

## **CABINET MEMBER DELEGATED DECISION 2 JULY 2021**

**Report title:** Clinical Integrated Sexual Health Services – Proposed single year extensions to current contracts with two local acute Trusts

**Wards:** All

**Portfolio:** Cabinet Members for Health and Social Care (\*job share) - Councillor Jim Dickson and Councillor Danny Adilypour

**Report Authorised by:** Fiona Connolly: Executive Director for Adults and Health

**Contact for enquiries:** Teresa Battison, Interim Senior Commissioner for Sexual Health, Public Health, 07947 172654, [tbattison@lambeth.gov.uk](mailto:tbattison@lambeth.gov.uk)

### **REPORT SUMMARY**

This report seeks approval for proposals for the award of single year contract extensions from 1 April 2022 to 31 March 2023 to: (1) Guys and St Thomas' Hospital NHS Foundation Trust (GSTT); and with (2) Kings College Hospital NHS Foundation Trust (KCH) for the continued provision of clinical Integrated Sexual Health (ISH) services. Existing contracts are due to end on 31 March 2022 and the market (NHS Trusts) and Council's capacity to engage in commissioning review and procurement processes for the next contract period is currently impeded by the response to COVID19. The extension is sought to enable sufficient time for evaluation to inform the procurement for future services. Contract extensions will carry forward activity and contract baselines from 2021/22 and be offered at fixed block values for Lambeth in 2022/23, after which a new contracting arrangement is to be procured.

### **FINANCE SUMMARY**

The proposal is to roll forward the current annual funding arrangements into the single year extension. The contracts with GSTT and KCH are held by Lambeth on behalf of both Lambeth and Southwark Councils. They are funded from the Public Health Grant and offered at fixed block values by the Council based on annual activity baselines. The current estimated values for Lambeth's share of each of these contracts for the term of the extension in 2022/23 is £2.75m for GSTT and is £870,000 for KCH. NB: Southwark Council is also seeking internal governance approvals for their share of the extension to each contract.

### **RECOMMENDATIONS**

1. To agree the proposed one year extension to Lambeth's contract with Guys and St Thomas' NHS Foundation Trust (GSTT) for Integrated Sexual and Reproductive Health, on the same terms and conditions from 1 April 2022 to 31 March 2023 with an estimated contract value of £2.75m.
2. To agree the proposed one year extension to Lambeth's contract with Kings College Hospital NHS Foundation Trust (KCH) for Integrated Sexual and Reproductive Health, on the same terms and conditions from 1 April 2022 to 31 March 2023 with an estimated contract value of £870,000.

