

NOTICE OF MEETING

Cabinet Member Signing

TUESDAY, 16TH DECEMBER, 2014 at 17:00 HRS - CIVIC CENTRE, HIGH ROAD, WOOD GREEN, N22 8LE.

MEMBERS: **Councillor Peter Morton – Cabinet Member for Health and Wellbeing**

AGENDA

1. URGENT BUSINESS

The Leader/Cabinet Member will advise of any items they have decided to take as urgent business.

2. AWARD OF SEXUAL HEALTH SERVICES CONTRACT (PAGES 1 - 8)

This report details the outcome of an open tender process for the award of a contract to provide integrated sexual health services (former GUM & CaSH services)¹ for Haringey residents. This report recommends the award of a new contract in line with Contract Standing Order (CSO) 9.06.1 (d) following a robust tendering process.

3. NEW ITEMS OF URGENT BUSINESS

To consider any items of urgent business admitted under item 1 above.

4. EXCLUSION OF THE PRESS AND PUBLIC

RESOLVED:

That the press and public be excluded from the remainder of the meeting as the items below contain exempt information, as defined under paragraph 3, Part 1, schedule 12A of the Local Government Act 1972.

5. EXEMPT BUSINESS (PAGES 9 - 10)

To consider exempt information pertaining to item 2 on the agenda.

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Report for:	Cabinet Member 16 th December 2014	Item Number:	
Title:	Award of Contract for Integrated Sexual Health Services 2015-16		
Report Authorised by:	Jeanelle de Gruchy, Director of Public Health		
Lead Officer:	Susan Oti, Assistant Director of Public Health		
Ward(s) affected: ALL	Report for: Key Decision		

1. Describe the issue under consideration

- 1.1. This report details the outcome of an open tender process for the award of a contract to provide integrated sexual health services (former GUM & CaSH services)¹ for Haringey residents. This report recommends the award of a new contract in line with Contract Standing Order (CSO) 9.06.1 (d) following a robust tendering process.

2. Cabinet member introduction

- 2.1 In accordance with regulations under the Health and Social Care Act 2012, responsibility for the commissioning of sexual health services became the responsibility of the Local Authority in April 2013, as part of the move of Public Health into local authorities. The tendered service in this report has been commissioned from the Public Health Grant.
- 2.2 The award of this contract will enable the Council to meet its responsibilities to: improve the health and wellbeing of local populations and reduce health inequalities across the life course, particularly young people, black & minority ethnic groups and hard-to-reach groups. The contract will align the integrated service outcomes to the Council's corporate objectives on prevention and early intervention.
- 2.3 I welcome the outcome of the procurement process which will ensure that

¹ Genito-Urinary Medicine and Contraception & Sexual Health Services, GUM & CaSH.



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Haringey residents have access to a cost effective and quality integrated sexual health service, in order to improve sexual health outcomes.

3. Recommendations

- 3.1 That Cabinet agrees the award of the contract for Integrated Sexual Health (GUM & CaSH) Services to Whittington Health NHS Trust, the successful tenderer in accordance with Contract Standing Order (CSO) 9.06.1(d).
- 3.2 That the contract is awarded for a period of one year with an option to extend for a further period or periods of up to two years.

4. Alternative options considered

- 4.1. The option of extending the existing contract was not available beyond 2015 as the contract had previously been extended. No other options were considered.

5. Background information

- 5.1. In April 2013 in accordance with regulations under the Health and Social Care Act 2012, commissioning responsibility for sexual health services transferred to different organisations as NHS North Central London ceased to exist. All local authorities, Clinical Commissioning Groups and NHS England were given responsibility for the commissioning of sexual health services. Haringey Council Public Health team was one of these authorities.
- 5.2 Given that the former NHS contract for sexual health services expired on 31st March 2014 there was still a requirement for these services to be re-let. The Council duly awarded a community contract for the period 2014-15, in order to facilitate the re-tendering process, later in 2014.
- 5.3 From April 2013 the Public Health team worked with local NHS partners to gain an understanding of the services, develop a working relationship and align the service outcomes to the Council's prevention and early intervention priority.
- 5.4 The transfer of commissioning responsibility in April 2013 provides Haringey Council with the opportunity to integrate sexual health services (joined-up provision that enables seamless patient journeys across a range of sexual health services) and to link these to related services, including alcohol and drugs services, for particular target groups, such as young people, vulnerable people and other groups at higher risk of sexual ill-health. It also enables Haringey Council to increase the commissioning focus on health promotion and prevention in order to reduce the expenditure on treatment services.
- 5.5 Against this background and context, recent data from Public Health England²,

² STI Diagnoses and Rates by Local Area, 2009-13, PHE 2014



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showing the level of sexually transmitted infection (STIs) in England, and by Local Authority, ranked Haringey in 11th (highest) place in England and 10th (highest) in London, (see Figure 1 below).

