

## **OFFICER DELEGATED DECISION 22 JUNE 2022**

**Report title:** Contract Extension of Pharmacy Sexual and Reproductive Health Services

**Wards:** All

**Portfolio:** Cabinet Member for Healthier Communities (job-share):  
Councillor Jim Dickson

**Report Authorised by:** Andrew Eyres: Strategic Director Integrated Health and Adults Care

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### **REPORT SUMMARY**

On 31 March 2022, the 14 contracts to provide Pharmacy Sexual and Reproductive Health Services are due to expire. These contracts include the provision of Emergency Hormonal Contraception (EHC), assessment and potential supply of oral contraception and signposting and referral to longer acting contraceptive options.

On 18 December 2018 Cabinet Member approval was secured to enter into a two-year contract with 16 providers listed below with the option to extend for an additional one year with a maximum annual value of £200,000 per year. The overall maximum value of this award was £600,000.

The Council now wishes to extend the remaining contracts, including adding an additional pharmacy, for two years with an annual value of £200,000 and totalling £400,000.

#### **SRH Commissioned Pharmacies 2022-2024**

- Pascoe Pharmacy
- New Park Pharmacy
- Day Lewis Palace Road
- Junction Pharmacy
- Jackson Pharmacy
- Streatham Pharmacy
- Queens Pharmacy
- Day Lewis Stockwell
- Reena's Pharmacy
- Lloyds Pharmacy Kennington Road
- Lloyds Pharmacy Nine Elms
- Hills Pharmacy -
- Millennium Pharmacy Cromwell Road
- Peace Pharmacy
- Brixton Boots (*to be added for 22/23*)

## Decommissioned March 2021

- Day Lewis Gipsy Road
- Lloyds Pharmacy Streatham High Street

## **FINANCE SUMMARY**

The initial contract term was from 1 April 2019 to 31 March 2021 and with the option for a one-year extension to 31 March 2022. The annual value of the contract was £200,000. The overall maximum value of this award was £600,000.

The total estimated cost of a two-year extension contract for the period 31 March 2022 to 31 March 2024 is £400,000, increasing the total estimated value of the contract to £1,000,000.

These costs will be funded from existing revenue budgets.

## **RECOMMENDATIONS**

To waive Contract Standing Order 8.2 to:

1. Extend the Pharmacy Sexual and Reproductive Health Services provided by fourteen pharmacies from 1 April 2022 to 31 March 2024 increasing the current contract value from £600,000 to a revised total value of £1,000,000.
2. Approve a variation of the current contract to include an additional Pharmacy to increase the capacity of the provision and meet the needs.

## 1. CONTEXT

- 1.1 The original 16 pharmacies were selected via an open tender process in 2018 as part of a review to re-commission provision of the sexual and reproductive health service to ensure a standard offer across all pharmacies delivering the service in Lambeth, Southwark and Lewisham LSL.
- 1.2 In March 2021, two pharmacies were decommissioned due to no service interactions (a contractual requirement).
- 1.3 The pandemic has significantly impacted pharmacies' ability to deliver an effective SRH service as originally commissioned. There have also, at times, been restrictions on seeing patients in person and external pressures on partnering services (e.g., sexual health clinics and GPs). As result, the number of pharmacy referrals to clinics for LARC provision has been significantly lower than expected.
- 1.4 A further three pharmacies have experienced low/no service interactions and will be reviewed in addition to a wider service review across LSL.
- 1.5 It is proposed that the remaining 14 contracts be extended as well as an additional contract be awarded to Boots Brixton to enhance the Brixton Town Centre offer and meet the high demand for EHC and SRH services in this location.
- 1.6 The above proposal is in line with Lambeth's commitment to improve sexual health outcomes and reduce inequalities that impact on key populations including Young People and Black and Minority Ethnic (BME) communities.
- 1.7 The proposed extension will contribute to the "Lambeth Borough Plan" strategic goals:
  - Increase community resilience
- 1.8 This is a Gateway 3 procurement report.

## 2. PROPOSALS AND REASONS

- 2.1 The proposed extension will enable the service to realise its full potential, after significant disruption from 2 years of the Covid pandemic. It will also allow commissioners to undertake a review of the current offer considering the pandemic and changing needs.
- 2.2 The proposed extension aligns with the intentions of Lewisham and Southwark Councils. Southwark Council has already extended their SRH Pharmacy contracts by two years until 2023 and Lewisham Council is currently seeking approval for an extension of two years until 2024.
- 2.3 Other options that were considered included the following:

### 1. Decommission service – at contract end of extension in March 2022 and spot purchase

#### Pros:

- None identified.

#### Cons:

- Ending the SRH pharmacy service would have a negative impact on sexual and reproductive health outcomes, including a possible increase in unplanned pregnancies and abortions.
- Loss of the SRH pharmacy service would reduce the number of SRH services in the borough, making accessing services more difficult.
- Sexual health clinics would see an increase in activity, especially around EHC, which would be difficult to manage and incorporate.

## 2. Tender

### Pros:

- Opportunity to re-shape service and increase quality.

