Report to:	**STRATEGIC COMMISSIONING BOARD**
Date:	30 September 2020
Executive Member:	Councillor Eleanor Wills - Executive Member (Adult Social Care and Population Health)
Clinical Lead:	Dr Jane Harvey
Reporting Officer:	Jeanelle de Gruchy, Director of Population Health
Subject:	**SEXUAL & REPRODUCTIVE HEALTH AND HIV SERVICES**
Report Summary:	This report proposes to extend the existing contract for 12 months beyond the current end date, at the same contract value, to ensure service continuity; allow for service recovery in light of the COVID situation; and to allow appropriate time for providers to prepare for and take part in a competitive tender exercise.
Recommendations:	That approval is given for the 12 month extension to the existing Sexual and Reproductive Health Service provided by MFT, retaining the current contract value, which is currently due to end on 31 March 20201.

Financial Implications:

(Authorised by the statutory Section 151 Officer & Chief Finance Officer)

Budget Allocation (if Investment Decision)	£1,343,236.65
CCG or TMBC Budget Allocation	TMBC
Integrated Commissioning Fund Decision Body – SCB	Section – s75 **SCB**
Value For money Implications – e.g. Savings Deliverable, Expenditure Avoidance, Benchmark	

Additional Comments

The existing contract value as stated in the report (section 2.1) of £ 1,279,270 is included within the Population Health revenue budget for 2020/21 and also currently for 2021/22.

The budget is within the Section 75 of the Integrated Commissioning Fund. Therefore approval will be required from the Strategic Commissioning Board to extend the existing contract period.

Section 2.1 of the report explains that there may be a potential 5% increase to this contract value in 2021/22 that is estimated at £63,960. The potential increase relates to estimated NHS agenda for change (AFG) pay increases that may be liable. Members should note that this increase will be an additional cost to the Strategic Commission as it is currently not included within 2021/22 financial planning assumptions. However, the related cost will be financed via the Population Health investment fund reserve should it materialise. This will be reviewed once it is known if there is additional funding allocated by the government to support this potential 2021/22 NHS pay pressure. This is unlikely to be known until later in Autumn 2020.

It is essential that the terms of the contract allow the annual value to be reduced in order to deliver urgent savings during the

	extension period should this be necessary. This may be required due to the significant budgetary pressures that the Strategic Commission is experiencing in both the current financial year and that are forecast from 2021/22 and over the medium term. Members should also be satisfied that the proposed contract extension for a further year will deliver value for money. It must be noted, that as the Council is facing severe financial pressures over the next few years, by extending the current contract for a further 12 months, allows no possibility for savings or efficiencies to be achieved.
Legal Implications: (Authorised by the Borough Solicitor)	The commissioners have sought advice from STAR and advise that they have confirmed that the modification as set out in this report is permitted both in terms of the scope and value of the contract. The decision makers need to consider the details of the report to satisfy themselves that the extension to the current contract to allow time for a comprehensive re-procurement process to be undertaken is the best course of action to ensure that value for money is achieved when the re-procurement is undertaken. The evidence set out in section 7 assist in this regard. It is recommended that particular consideration is given to the impact that covid has had on the current market providers and the benefit to undertaking a joint procurement with partners to ensure that the best chance is given to re-procure a good service that is value for money, which require the requested extension. As set out in this report the Council has a statutory duty under the Health and Social Care Act 2012 to provide defined sexual health services. Therefore any failure to deliver such services would not only have an impact on residents but could also result in legal challenge. We also need clarity as to how fits with Locality Plan and Commissioning strategy.
How do proposals align with Health & Wellbeing Strategy?	This service supports key health outcomes in the Public Health Outcomes Framework including healthy life expectancy
How do proposals align with Locality Plan?	n/a
How do proposals align with the Commissioning Strategy?	n/a
Recommendations / views of the Health and Care Advisory Group:	n/a
Public and Patient Implications:	The service conducts regular patient and service user engagement and gains feedback which is positive and supports the continuation of the current service
Quality Implications:	Maintaining this service will ensure that required quality standards continue to be met as they have been throughout the course of this contract
How do the proposals help to reduce health inequalities?	Maintaining this service will ensure that the most vulnerable people in Tameside are able to access Sexual & Reproductive Health services. The service will continue to prioritise those with the greatest needs including vulnerable young people and those

