

BRISTOL CITY COUNCIL

Neighbourhoods Scrutiny Commission

Monday 11th January 2016

Report of: Director of Public Health

Title: Sexual health re-procurement

Ward: City wide

Officer Presenting Report: Service Manager Public Health

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RECOMMENDATION

The Neighbourhoods Scrutiny Commission is asked to note the contents of the plan and the proposed process and to comment on the proposed model for future sexual health services.

Summary

Commissioning sexual health services became a mandatory function of the local authority in April 2013. This includes the testing and treatment of sexually transmitted infections and all forms of contraception, as well as work to educate young people in particular about good sexual health and ensuring clear messages about prevention for all age groups. The value of the services is such that under EU procurement law we are required to put the services out to tender to ensure we are getting best value for money. We are collaborating with neighbouring authorities and clinical commissioning groups to ensure we achieve best value for money. This paper sets out the context and progress so far in the re-procurement process.

The significant issues in the report are:

The current value of services is £5,071,437 which represents approximately 14.5% of the public health grant. The public health grant has been reduced in year by 6.2%. There are likely to be further reductions to the grant.

Policy

1. not applicable

Consultation

2. **Internal**
not applicable
3. **External**
not applicable

Context

4. Sexual health is one of six mandatory services which local authorities must provide for. From April 2013, contracts which were already in place with service providers were transferred from PCTs to local authorities. Bristol City Council is the lead commissioner of specialist sexual health services provided by University Hospitals Bristol (UHB) Trust with North Somerset and South Gloucestershire as co-commissioners through a shared contract. Each local authority public health team also commissions other sexual health services in partnership and independently for example, from the voluntary sector and primary care contractors (GPs and Pharmacists).

As the value of the contracts exceeds limits included in EU legislation (>£750,000), the authority is required to put services out to tender to ensure that we are getting best value for money. This requires us to follow the local authority's procurement processes to ensure a fair and open process which allows other providers to submit bids to be considered for future service provision. The services included are:-

- Testing and treatment of sexually transmitted infections
- All forms of contraception
- Chlamydia screening
- Sexual health services for young people
- Targeted services for vulnerable "at risk" groups such as men who have sex with men, street sex workers etc.
- Prevention work

4.1 The Procurement Process

Each local authority is updating their local sexual health strategies and have undertaken local health needs assessments for sexual health in preparation for further improvements in commissioning and delivering services. From this, Bristol developed a Sexual Health Commissioning Plan which was consulted on between August and October 2015. Following feedback on the plan, service specifications have been drawn up which are now out for consultation across Bristol, North Somerset and South Gloucestershire

(BNSSG) between November 2015 and January 2016. By March 2016, we should be in a position to sign off the service model and specifications with a view to service re-procurement commencement in April 2016. Decisions about the procurement options and route will be taken following the consultation. This will include what is in scope and what is excluded from the process. It is anticipated that the re-procurement will be complete by March 2017. See attached Programme Timeline (Appendix A).

4.2 Current Contracts and Expenditure

Bristol commissions its services from a range of providers including, University Hospitals Bristol, Terence Higgins Trust, Brook, GPs and Pharmacies. We also provide some in-house services including the chlamydia screening programme, health promotion etc. The total current value of all services for sexual health is £5,071,437.

In addition to the Bristol expenditure above, North Somerset spends £1,375,939, and South Gloucestershire £1,177,391 on commissioning sexual health services for their citizens. The Clinical Commissioning Groups across the area spend £1,744,467 on related sexual health services such as terminations of pregnancy, psychosexual counselling and an African Women's Clinic. The total value of current contracts across all organisations is therefore £9,368,476.

4.3 Governance Arrangements

There is a collaborative commissioning agreement across Bristol, North Somerset and South Gloucestershire to jointly commission sexual health services. It is proposed that this collaborative approach will be used to re-procure the services. Relevant services which are commissioned by the Clinical Commissioning Groups will also be in scope. NHS England also commissions some sexual health services, but they will not be part of the re-procurement collaboration, although they are being kept fully informed.

A Project Board has been set up which will oversee the whole process and ensure that appropriate decision making is taken within respective organisations, which will consist of senior representatives of each participating organisation. A Project Steering Group is in place with relevant sub groups working on different aspects of the procurement and reporting to the Project Board. All commissioning organisations are represented on the board and on appropriate working groups. Bristol is the lead commissioner for the re-procurement and Collaborative the DPH chairs both the Project Board and the Project Steering Group.

5. Progress so far

A draft service specification (see link below to consultation where service

specification can be accessed) has been developed which includes our vision for future services and what the service model must include (see appendix B for proposed service model). We are now seeking feedback and views on this from all key stakeholders including current and future providers, service users and other key partners.

The consultation commenced on 9th November 2015. The link to the consultation can be found here ([click here](#)). We have already had over 80 responses to the consultation. A market warming event for current and potential providers took place on 10th November. The event was very well attended with over 70 people attending.

We commissioned Healthwatch to set up and run a number of focus groups between November and January to get the views of particularly hard to reach groups. Events have taken place during December for current and potential providers to enable them to comment on the proposals and network. Additional events have been set up for potential and current providers in January and March 2016.

6. Risk Assessment

The key risks of re-commissioning the sexual health services are set out below, together with actions to mitigate risks. One of the biggest risks currently is that our public health grant has been reduced during this financial year, with further reductions likely in the future. Our partner LAs are planning to significantly reduce their investment across all programme areas to manage the reduction in funding. We will be in a better position to understand our financial position before the bidding process commences, but reduced funding might compromise the level of services we can expect.

Risk	Mitigation
Existing providers withdraw from service provision due to uncertainty of future commissioning intentions	All providers will be engaged in the process through stakeholder events and regular meetings with commissioners
No interest in the market to provide the services	Stakeholder events will include a wide range of providers both in the local area and national organisations
New service(s) not in place by April 2017	Allow for extension period to existing contract to cover any slippage
All bids exceed funding available	Declare funding available as part of tender. Tailor specification to funding available
Challenge from unsuccessful suppliers	Seek advice from procurement to ensure process is compliant and fair
Poor specification	Allow sufficient time in the process to ensure a robust consultation with all

	stakeholders
Selected supplier becomes insolvent	Ensure finance involved in assessment of eligible bidders
Funding is not available to support this work	Ensure funding requirements included in MTFP

7. Opportunities

The key opportunities arising from the process include ensuring the right services are provided in the right places to the right people and that we look for economies of scale through a joint procurement and ensure the services provide the best value for money.

8. Legal and Resource Implications

The legal and financial implications of re-commissioning these services include compliance with European Union procurement law. The contractual value of the services is in excess of EUR 750,000, which means that we are covered by the “Light Touch” regime set out in the Public Contracts Regulations 2015, regulations 74,75 and 76.

The financial value of the services exceeds the level which requires a key decision by the mayor. The Programme Timeline allows for this to take place in February, when the service model and specifications will be available.

Appendices:

Appendix A - Programme Timeline
Appendix B – Service Model

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

Background Papers:

- Sexual Health Commissioning Plan
- BNSSG Sexual Health Service Specification

Agenda Item 8 Appendix A – Programme Timeline

- BSSG Service specifications out to public consultation Nov 2015 to Jan 2016
- Approval to go out to tender Feb 2016
- Tender is advertised Apr 2016
- Bidding period (out to tender) Apr 2016 to July 2016
- Evaluation of bids July 2016
- Award contracts Sep 2016
- Mobilisation of contracts Sep 2016 to Mar 2017
- New service(s) commence Apr 2017

Agenda Item 8 Appendix B