### Cons:

- Break in service could have a negative impact.
- Loss of continuity and quality of service.
- Not sufficient time to carry full review of need and consider different models of service provision.

## 3. Extend the current provision - preferred option

### Pros:

- Continuity of service remains in place.
- Allows time for further work to consider different models of service provision.
- Allows time to consider creating innovation in service provision and better value for money.
- Allows for rapid expansion of the service to areas in need (via Brixton Boots).

### Cons:

- Will require rapid effort to onboard new pharmacy in time to ensure quality of provision from day 1.

## Contract Management

- 2.4 The SRH Pharmacy contracts will continue to be managed under the existing service arrangements and KPIs.
- 2.5 This includes supporting all pharmacies and new pharmacists to complete the mandatory training and qualification requirements as set out in the service specification, in advance of delivering service. Regular training around new practices and opportunities to share professional learning are also facilitated by LSL Commissioners and Health Partners.
- 2.6 Quarterly activity monitoring is conducted to identify pharmacies that are not meeting service requirements. Pharmacies will be supported to improve performance, and more formal action will be taken if needed (i.e., decommissioning).
- 2.7 The SRH Pharmacy contracts will be managed by the LSL SRH Commissioning Team within Public Health.

## 3. FINANCE

- 3.1 The original expected annual value of activity for these contracts based on forecasting was £185,200, with £200,000 allocated to allow for growth.
- 3.2 The actual spend of the contracts across the contract duration has been significantly lower than forecast.
- 3.3 Given the disruption to service delivery in the last two years, due to the pandemic and associated challenges with forecasting spend for the next two years, it is proposed that the total annual budget for the 15 pharmacies remain at £200,000 per year.
- 3.4 The SRH Pharmacy Service is paid under the wider pharmacy budget within Public Health.
- 3.5 Accessible EHC is associated with lower rates of unplanned pregnancies and consequently abortions. This contributes to reductions in those costs associated with unplanned pregnancies and abortions.

**3.6 Table 1 - Financial Spend/Activity 2019-2022**

	<b>2019-2020</b>	<b>2020-2021</b>	<b>2021-2022 (Q1-Q3)</b>
<b>Actual activity cost</b>	£33,765	£54,847	£15,118
<b>Total spend</b>	£33,765	£33,483	£15,118
<b>No. of pharmacies</b>	14	14	14

\*In 20/21 pharmacies were paid on a block rate based on their 19/20 activity.

**4. LEGAL AND DEMOCRACY**

- 4.1 The delegated authority to enact this report’s recommendation is delegated to the Strategic Director for Adults and Health. As the recommended decision is valued at between £100,000 and £500,000, this this paper should be reviewed by a category board.
- 4.2 Under the Public Contracts Regulations 2015 contracts for health, social and similar services are only subject to the full force of the regulations where the value of the contract is above the threshold of £663,540. None of the individual arrangements with pharmacies exceed this threshold.

**5. CONSULTATION AND CO-PRODUCTION**

- 5.1 Pharmacies have been informed of the proposed intentions and are supportive.
- 5.2 There has also been engagement with pharmacy Commissioners from Lewisham and Southwark.
- 5.3 Commissioners will continue to work alongside and engage with the Local Pharmaceutical Committee (LSL LPC), the representative body for Community Pharmacy providers across all three boroughs.
- 5.4 Service users will be engaged as part of the statutory Pharmacy Needs Assessment currently taking place for pharmacies across Lambeth.

## 6. RISK MANAGEMENT

6.1 The main risks that impede on the successful delivery of this procurement and contract are:

**Table 2 – Risk Register**

Item	Risk	Likelihood	Impact	Score	Control Measures
1	Not implementing the renewal will leave the council without an SRH pharmacy offer until a new service is procured	2	4	8	Approval of extension
2	Pharmacies become financially unsustainable during the extension period and are unable to deliver as a result	2	4	8	Dun and Bradstreet financial assessments have been undertaken and will be done every six months to ensure we are aware the economic stability of the pharmacies.
3	Challenge of the decision by other pharmacies.	1	2	2	Community pharmacies that are interested in delivering SRH service, will need to demonstrate that they meet the minimum service criteria and locality need.

### 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

## 7. EQUALITIES IMPACT ASSESSMENT

- 7.1 The Equalities Impact Assessment (EIA) of the proposal found that the proposed contract extensions will have a positive impact overall by ensuring the continued access to standard contraceptive offer including free EHC supply at all participating pharmacies across Lambeth.
- 7.2 The service has demonstrated the need for an enhanced SRH offer for individuals assessed as high risk (for unplanned pregnancies).
- 7.3 The EIA highlighted language as a potential barrier for accessing the service. This will be addressed as part of the future service review.
- 7.4 The EIA was completed on 10.02.22 and signed off by the Joint Associate Director – Commissioning (Public Health) on 24.02.22.