	with safeguarding concerns. Ongoing improvements over the next 12 months such as increased clinical outreach capacity for some of our most deprived communities will also ensure this service tackles health inequalities across Tameside
What are the Equality and Diversity implications?	The service has a full Equality Impact Assessment and strives to address inequalities
What are the safeguarding implications?	This front line service is a vital point at which residents with safeguarding risks are able to receive further support. Maintaining this service will ensure that this remains in place
What are the Information Governance implications? Has a privacy impact assessment been conducted?	n/a
Risk Management:	The service has its own risk management policy. Risks associated with the different options explored are detailed within the body of the report.
Access to Information:	Report writer: James Mallion, Consultant in Public Health Telephone: 0161 342 2328 / 07970946485 e-mail: james.mallion@tameside.gov.uk

1. BACKGROUND

1.1 The current specialist integrated Sexual and Reproductive Health and HIV service in Tameside is provided by Manchester NHS Foundation Trust (MFT), delivered under the MFT branding of "The Northern", and aims to meet the sexual and reproductive health needs of residents through the provision proactive prevention across the cluster area, HIV/STI testing services, STI treatment services (excluding treatment for HIV), and contraception and reproductive health services.

1.2 Local authorities are responsible for commissioning HIV/STI testing services, STI treatment services (excluding HIV treatment) and contraception services on an open-access basis for the benefit of all persons present in their area. NHS England is responsible for commissioning and funding HIV treatment and care services as well as the provision of routine contraception and opportunistic screening and treatment within general practice. Clinical Commissioning Groups are responsible for funding abortion services as well as vasectomies and sterilisation procedures.

1.3 The Local Authority is mandated to provide appropriate access to sexual health services (Health & Social Care Act 2012) to commission confidential, open access services for Sexually Transmitted Infections and Contraception, as well as ensuring that the local population has reasonable access to all methods of contraception.

1.4 The current Sexual and Reproductive Health Service contributes to the two high level outcomes in the 'Public Health Outcomes Framework (PHOF)' 2019/20: Increased healthy life expectancy; and reduced differences in life expectancy and health life expectancy between communities. These outcomes are also relevant across each life course and are a significant contributing factor to a range of the specific outcomes and objectives with in the Tameside & Glossop Corporate Plan.

1.5 Section 7 outlines further detail on the current financial position and value for money that this investment represents. This includes details of benchmarking work that has taken place with the assistance of Grant Thornton which shows that Tameside is a relatively low investor in sexual health services overall compared to both other GM local authorities and other statistical neighbours. We have previously reduced the contract value of this service as part of the current contract, with £94k coming out of this service in 2016/17 and £40k saving from the Population Health Team resource to support this service. A recent independent review of Sexual & Reproductive Health services in GM (2019) highlighted the challenges these budget cuts had presented to the system in the face of increasing demand including: reduced access to services; pressure on primary care services; increases in use of morning-after pill; and increases in abortion rates.

1.6 Evidence shows that for every £1 invested in sexual health services, this results in £11 of wider savings across health and social care due to the prevention of disease and unintended pregnancies. This represents an important invest to save opportunity in Tameside where we currently experience high numbers of abortions and high numbers of children looked after.

1.7 The current contract is due to come to an end on the 31 March 2021. A tender exercise had been scheduled to take place during the summer of 2020 for a new, longer-term service.

1.8 Tameside's Population Health Team commission a range of public health services and a range of different services to support the sexual and reproductive health of residents. These include the specialist integrated sexual & reproductive health; the Greater Manchester PaSH service working with diverse communities across the conurbation; locally commissioned services for emergency hormonal contraception in community pharmacy and long acting reversible contraception in general practice; online HIV testing kits; and the Council's Youthink youth outreach service.