## **CONTEXT**

- 1.1 With effect from 1 April 2013, The Health and Social Care Act 2012 transferred duties to local authorities for sexual health commissioning which included the requirement to ensure provision of statutory, open access, clinical sexual and reproductive health services for their residents. Local authorities receive funding in the Public Health Grant for these services.
- 1.2 This report seeks approval for the Council to award single year contract extensions to Guys and St Thomas Hospital NHS Foundation Trust (GSTT) and King's College Hospital NHS Foundation Trust (KCH) for the continued provision of integrated sexual health services under current contracts held with these Trusts. These contracts began in 2017 and are due to end on 31 March 2022 and proposals would, therefore, extend these to 31 March 2023.
- 1.3 Provision for sexual health services is mandatory and these are required to be open access. Department of Health and Social Care (DHSC) cross charging guidance requires local authorities to pay for services used by their residents at the prices agreed by the host commissioners. Lambeth is the host commissioner for the services provided by GSTT and KCH and negotiates terms with the provider on behalf of other London boroughs. Lambeth also negotiates specifically on behalf of Southwark Council via a joint commissioning arrangement which is underpinned by a tri-partite agreement between Lambeth, Southwark and Lewisham Councils.
- 1.4 Current contracts for which the extensions are proposed report all clinical activity against the Integrated Sexual Health Tariff (ISHT). In 2017 these contracts introduced the requirement that, where appropriate, asymptomatic testing for sexually transmitted infections (STIs) should be transferred to the sexual health online / e-service platform for London (SHL) where such testing is delivered at a cheaper price point than in clinics.
- 1.5 The combination of ISHT (clinic) and SHL (e-service) provision has delivered significant savings for all London local authorities when compared with the former Payment by Results (PbR) system which used a flat rate paid to the provider for each clinic attendance no matter what activity was undertaken. ISHT reflects the actual costs for elements of service provision and currencies are set and revised with clinical input and designed to utilise clinical staff appropriate to the level of service and thus deliver a more cost-effective service. The ISHT and the SHL e-service has delivered significant savings for the borough within this contractual period.
- 1.6 During the COVID-19 pandemic in 2020/21 routine access to services was decreased due to acute Trust staffing redeployments and attendance at clinics also reduced. Face to face appointments were prioritised for those with acute clinical need. In response to this, the SHL e-service has expanded its capacity for asymptomatic STI testing; increased its service offer to include some testing for those with symptoms; and now provides online access to routine contraception and emergency hormonal contraception.
- 1.7 This context is provided to illustrate the changes that have occurred during the contractual period which include anticipated change attributed to the contract for 2017/22 and the unexpected changes precipitated by the COVID-19 pandemic. These changes need to be reviewed to help inform the future contracting period and have contributed to this proposal for contract extensions to enable sufficient time for evaluation.

## **PROPOSAL AND REASONS**

- 2.1 The proposal is to extend the current contracts for integrated sexual and reproductive health held by Lambeth Council with Guy's and St Thomas' NHS Foundation Trust (GSTT); and by Lambeth Council with Kings College Hospital NHS Foundation Trust; each for a period of 12 months commencing on 1 April 2022 and ending 31 March 2023.
- 2.2 The capacity of Trust senior staff to participate in reviewing change and of Trusts / the market to engage a procurement process in 2021/22 is likely to be restricted by the ongoing response to the COVID19 pandemic and the impact on clinical services. Lambeth Commissioners' review of these contracts and process for managing the change requirements is likely to also be impeded by the ongoing impacts of COVID19 on the Trusts' clinical services. Many of the staff who work in the Trusts' sexual health services have been redeployed to COVID related duties during 2020/21, with particularly significant impacts during the national lockdown periods which resulted in reduced service provision. Whilst activity levels recovered somewhat between lockdown periods, it is envisaged that ongoing impacts will continue into 2021/22.
- 2.3 As the current contract incorporated significant changes including the move to an integrated tariff funding model and the requirement to divert asymptomatic STI testing to online services where appropriate, commissioners need to evaluate the impact of these changes and how they have affected the clinical service model and case mix. Commissioners also need time to assess the potential future utility of changes precipitated during the COVID19 pandemic.
- 2.4 The extension will provide additional time for planning and review and enable procurement of future contracts to be managed over an extended period. It will also allow commissioners to consider the future service in the context of emergent ICS planning and associated changes in the local operating environment.
- 2.5 Commissioners within the Lambeth, Southwark and Lewisham (LSL) tripartite arrangement considered the procurement approaches to be pursued for 1 April 2022 forwards. Commissioners preferred to seek a single year extension to current contracts.
- 2.6 Commissioners have also scheduled a comprehensive service-user and stakeholder engagement process to further inform future service models. The contract extensions proposed will allow time to fulfil these important processes prior to procuring services appropriate for the next five year (+) contracting period.

### **Contract Management**

- 2.7 Contract management arrangements during the extension will continue as per 2017-22 contract – i.e. monthly monitoring. KPIs established for the existing contracts will be those used during the extension. Public Health terms and conditions will be used. Monitoring and performance management will be led by Lambeth Public Health commissioning team.

### **FINANCE**

- 3.1 London Borough of Lambeth receives a Public Health Grant from which sexual health services are funded as revenue costs. The existing service contracts with GSTT and KCH for which the extensions are proposed are fully paid from this grant and are included within sexual health commissioning budgets.
- 3.2 The Public Health grant for the council in 2021/22 is £33,459,055. Assuming the grant continues at or over this level of funding into 2022/23, there will be sufficient funds available within the budget to cover this contract extension award.