Figure 1. STI numbers & rates per 100,000 population of all ages in Haringey residents – 2012-13

Diagnoses	No. 2012	Rate 2012	No. 2013	Rate 2013	% Rate change 2012 to 2013	Rank in England	Rate in England 2013
ALL STIs	5255	2029.6	4152	1603.6	- 19.8	11	803.7
Chlamydia	2584	998	1394	538.4	- 46.1	26	390.2
Gonorrhoea	472	182.3	549	212	13.9	12	54.8
Genital Herpes	339	130.9	344	132.9	1.5	7	60.3
Genital Warts	516	199.3	521	201.2	0.95	22	137.2
Syphilis	40	15.4	42	16.2	4.9	15	6.1

STIs as of 2013 includes HIV new diagnosis - Acute infection – PHE June 2014

- 5.6** In parallel to the high level of STI's, the rates of teenage (under 18) conceptions also remains high (although the trend is falling), with Haringey ranked 5th across London in 2011, with a rate of 36.2 conceptions per 1000 women under 18 years of age (152 conceptions) compared to 28.7 per 1000 in London and 30.9 per 1000 in England and Wales. In addition, in 2012, over 40% of all abortions, (all ages), were classified as repeat abortions in Haringey – compared to 37% in England.
- 5.7** In view of the data above, the services contained within the new contract are intended to support the Council in reducing health inequalities and improving wellbeing through:
- Enabling young people and adults to exercise choice in reproductive and sexual health
 - Improve access for service users to early help and identification
- 5.8** In addition the services within this contract will support the Council's Corporate Plan in:
- Adopting a strategic approach to prevention and early help
- 6. Procurement process**
- 6.1** This service is an EU Part B residual service and therefore it was not necessary to advertise this requirement in the Official Journal of the European Union.
- 6.2** The procurement process started with the placing of an advert on Haringey's website, CompeteFor portal, Delta competitive contract notice. In addition the advert was circulated by Haringey Association of Voluntary and Community Organisations (HAVCO) by email to its membership, approximately 750 contacts representing 500 voluntary and community groups in the Borough.
- 6.3** A Meet the Buyer event was held on 20th June 2014. An Open process was decided upon for this tendering exercise. The Invitation to Tender (ITT) documents



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were loaded on the Delta E Sourcing portal. Two Lots were tendered, one for GUM & CaSH services, the other for community outreach & prevention services. By the closing date of 26th August 2014, 3 bids had been received for Lot 1, GUM & CaSH services, and 3 bids for Lot 2, community outreach and prevention services.

- 6.4** The tenders were evaluated using the Most Economical Advantageous Tender (MEAT) which included a split of 45% Price and 55% Quality as set out in the ITT documentation.
- 6.5** After careful consideration of the three bids for Lot 2, it became clear that all of them were 'beyond the scope' (activity and cost) of the Council's original intentions for future community based services, bearing in mind the current strategic proposals to reshape community based sexual health services across London. With this in mind Director approval has been given to discontinue forthwith the tender process for Lot 2 without awarding a contract. Further details on the future arrangements for community outreach & prevention services will form the subject of a report to Cabinet in January 2015. (see para. 1.2 of the Exempt Information report).
- 6.6** The table below details the outcome of the tender evaluations and respective scores of the tenders. The evaluation panel of specialist officers marked Finance, Health and Safety, Environment, Equalities and Safeguarding. Council officers from Public Health evaluated the Quality Method Statements and Price submissions. (See also para. 1.1 of the Exempt information report).

Tenderers	Company Questionnaire	Quality Scores (max 550 points)	Price/Cost scores (max 450 points)	Total Score for quality and price	Contract price over 3 years
Whittington Health NHS Trust	157	418	450	868	£8,066,863.00
Company A	153	352	290	642	£12,539,000.00
Company B	166	291	346	637	£10,478,514.00

- 6.7** Contract management will be incorporated into the contract. Key Performance Indicators and methods of measurement are integrated within the service specification and will be monitored through contract monitoring meetings and reports.
- 6.8** Monitoring meetings will be held monthly for the first six months and quarterly thereafter. The purpose of monthly monitoring meetings will be to examine the



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implementation of the service, monitor delivery of the service at an operational level and to foster partnership working to facilitate early resolution.