1.9 An Executive Decision in January 2016 approved the joint procurement of a sexual and reproductive health service in a cluster arrangement with Stockport and Trafford Councils with Stockport leading the procurement and being the contract holder. A Deed Agreement was made on 5 October 2016 with respect to parties sharing obligations. This agrees contributions of each party in relation to the sums due to the Sexual Health Services Agreement, an update will be made to this agreement to align this with new contract dates.

1.10 This arrangement was in line with the Greater Manchester (GM) sexual health strategy, produced by the GM Sexual Health Network, to recommission services in cluster based arrangements using a single GM service specification. Other GM clusters e.g. Oldham, Rochdale and Bury have also sought a COVID extension and Tameside seek to remain in alignment with the other GM authorities.

1.11 A partnership agreement between Stockport, Tameside and Trafford governs the relationship between the commissioning parties. This agreement requires our consent to allow Stockport to issue a variation to extend the provider contract. The value of the current contract is negotiated with our partnering Local Authorities at a GM level.

1.12 The report asks for approval for a 12 month extension to the contract to 31 March 2022, as a result of the unforeseen circumstances caused by the Covid 19 pandemic. There are no proposed changes to the service specification or contract wording.

2. CONTRACT EXTENSION

2.1 The Sexual and Reproductive Health Service provided by Manchester NHS Foundation Trust (MFT) would not see any significant changes to the service specification and would be a total value of £1,279,273 for the period 01 April 2021 to 31 March 2022. Whilst the intention is to contract at the current contract value, please note that an additional allocation for the NHS Agenda for Change uplift may be required. This is subject to further details about the inclusion of this funding in the Public Health grant being provided, and discussions with the provider. If required this is estimated uplift would be up to 5% of the annual contract value, which is £63,963.65. Therefore an indicative cost would be £1,343,236.65. This cost will be financed via the Population Health Investment Fund reserve should it materialise.

2.2 Currently in light of national guidance, a national directive is covering NHS contract arrangements during the Covid 19 pandemic as per the Covid 19 NHS guidance.

2.3 The Commissioners are requesting a modification to the existing contract under the applicable regime “PCRs Above Threshold contract to be modified”. The Commissioners have been working with STaR procurement throughout this period, who have advised that under Public Contract Regulations 2015, regulation 72 (1), where a contract may be modified without a new procurement procedure when the following conditions are fulfilled:

(1) the need for modification has been brought about by circumstances which a diligent contracting authority could not have foreseen;
(2) the modification does not alter the overall nature of the contract;
(3) any increase in price does not exceed 50% of the value of the original contract or framework agreement.

3. JUSTIFICATION FOR EXTENSION

3.1 Under Public Contract Regulations 2015, regulation 72 (1), where a contract may be modified without a new procurement procedure when the following conditions are fulfilled, the following applies:

3.2 The need for modification has been brought about by circumstances which a diligent contracting authority could not have foreseen. The need for this modification has been brought about by Covid 19, a global pandemic. This cluster was due to go out to tender for sexual and reproductive health services in June 2020, with a new service due to commence 1 April 2021. However, as Providers and Commissioners alike have been directed to prioritise other work related to Covid 19, there is a risk in delivering an effective tender process due to shortage of providers bidding for the contract, a failure of the tender and for TUPE processes to be fair, open and transparent. These risks include:

