Plus the cross-cutting themes: fair and equal borough; prevention and early help; and working with communities.

8. Statutory Officers comments (Chief Finance Officer (including Procurement)),

8.1 Procurement

8.1.1 This joint procurement was lead by Islington Council, as part of a pan London agreement for sexual health services due to a need to halt the explosion of sexually transmitted diseases across the Capital

8.1.2 The contract opportunity was advertised in the London Tenders Portal and, as required under the Public Contracts Regulation 2015, the Official Journal of the European Union as well as Contracts finder.

8.1.3 The winning bidder provided the most economically advantageous tender and best available value in the open market for the participant Councils based on a) lot 1a, a common tariff which is treatment -dependant and b) a fixed block price for lot 1b.

8.1.4 Given that this is a key contract with London-wide coverage, the requirement for contract management and reporting is paramount. The contract contains key performance indicators, metrics and reporting that should mitigate the risks of delivery issues. Regular contract monitoring should identify and neutralise any performance or service delivery issues

8.2 Legal

8.2.1 This report relates to a contract for services which are subject to the Light Touch Regime under the Public Contract Regulations 2015. As such they are required to be advertised in the Official Journal of the European Union (OJEU) and procured in accordance with an EU compliant process.

8.2.2 The procurement of the contract was done as a joint procurement between the NCL group of local authorities, with Islington Council as the lead procuring authority - see paragraphs 6.6 and 6.8.1 of the report. Under Contract Standing Order (CSO) 7.01(a), it is permissible for the Council to procure services as part of a group of public sector bodies provided that the CSOs of one of the bodies and /or applicable Public Contract Regulations (PCRs) have been followed. Islington Council procurement team has reported that in their view the procurement of the contract was conducted in accordance with the PCRs.

8.2.3 The procurement was conducted using a competitive negotiation approach designed within the flexibilities of the Light Touch Regime. This essentially allowed the procuring authorities to make a selection from the contractors initially expressing an interest in the opportunity and to negotiate with the selected contractors to improve the contents of their tenders before a preferred bidder was chosen. The proposed contract will be a joint contract between the Council alongside the other NCL authorities tendering within Lot 1 and the provider although the contract provides that any authority is not liable for the other authorities' failure to meet contractual obligations.

8.2.3 The Council now wishes to grant its approval for the award of the contract to the provider identified in paragraph 3.1 of this report. The Leader has power to approve the award, on behalf of Haringey, in place of Cabinet under CSO 9.07.1 (d) (contracts of £500,000 or more) and CSO 16.02 (Decisions in-between Cabinet Meetings).

8.2.4 The award is a Key Decision and must therefore be included in the Forward Plan in accordance with CSO 9.07.1(e), which has been done.

8.2.5 The Assistant Director of Corporate Governance confirms that Legal Services is not aware of any legal reasons preventing the Leader from approving the recommendations in paragraph 3.1 of the report.

8.3 Finance

8.3.1 The award of this contract is part of a strategy involving a pan-London agreement for the management of sexual health services, described in the report above.

8.3.2 The cost of the contract will be contained within the resources available to Public Health. Funding is within the Public Health budget cost centre D00320 Whittington Health. This is part of the overall Sexual Health Transformation Programme in order to operate and achieve the Medium Term Financial Strategy savings for 2017/18

8.3.3 See breakdown of the contract value of the NCL tender.

Year	Contract value	Additional Services	TOTAL contract Value
1	£1,627,191	£51,667	£1,678,858
2	£1,606,192	£51,667	£1,657,859
3	£1,545,875	£51,667	£1,597,542
4	£1,576,439	£51,667	£1,628,106
5	£1,608,073	£51,667	£1,659,740
	£7,963,771	£258,335	£8,222,106
6	£1,608,073	£51,667	£1,659,740
7	£1,608,073	£51,667	£1,659,740
8	£1,608,073	£51,667	£1,659,740
	£4,824,220	£155,001	£4,979,221
	£12,787,991	£413,336	£13,201,327

8.4 Equality

8.4.1 The Council has a public sector equality duty under the Equality Act 2010 to have due regard to the need to:

- eliminate discrimination and victimisation of persons that share the characteristics protected under S4 of the Act. These include the characteristics of age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex (formerly gender) and sexual orientation;
- advance equality of opportunity between people who share those protected characteristics and people who do not;
- foster good relations between people who share those characteristics and people who do not.

8.4.2 A full EqIA has been completed which highlights the inequalities and issues concerning sexual health and access to GUM and Sexual Health Reproductive Services. The EqIA identifies actions to tackle sexual health inequalities and the provider will monitor service users to ensure that future sexual health inequalities are tackled

9. Use of Appendices

Appendix 1 Equality Impact Assessment

10. Local Government (Access to Information) Act 1985

10.1 Background Documents

Information within this report is sourced from:

<http://www.haringey.gov.uk/social-care-and-health/health/joint-strategic-needs-assessment-jsna>

Cabinet reports linked to this report:

[London Sexual Health Transformation Programme](#)

[Pharmacies Enhances Services Framework](#)

[Community Sexual Health Service- Outreach and Health Promotion](#)

10.2 This report contains exempt and non exempt information. Exempt information is contained in the exempt report and is not for publication. The exempt information is under the following categories (identified in amended schedule 12 A of the Local Government Act 1972 (3)):

(3) Information in relation to financial or the business affairs of any particular person (including the authority holding that information).