- 3.3 Lambeth pays for integrated sexual health services delivered by GSTT and KCH on a fixed block contract basis, with the value of the contracts determined by agreed activity baselines which are adjusted and negotiated annually and allow for 1% per annum population growth. Payments are made on a quarterly basis in arrears.
- 3.4 The contracts are held by the London Borough of Lambeth on behalf of both Lambeth and Southwark Councils. Lambeth recharge Southwark directly for their share of the fixed block payment, whilst other local authorities pay a variable value according to activity coded against the Integrated Sexual Health Tariff (ISHT).
- 3.5 A formal tri-partite partnership agreement is held between Lambeth, Southwark and Lewisham boroughs, which designates Lambeth as the lead commissioner for the partnership. A formal co-commissioning agreement exists which ensures that Lambeth council can recharge Southwark council for their share of this contract.
- 3.6 The total proposed contract extension value for the service with GSTT is estimated to be £5.7m for which the Lambeth share will be £2.75m over the 12 months period 1 April 2022 – 31 March 2023
- 3.7 The total proposed contract extension value for the service with KCH is estimated to be £2.3m for which the Lambeth share will be £870,000 over the 12 months period 1 April 2022 – 31 March 2023

## **LEGAL AND DEMOCRACY**

- 4.1 The delegated authority to award the proposed contract is vested in the Cabinet Member/s for Health and Social Care.
- 4.2 Under Regulation 6 of the set out in the Local Authorities (Public Health Functions and Entry to Premises by Local Healthwatch Representatives) Regulations 2013, local authorities have a duty to provide, or to make arrangements to secure the provision of, open access sexual health services in its area, which shall include arrangements for (i) for preventing the spread of sexually transmitted infections; (ii) for treating, testing and caring for people with such infections; and (iii) for notifying sexual partners of people with such infections. Under Regulation 6 open access services shall be construed to mean services that are available for the benefit of all people present in the local authority's area.
- 4.3 The Regulations do not prescribe how the services should be provided. In practice NHS hospital trusts provide the bulk of the services. The Secretary of State has not set tariffs for the provision of open access services and local authorities negotiate tariffs and/or block payments with NHS Trusts providing these services within their area.
- 4.4 The Public Contracts Regulations 2015 allow for the modification of contracts without a new procurement procedure where, due to circumstances which a diligent contracting authority could not have foreseen, additional services have become necessary and where a change of contractor cannot be made, for technical reasons such as requirements of interchangeability or interoperability with existing equipment, without causing significant inconvenience or substantial duplication of costs for the contracting authority.
- 4.5 This proposed key decision was entered in the Forward Plan on 19 April 2021 and the necessary 28 clear days' notice has been given. The report will be published for five clear days before the

decision is considered by Cabinet. Should it be approved and following the publication of the Cabinet minutes, a further period of five clear days, the call-in period, must then elapse before the decision becomes effective. If the decision is called-in during this period, it cannot be enacted until the call-in has been considered and resolved.

## CONSULTATION AND CO-PRODUCTION

- 5.1 There is a strong history of consultation and co-production between Lambeth public health commissioners and these acute NHS Trusts for delivery of clinical sexual health services. As part of plans for procuring the longer-term future service (beyond the proposed extension) commissioners plan to undertake a full evaluation of changes which have occurred during the contract period, including changes made in response to the COVID-19 pandemic which expanded the digital clinical offer and increased the use of remote tele-consultations within clinical pathways. Assessing the future utility and efficiency impacts of these changes will be an important element of future planning.
- 5.2 Discussions have taken place with leads for integrated commissioning in the CCGs/Boroughs regarding any foreseeable impacts associated with ICS development and forthcoming changes within the operating environment. The preferred option to extend contracts was generally endorsed, with the importance of ensuring planning remains cognisant of ICS changes also highlighted.