- Sexual and Reproductive Health Service providers are involved in front line Covid 19 delivery. Many staff are trained consultants, doctors, nurses and healthcare staff who have been re deployed into hospitals to support Covid 19 patients and/or others requiring emergency hospital admission. Those that remain in the Sexual and Reproductive Health Service have maintained service provision and are prioritising urgent sexual and reproductive health treatment and support, including safeguarding issues and support for vulnerable young people, as per guidance from Public Health England, the Association of Directors of Public Health and the Faculty of Sexual and Reproductive Healthcare.
- Soft market testing conducted alongside other GM local authorities in early March 2020 has indicated a limited supply chain of providers who can deliver this type of service. This market as detailed above is dealing with competing priorities and is therefore not in a robust position to respond to tender requests and could reduce a competitive process even further.
- Provider recovery plans will be heavily dependent on the number of Covid 19 patients in hospital settings and staff being released back to sexual health services and dealing with the anticipated significant increased demand for services rather than concentrated to tendering for services.
- As lockdown eases further and the services start to adapt and return to normal, it is expected that there will be a significant increased demand for services.
- Joint Commissioners of the service, (Stockport and Trafford) have already aligned services for a 12 month extension. There is a risk in this provider market of supporting a single Commissioner's tender given budgets have previously been pooled which does offer financial viability for the market to undertake a tendering exercise and the ability to deliver a quality service.
- In order to inform the model there is a need to consult widely with stakeholders and service users. The current restrictions arising from Covid 19, makes this difficult to do in a meaningful way. Communication activity is focussed on other key messaging and service users/stakeholders have other priorities focused on patient care and service recovery.

3.3 The modification does not alter the overall nature of the contract. There are no proposed changes to the current provision as detailed in the current service specification and contract other than further work with the provider to enhance and improve the current service performance and offer. The current specification is still appropriate and the provider has been delivering the service to the required standard.

3.4 The increase in price does not exceed 50% of the value of the original contract. Based on maintaining the current annual value, there would be a 21.66% increase from the original contract value. Even if we were to include an amount for the NHS Agenda for Change uplift (estimated at 5%), this would still be considerably less than 50% of the original value. It should also be noted that as the commissioner of this service, the local authority is required to cover the estimated additional Agenda for Change pay costs of eligible staff working in organisations commissioned to deliver public health services, as per the conditions of the public health ring-fenced grant for 2020/21 (Local Authority Circular LAC (DHSC) (2020) 2).

3.5 The requested extension is based on maintaining a local sexual and reproductive health service provision in 2021/22. The intention is to delay re-tendering for a minimum reasonable amount of time until services have sufficient capacity to engage in a full scale retendering

exercise. Research shows and it is widely acknowledged that when services go through tendering process there is a short term negative impact on service provision. The provider has indicated that it would accept a 12 month extension. Joint commissioning partners Stockport and Trafford have already aligned services for a 12 month extension and other GM local authorities which fall under STaR procurement (Bury, Rochdale, Oldham) are also working towards this 12 month extension – the intention is for all boroughs to conduct a joint procurement exercise and share a common specification. The 12 month extension period will ensure that services are in a stronger position in terms of their core service delivery to enable them to focus on the tender without impacting on service delivery. Bids are written by the service manager and clinical consultants, so their capacity is a key issue. If this extension is approved, the expectation is that we will be in a position to go out to tender for a new service in June 2021 and have the new service in place from 01 April 2022.

3.6 A shorter extension period of 6 months would require us to come out of existing partnerships with other GM commissioners and tender as a single commissioner, which soft market testing indicates there is limited appetite for among providers compared to the prospect of joint contracts. A 6 month extension would also mean we would be going out to tender during the winter months which NHS providers seek to avoid due to the potential for increased service demands and pressures, particularly this winter with uncertainty around the impact of Covid 19 across the NHS, including MFT.

4. IMPACT OF COVID 19 ON THE SEXUAL & REPRODUCTIVE HEALTH SERVICE

4.1 The current Covid 19 situation has posed increased challenges and there has been a necessity to support providers to adjust service delivery to meet these. Particularly around face to face contact other than in urgent cases, in order to meet the needs of local residents while adhering to national guidance.

4.2 The sexual and reproductive health service has taken measures to adhere to social distancing guidance including moving appointments to telephone-based (unless urgent) and putting more activity via digital channels since March. The service has also seen challenges with increased staff absences/self-isolating. Additionally, with MFT being an acute NHS provider, a number of clinical staff from within the service were redeployed into acute services from early April to mid-June to directly support the Covid19 response.

4.3 The sexual and reproductive health service has managed these challenges well with priority given to safeguarding issues; vulnerable adults and children across the borough; under 16s; urgent long-acting contraception fitting; HIV treatment; and sexual assault. New service delivery methods such as the ‘click & collect’ treatment medication system have also worked well and have demonstrated innovations in service delivery which can be taken forward beyond the current period.