## 8. COMMUNITY SAFETY

8.1 Not applicable.

## **9. ORGANISATIONAL IMPLICATIONS**

### **Environmental**

9.1 Not applicable.

### **Health**

9.2 This service will contribute towards the fulfilment of the Council's responsibilities for health improvement under the Health and Social Care Act 2012. One of the principal service objectives is to improve reproductive sexual health outcomes for Lambeth residents by promoting contraceptive access and choice and helping to reduce rates of unplanned and teenage pregnancy and rates of abortion. This in line with the ambition to improve women's health by investing in early intervention and preventative actions that enable women to have greater information and control with respect their reproductive sexual health.

### **Corporate Parenting**

9.3 This service will contribute to parenting duties/responsibilities for Looked After Children (LAC) and Care Leavers up to the age of 25 through improved access to contraception and contraceptive advice for those aged 13 years and above.

### **Staffing and accommodation**

9.4 There are no TUPE implications for the council or other providers.

### **Responsible Procurement**

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

9.5 The payment of London Living Wage was not made a requirement of this contract as the contract value represents a small proportion of overall service delivery. However, the pharmacists directly delivering the service are likely to be paid London Living Wage as a minimum.

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

9.6 Not applicable – extension to existing contract.

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

9.7 As ongoing partnership with pharmacies, we expect them to report on what steps they're taking to reduce their overall carbon emissions and demonstrate their commitment to Net Zero.

#### *Single Use Plastics*

9.8 Pharmacies have recycling systems in place and promote the reduced use of single-use plastics amongst their staff and clients.

#### *Positive Health and Wellbeing*

9.9 The Local Pharmaceutical Committee is a responsible body for looking after the health and wellbeing of its pharmacy contractors, including all locally commissioned pharmacies.

#### *Other Offers (Innovation)*

9.10 Not applicable.

## **10. TIMETABLE FOR IMPLEMENTATION**

10.1 The following anonymised service-level data will be monitored by commissioners, via PharmOutcomes. A template will be provided to all pharmacies. Additional and/or revised requirements may be agreed between commissioners and the successful providers throughout the term of the contract.

- Borough of residence
- Number of people presenting for EHC, recording history of any, 12-month, and 6-month previous use
- Number of EHC supplied and type
- Number of people presenting for oral contraception, number and type supplied
- Number of appointments booked for LARC
- Number of Come Correct new registrations (recorded via C-Card scheme)
- Number of Come Correct repeat visits (recorded via C-Card scheme)
- Number of Come Correct dispenses (recorded via C-Card scheme)
- Annual quality review to be agreed between commissioners and the successful providers
- Service user-reported outcomes
- Service user feedback
- Number of external referrals made and to which agency

10.2 The table below details the stages and deadlines for implementing the recommendations:

<b>Activity</b>	<b>Proposed Date</b>
Date published on Forward Plan	N/A
Publication on Decisions online	14/06/2022
Officer or Cabinet Member Decision	22/06/2022
End of Call-in Period (key decisions only)	N/A
Execution of Contract	N/A
Mobilisation Period for Contract	N/A
Commencement of Contract	01.04.22

## AUDIT TRAIL

<b>Name and Position/Title</b>	<b>Lambeth Directorate</b>	<b>Date Sent</b>	<b>Date Received</b>	<b>Comments in paragraph:</b>
Councillor Jim Dickson	Cabinet Member for Healthier Communities	09.06.22	14.06.22	All
Andrew Eyres, Strategic Director	Integrated Health and Care	04.03.22	08.03.22	All
Ruth Hutt, Director of Public Health (via Bimpe Oki)	Integrated Health and Care	04.03.22	16.03.22	All
Peter Hesketh, Finance	Finance and Property	15.02.22	24.02.22	3

Michael O'Hora, Senior Contracts Lawyer	Legal and Governance	15.02.22	16.02.22	4
Marianna Ritchie, Democratic Services	Legal and Governance	15.02.22	22.02.22	All
Mariyama Sesay, Senior Category Management	Finance and Property	15.02.22	11.03.22	All
Cassidy Travis, Climate Change and Sustainability Programmes and Partnership Lead	Finance and Property	15.02.22	23.02.22	8
<b>Internal</b> Lambeth Management Meeting - Category Board	08.03.22			All
Councillor Holland	Council Leader	24.03.22	05.04.22	All

## REPORT HISTORY

<b>Original discussion with Cabinet Member</b>	27.01.22
<b>Report deadline</b>	11.03.22
<b>Date final report sent</b>	11.03.22
<b>Part II Exempt from Disclosure/confidential accompanying report?</b>	No
<b>Key decision report</b>	No
<b>Date first appeared on forward plan</b>	N/A
<b>Key decision reasons</b>	N/A
<b>Background information</b>	<a href="#">LSL sexual and reproductive health strategy, 2019-24</a>  CMDDR - Pharmacy Sexual Health service
<b>Appendices</b>	Pharmacy Contract Extension EIA

**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:** Phoebe Carpenter, Senior Commissioning Officer

**I approve the above recommendations:**

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

**Post:** Andrew Eyres, Strategic Director for Integrated Health and Care

**Any declarations of interest (or exemptions granted):** None

**Any conflicts of interest:** None

**Any dispensations:** None