## RISK MANAGEMENT

- 6.1 The potential risks associated with the proposed course of action to extend the existing contract by 1 year also apply to the procurement of the longer-term future provision of this service (post extension). In fact, the extension period has been proposed to help to mitigate against these risks for the longer term.
- 6.2 The main risks that impede on the successful delivery of this procurement and contract are shown in Table 1 below:

**Table 1 – Risk Register**

Item	Risk	Likelihood	Impact	Score	Control Measures
1	Ongoing COVID19 impacts on activity and outcomes	4	4	16	Pragmatic and constructive planning agenda with providers Core provision prioritised Longer than usual time period sought for procurement Provision for unforeseeable pandemic impacts in future contracts
2	ICS developments which impact procurement plans / potential changes to system configuration	3	2	6	Stay sighted on changes to commissioning or acute Trust configurations Note: propose analysis undertaken during latter part of 2021/22 to scope opportunities and risks for both ICS / London-wide levels
3	London Sexual Health Programme (LSHP) dependencies - tariff	3	2	6	Lambeth Commissioners attend LSHP meetings and are fully engaged in decisions as part of a London inter-

	changes and the financial impacts posed by adjustments				authority agreement. Commissioners work collaboratively to ensure future affordability and sustainability of services.
4	Finance - future cuts impacting PH grant	3	2	6	Develop contingency priorities
5	Finance - savings required by councils	3	2	6	Manage as arise

### Key

<b>Likelihood</b>	Very Likely = 4	Likely = 3	Unlikely = 2	Very Unlikely = 1
<b>Impact</b>	Major = 8	Serious = 4	Significant = 2	Minor = 1

## EQUALITIES IMPACT ASSESSMENT

- 7.1 A specific EIA has not been undertaken for the proposed extension, although prior to the commencement of the existing contracts, an Equalities Impact Assessment was undertaken at a London level by officers leading the London Sexual Health Programme. This demonstrated positive impacts in maintaining access to STI testing and treatment to ensure that key outcomes can be met, especially for those most at risk of poor sexual health - young people, black African and black Caribbean communities, and men who have sex with men (MSM). Public health priorities for sexual and reproductive services include increasing STI testing amongst young people, MSM, black African and black Caribbean communities; increasing HIV testing amongst MSM and black African communities; reducing late diagnosis of HIV; and increasing access to contraception and, in particular, long-acting, reversible contraception (LARC) to reduce teenage conceptions, abortions and repeat abortions.

## COMMUNITY SAFETY

- 8.1 Sexual health clinics provide services for people with a range of lifestyles and circumstances and include those who may be vulnerable or at risk. Both acute Trusts have effective adult and child safeguarding policies in place to identify and support such individuals. Service provision and pathways to a range of relevant support services are in place for those who engage in risky sexual behaviours, those who are using alcohol and drugs, those who have experienced sexual violence, coercion, or intimate partner violence.

## ORGANISATIONAL IMPLICATIONS

### Environmental

- 9.1 None.

### Health

- 9.2 The proposal supports public health's delivery of the co-operative Health and Wellbeing strategy by maintaining access to open access sexual health services. This is essential given the borough has higher rates of poor sexual health, harmful drug and alcohol use and HIV prevalence in comparison to London averages.
- 9.3 These commissioned services support the Council's strategic objectives for sexual health and the achievement of declared outcomes for population health and reducing health inequalities as

outlined in priorities contained in the LSL Sexual and Reproductive Health Strategy 2019-24 and sexual health related Joint Strategic Needs Assessments (JSNAs).

### **Corporate Parenting**

9.4 None.

### **Staffing and accommodation**

9.5 None.

### **Responsible Procurement**

#### *Added Value*

9.6 The providers will be required to demonstrate their commitment to social value by engaging with service users, residents and local health and wellbeing organisations and by supporting action to facilitate service access from across our diverse local communities, including those who are vulnerable and socially disadvantaged. Facilitating links and referrals to wider health and social care provision, where appropriate, adds social value and enables the incumbent providers to develop a more responsive and robust service.