4.4 The sexual and reproductive health service is now in recovery from impacts on service delivery and adjustments to the way services have been delivered during the initial wave of Covid 19 from March to June 2020. This particularly includes the restarting of routine close contact procedures such as screening and contraception fitting which were postponed during this period in accordance with relevant national guidance.

4.5 The wider sexual health offer commissioned by the Local Authority also consists of the RU Clear chlamydia screening programme for under 25s provided by MFT; and fitting of long acting reversible contraception (LARC) within GP surgeries. National guidance from the Faculty of Sexual & Reproductive Health and the Royal College of General Practitioners has advised that these services be deprioritised in the current situation. The RU Clear programme has been ceased with immediate effect as all staff and lab capacity has been diverted to direct Covid 19 response. Routine LARC, provided in individual GP practices, were also suspended between late March and July as there is higher risk of Covid 19

transmission in intimate personal procedures such as coil/implant fitting. However GPs are now delivering LARC fitting again, whilst adhering to national guidance.

4.6 The Population Health team implemented interim mitigating measures during this period to reduce any adverse impact of these reductions in service including increased condom distribution; amended specification to enable remote consultations and home delivery of emergency contraception from pharmacies; and advising the use of 'bridging' contraceptive methods for those awaiting a LARC fitting, such as the 'mini-pill'. Now that routine, close-contact procedures such as LARC fitting have now recommenced, Population Health are in discussions with GPs and the CCG around how best we can support a rapid recovery of the activity that has not taken place in recent months.

4.7 It is now more critical than ever, during the crisis caused by Covid 19 pandemic, that there is investment in the long-term health of communities. People are already experiencing long term health conditions are at higher risk of more severe disease from Covid 19. People from some disadvantaged and marginalised communities are disproportionately affected, both by the disease itself and by the economic impacts of the pandemic. The effects on mental wellbeing are also likely to be severe, and not felt equally throughout society.

5. CURRENT PERFORMANCE OF THE SEXUAL & REPRODUCTIVE HEALTH SERVICE

5.1 The Sexual and Reproductive Health Service in Tameside performs well against its performance targets overall and maintains quality in the service it provides, evidenced by outcomes and positive client feedback.

5.2 The service has been responsive during the current situation and attended regular meetings and given updates.

5.3 We have already worked with the provider recently to enhance the performance of the service to address priority issues. This has included diverting more resources within the service to clinical outreach. This will enable nursing staff to see patients in the community, closer to home in more accessible locations. This will address service access issues for some of our most vulnerable communities in areas such as Hattersley and among key groups such as school nursing staff. The need for this has been highlighted in the recent Sexual & Reproductive Health Needs Assessment for Tameside.

6. OPTIONS APPRAISAL

6.1 The current options for this service are:

6.2 **Do nothing and not extend the existing contract and go out to tender for this service during the summer of 2020 for a new service to commence 01 April 2021.**

- To not extend the existing contract and go out to tender for this service during 2020 for a new service to commence on 01 April 2021. The Providers currently delivering services in the market, and in a position to bid for this contract, are facing substantial challenges in their current service delivery. The challenges to meet social distancing requirements; manage staff due to redeployment to other priority areas across the health sector to support Covid 19 activities; managing absences where employees are shielding or have symptoms; and to catch up on lost activity during the height of the pandemic (LARC fitting particularly) all mean that providers would have reduced capacity to take part in a tender exercise in the coming months. This would reduce the ability of Commissioners to attract high quality bids, which is less beneficial to services in the long term for Tameside residents. There would be a high likelihood of an unsuccessful tender exercise in which we would need to negotiate with and extend the incumbent provider. This would also pose a risk as the two boroughs Tameside

currently commission with (Stockport & Trafford) have fed back that they would not be interested in this option, therefore this would pose new risks in Tameside going out to tender as a single authority, which soft market testing has already suggested is less appealing to providers, further jeopardising the potential success of this or future tender processes.

