

PROCUREMENT GATEWAY I – BUSINESS CASE

Integrated Sexual Health Services Contract Extension



Contact Details

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| Responsible Officer: | Gemma Scott |
| Job Title: | Public Health Specialist |
| Service: | Public Health |
| Directorate: | ODPH |

Project Details

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| Estimated Project Value: | £1,360,376.58 |
| Source of Funding: | Public Health ring fenced grant (s. 31 of the Local Government Act 2003) |
| Timescale: | 6 months (October 1st 2023 to April 1st 2024) |

Executive Summary

Plymouth City Council has a statutory obligation under the Health and Social Care Act 2012 and the Local Authorities Regulations 2013 to provide confidential, open access sexual and reproductive health services for the population of Plymouth. This includes the provision of comprehensive contraception, testing and treatment for sexually transmitted infections, sexual health promotion and HIV prevention services.

This business case aligns with a procurement process which is currently underway and working to award a new contract for Integrated Sexual Health Services by 1st April 2024.

This proposal seeks agreement for a 6 month extension to the current contract, which is due to expire on October 1st 2023. This would allow the procurement to progress and would also align the new contract with the start of the financial year in April 2024, which is a preference of all parties.

The value of a six month contract extension is **£1,360,376.58** (taking into account 3.2% uplift in line with the Public Health Grant uplift).

Current Contract

The contract for Integrated Sexual Health Services is currently delivered through a partnership of providers (Sexual Health In Plymouth: SHiP) and was directly awarded to University Hospitals Plymouth (UHP) in October 2017.

We have since seen significant developments across the sexual health system. The service strives to provide high-quality and innovative STI testing and treatment services and reduce the local burden of STIs, in particular amongst those disproportionately affected. All services have a number of key performance indicators (KPI's) that are monitored regularly and currently all our contractors strive to perform against the contracts.

Context of COVID19

The impact of COVID on health and social care settings persists and for sexual health services this was further exasperated by the MPOX outbreak, where our providers continued to adapt and change at scale around the needs of the community. Similarly, Plymouth City Council Public Health team were operating a COVID-19 acute response rota until 31st March 2023 and have been prioritising COVID-19 recovery work and supporting the MPOX response. Given this, there has been very limited capacity in these teams to begin the recommissioning process until recently. It is for this reason that a six month contract extension is required.

Conclusion

A 6 month extension would enable Plymouth City Council to continue to meet its statutory requirement to provide a high quality, affordable service to meet the needs of the local population whilst progressing the procurement process of a new contract to be awarded 1st April 2014.

Project Information

Plymouth City Council has a statutory responsibility to provide a number of sexual service and they must be commissioned from the ring fenced Public Health Grant. Sexual health is an important public health priority. Good sexual and reproductive health is an essential component of positive health and wellbeing. The consequences of poor sexual health, including sexually transmitted infections (STIs) and unplanned pregnancies can have a lasting impact on people's lives. STIs are communicable diseases and as such require effective clinical services and public health interventions to prevent onward transmission.

In 2011 in the UK, the estimated STI treatment costs were £620 million, excluding costs for HIV treatment. Investing in sexual health services therefore, can deliver significant cost savings for the NHS and local authorities. Quality services and interventions that focus on prevention, screening and prompt treatment and partner notification can control disease, prevent unwanted pregnancies and avoid costly health complications and treatments.

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Since April 2013 the **local authority** has been responsible for providing the following services;

- HIV prevention and sexual health promotion
- Open access genitourinary medicine
- Comprehensive contraception services (included enhanced services commissioned from general practice and community pharmacies)
- Sexual health aspects of psychosexual counselling
- Other specialist services such as young people's sexual health services, outreach, HIV prevention and sexual health promotion

These services must be commissioned from the ring fenced Public Health Grant and must be available to all people in the area, whether resident or not. This approach ensures rapid access to contraception, and testing and treatment for sexually transmitted infections thus preventing unwanted pregnancies and the onward transmission of disease. The local authority is also responsible for the cost of these services where its residents access them outside of the local area

The current contract was awarded to UHP in October 2017. It followed a comprehensive process in which Plymouth City Council received legal authorisation to carry out a negotiated procedure which enabled providers to work with commissioners and design an integrated model of provision: Sexual Health In Plymouth (SHiP). This contract is due to expire in October 2023, which we seek to extend by 6 months to March 2024.

Objectives

What is your goal?

- To enable Plymouth City Council to meet its statutory requirement to provide confidential, open access sexual and reproductive health services for the population of Plymouth
- To ensure compliance with Public Contract Regulations.

How will the project support the business support Council / Service strategy?

Plymouth City Council Corporate Plan

The Plymouth City Council Corporate Plan, updated in 2023, sets out our mission of Plymouth being one of Europe's most vibrant waterfront cities, where an outstanding quality of life is enjoyed by everyone. The SHiP partnership contributes significantly to the priority: "Working with the NHS to provide better access to health, care and dentistry" and does this by:

- Providing quality public services,
- Trusting and engaging our communities
- Spending our money wisely, and
- Focusing on prevention and early intervention

The Plymouth Plan

Sexual Health provision also aligns to the Plymouth Plan which sets a shared direction of travel for the long term future of the city. In particular, by directly contributing to:

- HEA1: Addressing health inequalities, improving health literacy
- HEA3: Supporting adults with health and social care needs
- HEA4: Playing an active role in the community
- HEA9: Delivering accessible health services and clinical excellence

Plymouth Local Care Partnership

The council is a key partner in the Plymouth Local Care Partnership which was formed to strengthen on existing partnerships and relationships across the health and care sector, to drive change, reduce inequalities and lead to better more joined-up care for the benefit of our population.