#### *Good Quality Jobs with Fair Pay and Decent Working Conditions*

9.7 The existing contracts specify for providers to pay the London Living Wage (LLW) to all staff employed via these contracts. Incumbent NHS Trusts are London Living Wage Employers.

#### *Quality Apprenticeships, targeted Employment for Lambeth residents and Lambeth Priority Group*

9.8 Not applicable – extension to existing contract.

#### *Reduce Emissions: Lambeth Council has a commitment to being Zero Carbon by 2030*

9.9 Not applicable

#### *Single Use Plastics*

9.10 The NHS providers have recycling systems in place and promote the reduced use of single-use plastics amongst their staff and clients.

#### *Positive Health and Wellbeing*

9.11 NHS providers are signed up to the London Mayor's Healthy Workplace Charter.

#### *Other Offers (Innovation)*

9.12 Not applicable

## **TIMETABLE FOR IMPLEMENTATION**

10.1 The table below details the stages and deadlines for implementing the recommendations

<b>Activity</b>	<b>Proposed Date</b>
Date published on Forward Plan	19 April 2021
Publication on Decisions online	16 June 2021
Cabinet Member Decision	18 May 2021
End of Call-in Period (key decisions only)	

Execution of Contract extension	Extension CV to be agreed by 30 September 2021
Commencement of Contract extension	1 April 2022

<b>Audit Trail</b>				
<b>Name and Position/Title</b>	<b>Lambeth Directorate</b>	<b>Date Sent</b>	<b>Date Received</b>	<b>Comments in paragraph:</b>
Councillor Claire Holland	Leader of the Council	16.06.21	16.06.21	
Councillor Jim Dickson	Cabinet Member for Health and Social Care	26.03.21	15.04.21	
Councillor Danny Adilypour	Cabinet Member for Health and Social Care	26.03.21	15.04.21	
Ruth Hutt Director of Public Health	Adults and Health	26.03.21	dd.mm.yy	
Fiona Connolly: Executive Director	Adults and Health	24.05.21	25.05.21	
Pete Hesketh, Finance	Finance and Property	26.03.21	26.03.21	
Michael O'Hora, Senior Contracts Lawyer Legal Services	Legal and Governance	26.03.21	26.03.21	
Marianna Ritchie, Democratic Services	Legal and Governance	26.03.21	31.03.21	
Sasa Glisic Procurement Category Manager	Procurement	23.03.21	25.03.21	

<b>Report History</b>	
<b>Original discussion with Cabinet Member</b>	04.02.21 (CMB)
<b>Report deadline</b>	N/A
<b>Date final report sent</b>	N/A
<b>Part II Exempt from Disclosure/confidential accompanying report?</b>	No
<b>Key decision report</b>	Yes
<b>Date first appeared on forward plan</b>	19.04.2021
<b>Key decision reasons</b>	Expenditure in excess of £500,000.
<b>Background information</b>	Original 2017 Decision 18.05.17 <a href="http://moderngov.lambeth.gov.uk/ieDecisionDetails.aspx?ID=3918">http://moderngov.lambeth.gov.uk/ieDecisionDetails.aspx?ID=3918</a>

## **APPROVAL BY CABINET MEMBER OR OFFICER IN ACCORDANCE WITH SCHEME OF DELEGATION**

**I confirm I have consulted Finance, Legal, Democratic Services and the Procurement Board, and taken account of their advice and comments in completing the report for approval:**

**Signature:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Post:** Teresa Battison, Interim Senior Commissioner for Sexual Health

**I confirm I have consulted the relevant Cabinet Members, including the Leader of the Council (if required), and approve the above recommendations:**

**Signature:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Post:** Councillor Jim Dickson / Councillor Danny Adilypour  
Cabinet Members for Health and Social Care

**Any declarations of interest (or exemptions granted):**

**Any conflicts of interest:**

**Any dispensations:**