6.3 **Extend the contract for 12 months retaining current contract value**

i) This option will delay re-tendering for a minimum reasonable amount of time until services have sufficient capacity to undertake a full scale retendering exercise. If this extension is approved, the expectation is that we will be in a position to go out to tender for a new service in June 2021 and have the new service in place from 01 April 2022. Retaining the current contract value will secure the current service performance and enhancements planned such as the increased outreach activity; and will ensure that we do not become a further outlier in terms of our overall investment in sexual health services, which is already benchmarked as low compared to similar areas. This will also allow us to remain in the current cluster commissioning arrangements which allow providers to deliver enhanced efficiency savings – **this is the preferred option**.

6.4 **Extend the contract for 12 months reducing the current contract value**

i) Due to existing pressures on the provider and discussions about possible reductions which have already taken place, it is clear that this would require changes to the contract which would result in reduction of front line service provision. We would also be required to re-negotiate the overall contract held in partnership with Stockport MBC and Trafford MBC. This would pose the risk that GM partners would not accept the reduced financial investment from Tameside MBC which would require us to go back out to the market as a single authority which market testing has indicated would risk a lack of bidding providers coming forward. The existing benchmarking (see Section 7) should also be noted in terms of investment in sexual health services which shows Tameside as currently having the joint second lowest investment per head of adult population in the integrated sexual health service across GM and a separate piece of work with Grant Thornton in September 2020 has highlighted that Tameside's spend on Sexual Health services is 'very low' when compared to both GM neighbours and statistical neighbours.

7. VALUE FOR MONEY

7.1 The Service was commissioned following competitive tender process taking into consideration best value and evaluation criteria against the most economically advantageous tender.

7.2 The Service has continued to deliver against these and performance management has identified contract compliance and reliable levels of quality provision. This will continue throughout the contract extension period through continued dialogue and performance management with Commissioners and the Provider. The current cluster arrangements

7.3 We have already worked with the provider recently to divert more resources within the service to clinical outreach. This will enable nursing staff to see patients in the community, closer to home in more accessible locations. This will address service access issues for some of our most vulnerable communities in areas such as Hattersley and among key groups such as school nursing staff. The need for this has been highlighted in the recent Sexual & Reproductive Health Needs Assessment for Tameside (2020).

7.4 **Investment in Contraceptive and Sexual Health services is an invest to save opportunity with** evidence from the Department of Health & Social Care which demonstrates that :

- For every £1 spent on contraceptive services, £11 is saved on other costs within Health and Social Care.

- NHS savings associated with one early HIV diagnosis alone is £36,061.
- Each new HIV infection prevented saves between £280,000 and £360,000 in lifetime treatment costs; and generates additional demand for long-term care and other services. Early identification of HIV also represents a long term saving due to the enhanced treatment needed for late HIV diagnosis (Tameside has seen recent increases in new HIV diagnoses and late diagnoses among heterosexual men)
- Increased availability and uptake of contraception, including long acting reversible contraception, could lead to a reduction in unplanned pregnancies and a reduction in the need for abortions.

7.5 The current investment in the integrated sexual health service represents one of the lowest levels of spend across GM. While national comparisons are difficult due to the way sexual health services are commissioned, across GM, where these services are commissioned in a similar way, we currently have the joint 2nd lowest spend per head (£12) on our integrated sexual health service with only Oldham having lower spend per head (£10). It should be noted that Oldham also invest over £100k of additional resource into a separate young person's offer, which is included within our existing integrated service.

7.6 In September 2020, Population Health have worked with Grant Thornton to conduct a review of financial investment in sexual health services when benchmarked against other local authorities in GM and our nearest statistical neighbours. This work has highlighted that our current levels of investment are classed as 'Very Low' when compared to GM and statistical neighbours. In both groups, the lowest amount of spend per head of total population is £2.40. Tameside come just above that with spend of £2.42 per head. This is among the lowest investors with the highest in GM being £6.84 per head and the highest among our statistical neighbours being £4.87 per head.

8. RECOMMENDATION

8.1 As set out in the front of the report.