6.9 Data is collected nationally and reported via Public Health England on a quarterly basis, the provider will also report this data locally. Monitoring meetings with the provider will take place by the commissioning manager on a monthly basis. The purpose of monitoring meetings will be to ensure the outcomes set in the contract are reached and that the Council is satisfied with the service.

7. Comments of the Chief Finance Officer and financial implications

7.1 This contract will replace an existing contract which expires at the end of the current year. The cost of the proposed one year contract is £2.7m. This is the lowest cost tender and is within the allocated Service budget.

7.2 If the Service exercises the option to extend the contract by two years the three year total proposed contract price is £8.1m as shown in the table in paragraph 6.5.

7.3 The savings associated with the tendering of the integrated sexual health services (Cash& GUM) contract is c£300,000 per year compared to current budgeted costs and represents improved value for money.

7.4 The level of Public Health grant in future years is not guaranteed but it is noted that any extension to the initial contract period of one year is optional and at the discretion of the Council.

8. Assistant Director of Corporate Governance comments and legal implications

8.1 The services to which this report relates are Part B services for the purposes of the Public Contract Regulations 2006. As a result it has not been necessary to advertise the tender in the Official Journal of the European Union (OJEU).

8.2 Nonetheless, Contract Standing Orders (CSOs) apply to the procurement. The services have been tendered in accordance with CSOs under the open procedure provided for under CSO 9.01(a).

8.3 It is proposed to award only the Lot 1 (GUM & CaSH) services. As the value of these services exceeds £500,000, the award of the contract is a Key Decision which must be published in the Forward Plan. This has been done.

8.4 Given the value, the contract award must ordinarily be approved by Cabinet in accordance with CSO 9.06.1(d). However the decision may also be allocated by the Leader to be taken by the Lead Cabinet Member as has been done via the Forward Plan in this case.

8.5 The Assistant Director of Governance confirms that there is no legal reason preventing Cabinet from approving the recommendations at paragraph 3 of this report.



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9. Equalities and Community Cohesion comments

- 9.1** In recognition of its public sector equality duty, the Council is committed to using procurement and commissioning as strategic tools to help promote equality of opportunity.
- 9.2** It seeks to do this in two ways: firstly, by ensuring that chosen providers deliver for all sections of Haringey community, especially those who are most vulnerable and in most need of the services. In this respect, all the bidders were made fully aware that the various public health services support the delivery of a key element of the Council's equality objectives and one of the priorities in the Council Plan, namely to reduce health inequalities and improve wellbeing for all, and specifically, that they will be expected to provide sexual health services that will help deliver the priority to enable young people and adults to exercise choice in reproductive and sexual health.
- 9.3** Secondly, by ensuring that procurement and commissioning processes are as transparent as possible and that all those who may wish to do so have the opportunity to bid for Council contract. The process described in paragraphs 6.2–6.5 of this report conforms to this requirement and is consistent with the Council's guidelines to help ensure that relevant equalities issues are identified and considered at key stages in procurement and commissioning. In respect of both service provision and the selection process used, this commissioning exercise supports the Council's performance on its public sector equality duty.

10. Head of Procurement comments

- 10.1** The recommendation is in line with the Procurement code of Practise.
- 10.2** An open tender has been undertaken to ensure that the market is tested and that a competitive process has been undertaken to deliver a Value for Money outcome.
- 10.3** Contract management has been put in place to ensure that the Quality standards are delivered and to identify any areas of performance that may need to be addressed. This will mitigate the risk of non compliance.
- 10.4** Contract monitoring will be put in place to ensure contract compliance and to minimise any risk to service delivery.
- 10.5** Central Procurement supports the recommendations.

11. Policy Implication

- 11.1** This service is linked to the current Corporate Plan and to the future Corporate Plan that is in development, in particular Priority 1: 'Enable every child and young



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person to have the best start in life and Priority 2: 'Empower Adults to Lead Healthy, Long & Fulfilling Lives'.

12. Reasons for Decision

- a. The recommendations as outlined in 3.1 and 3.2 are based on the provider who scored the highest on a most economically advantageous (MEAT) basis and therefore would offer the best value to the Council in terms of quality and price.
- b. As a result of the procurement exercise, which was carried out in accordance with the Procurement Code of Practice, it is now recommended that the successful tenderer being awarded a contract as outlined in 3.1 – 3.2 in accordance with CSO 9.06.1(d).

13. Use of Appendices

None

14. Local Government (Access to Information) Act 1985

14.1 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 the 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).

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is exempt

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