The SHiP partnership supports the LCP priorities through :

- Provision of compassionate care
- Supporting the local Primary Care System
- Empowering Communities to help themselves through easier access to advice, support, guidance, testing & treatment
- Ensuring the Best Start to Life and supporting pre-conceptual care and pregnancy.
- Integrating Care to deliver "the right care, at the right time, in the right place".



Budget and Costs

The existing contract is funded by the ring-fenced Public Health grant. The net budget is **£2,557,099** for financial year 2023/24. A 3.2% uplift on most public health contracts (in line with the uplift in the Public Health Grant) was agreed by Public Health DMT in April 2023. This will be applied following authorisation to extend the current contract by 6 months from 1st October 2023 to 31st March 2024. This will take the annual value of the contract to **£2,638,926.13** and the value of the 6 month extension to **£ 1,360,376.58**.

Constraints and Risks

Any contract variation (including extension) would need to satisfy the Public Contracts Regulations 2015, Section 72 – Modification of contracts during their term.

Parts (1)(b) of this regulation state that:

(1) Contracts and framework agreements may be modified without a new procurement in accordance with this Part in any of the following cases:

(b) for additional works, services or supplies by the original contractor that have become necessary and were not included in the initial procurement, where a change of contractor–

(i) cannot be made for economic or technical reasons such as requirements of interchangeability or interoperability with existing equipment, services or installations under the initial procurement, or

(ii) would cause significant inconvenience or substantial duplication of costs for the contracting authority, provided that any increase in price does not exceed 50% of the value of the original contract

We believe the conditions of Section 72 (1)(b) to be met because additional services have become necessary whereby allowing adequate lead in time for a new contract award for Sexual Health Service. A change in contractor would result in significant inconvenience and substantial duplication of costs for Plymouth City Council. The price of the extension does not exceed 50% of the value of the original contract.

There are particular risks in not extending the contract in this way which include:

- Inability of Plymouth City Council to meet its statutory requirement to provide confidential, open access sexual and reproductive health services for the population of Plymouth
- Inability to advance procurement processes and allow a new contract to be in place by April 2024

Options Appraisal

1) Extend the current contract by 6 months from 1st October 2023 to 31st March 2024 with a 3.2% uplift in contract value.

This option would allow Plymouth City Council to continue to meet its statutory requirement to provide confidential, open access sexual and reproductive health services for the population of Plymouth in the short term, whilst progressing the procurement processes for new, longer term

contract to be in place by April 2024. Initial dialogue with SHiP partnership has also identified their commitment to securing a 6 month extension term.

2) Extend the current contract by a longer period of time (12 or 18 months)

A procurement process is currently underway and working to award a new contract for Integrated Sexual Health Services by 1st April 2024. A longer term extension is therefore not required.

3) Do not extend the contract

There would be insufficient time to undergo a new re-procurement process to start a new contract by 1st October 2023. This option would therefore result in the inability of Plymouth City Council to meet its statutory requirement to provide confidential, open access sexual and reproductive health services for the population of Plymouth

Preferred Option

Option 1)

Extend the current contract by 6 months from 1st October 2023 to 31st March 2024 with a 3.2% uplift in contract value.

This option would allow Plymouth City Council to continue to meet its statutory requirement to provide confidential, open access sexual and reproductive health services for the population of Plymouth in the short term, whilst progressing the procurement processes for new, longer term contract to be in place by April 2024. Initial dialogue with SHiP partnership has also identified their commitment to securing a 6 month extension term.

Recommended Decision

It is recommended that a decision is taken to vary the existing contract between Plymouth City Council and University Hospitals Plymouth for the delivery of an Integrated Sexual Health Service to 1) extending the contract term by 6 months from 1st October 2023 to 31st March 2024 and 2) increasing the contract value by 3.2%, in line with the uplift in the Public Health Grant for the year 2023/24.

Reasons for decision:


1) Plymouth City Council has a statutory responsibility to provide a number of sexual services to people in Plymouth. They must be commissioned from the ring fenced Public Health Grant and include:

- HIV prevention and sexual health promotion
- Open access genitourinary medicine
- Comprehensive contraception services (included enhanced services commissioned from general practice and community pharmacies)
- Sexual health aspects of psychosexual counselling
- Other specialist services such as young people's sexual health services, outreach, HIV prevention and sexual health promotion

The current contract was awarded to UHP in October 2017. It followed a comprehensive process in which Plymouth City Council received legal authorisation to carry out a negotiated procedure which enabled providers to work with commissioners and collaborate as the Sexual Health In Plymouth (SHiP) partnership, to design and deliver an integrated model of provision. The partnership has since brought about better alignment, simpler pathways, system leadership and value for money.

2) This decision will enable service continuity in the short term, whilst progressing the procurement processes for new, longer term contract to be in place by April 2024. Initial dialogue with the current provider has identified their commitment to securing a 6 month extension term.

3) This decision supports alignment of the new contract with the start of the financial year in April 2024.

| Project Officer | | | |
|----------------------------------------|-------------------------------------------------------------------------------------|--------------|------------|
| Name: | Gemma Scott | | |
| Job Title: | Public Health Specialist | | |
| Additional Comments (Optional): | | | |
| Signature: |  | Date: | 01/08/2023 |

Authorisation of Business Case

| Head of Service / Service Director | | | |
|----------------------------------------|-------------------------------------------------------------------------------------|--------------|------------|
| Name: | Ruth Harrell | | |
| Job Title: | Director of Public Health | | |
| Additional Comments (Optional): | | | |
| Signature: |  | Date: | 25/07/2023 |