

Birmingham City Council

Report to Cabinet

11th October 2022



Subject: **SEXUAL HEALTH SERVICE EXTENSION**

Report of: **Dr Justin Varney**
Director for Public Health

Relevant Cabinet Member: **Cllr Mariam Khan - Health and Social**
Cllr Yvonne Mosquito - Finance and Resources
Cllr Karen McCarthy - Children, Young People and Families

Relevant O & S Chair(s): **Cllr Mick Brown - Health and Social Care**
Cllr Akhlaq Ahmed - Resources
Cllr Kerry Jenkins - Education and Children's Social Care

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Are specific wards affected?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No – All wards affected
If yes, name(s) of ward(s):		
Is this a key decision?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
If relevant, add Forward Plan Reference: No. 010454/2022		
Is the decision eligible for call-in?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If relevant, state which appendix is exempt, and provide exempt information paragraph number or reason if confidential:		

1 Executive Summary

- 1.1 The report is seeking approval to extend the current Sexual Health Service contract with University Hospitals Birmingham NHS Foundation Trust for a maximum period of 12 months to March 2024.

- 1.2 There are no further provisions to extend the contract, however several extenuating circumstances have impacted on BCCs ability to re procure the service by April 2023:
- 1.2.1 Covid recovery plans have continued to divert commissioning and NHS service capacity away from business-as-usual activity during 2022. The impact of this has delayed the completion of our joint needs assessment, strategy development and public and clinical consultation process with Solihull MBC. This was only completed at the end of July 2022.
- 1.2.2 Birmingham and Solihull Councils have historically, jointly commissioned the service. This partnership approach was also recently confirmed as part of local integrated care system arrangements. Solihull MBC subsequently received political approval to extend the contract to March 2024 to enable the system approach to recommissioning to continue.
- 1.2.3 Nationally and locally, there is also a significant amount of new policy direction and local strategic planning that will need to be translated confidently to develop sexual health services that can meet current and future priorities.
- The Birmingham and Solihull Sexual Health Needs Assessment 2021
 - The draft Sexual Health Strategy 2023 -2030 (Birmingham and Solihull)
 - Towards Zero: the HIV Action Plan for England - 2022 to 2025
 - Women’s Health Strategy for England published July 2022
 - **1Proposed national Sexual and Reproductive Health Strategy/action plan to be published in 2022*
- 1.3 The report includes the findings from the consultation during May 2022 – July 2022 on the draft Birmingham and Solihull Sexual and Reproductive Health Strategy 2023 - 2030 that will inform our future commissioning
- 1.4 The report outlines the proposed sexual health commissioning timeline for assurance of continued service delivery and the aligned, proposed commissioning timetable.

2 Recommendations

- 2.1 That Cabinet; -
- 2.1.1 Approves an extension to the Sexual Health contract with University Hospitals Birmingham NHS Foundation Trust for a maximum period of 12 months (1st April 2023 to 31st March 2024).
- 2.1.2 Delegates the approval of the Commissioning and Procurement Strategy for the future service provision to the Cabinet Members for Health and Social Care and Finance and Resources in conjunction with the Director of Public Health,

¹ *To be announced

Assistant Director – Procurement, the Director of Council Management (or their delegate) and the Interim City Solicitor & Monitoring Officer (or their delegate).

- 2.1.3 Authorises the Interim City Solicitor (or their delegate) to conclude and enter all legal documents to give effect to the above.
- 2.1.4 Endorse the consultation findings and the application of these within the design and co-production of the future service model

3 Background

- 3.1 The responsibility for commissioning Sexual Health Services transferred to the Local Authority on the 1 April 2013. The provision of Sexual Health Services is a condition of the Public Health Grant that is received into the Council.
- 3.2 Currently the Sexual Health Service is delivered by University Hospitals Birmingham NHS Foundation Trust (UHB) under a contract which commenced on 1st March 2015 and expires on the 31 March 2023.
- 3.3 Current annual value is £14,541,854 million which is made up of the scheduled contract payments, annual value £14,038,587 and additional payments for mandated HIV Pre-Exposure Prophylaxis (PrEP) related activity at £503,267 per annum.
- 3.5 A consultation on the draft sexual health strategy (**Appendix 3**) has just been completed and there are important areas of feedback from the community and professionals that we now need to take account of in the design of the future service. A full report was taken to Health and Wellbeing Board on 27 September. The extension period will provide the time required to ensure that services meet the needs of the local population as well as responding to the national policy and strategy drivers above.
- 3.6 Feedback on the vision and aims of the draft strategy highlighted that there were some potential gaps in terms of:
 - Mental health in relation to sexual health in the strategy
 - Equity of service provision across Birmingham and Solihull
 - Cultural awareness and access to services for new communities
 - Cross border issues in relation to commissioning and patient access
 - Being aware of older citizens and those in deprived areas being excluded through use of technology
 - Sex worker sexual health needs and access to services
 - Male sexual health issues; education, awareness raising and engagement
 - Inclusion of Cervical and Blood Borne Virus screening and Human papillomavirus (HPV) vaccination

- Locality delivery improvements, utilising and supporting primary care
- How the strategy is going to be funded, implemented, and monitored

3.7 Taking account of feedback on the draft strategy, and the national policy and strategies indicated in 1.2.3, further time is required for translation and implementation to ensure that services meet the future requirements.

3.8 In order to ensure that services continue to be delivered during the development of the new service model and that changes in local and national policy are understood, an extension of this current contract would enable the Council to be in a better position to go to market in 2023.

4 Options considered and Recommended Proposal

4.1 Do Nothing – do not extend the current services or procure, this would lead to a failure to provide services which are a condition of the Public Health Grant. This is not recommended.

4.2 Commission the market to deliver the outcomes within this financial year – with the national developments and outcomes expected, this could lead to the Council having procured a service that does not align with the national standards and outcomes. Alternatively, it would be a short contract term which is not financially viable for the Council or provider creating further instability in service provision.

4.3 Extend the current services and procure in 2023 for the contract to start in April 2024. Extending the current service contract will enable new policy direction and local strategic planning to be translated confidently to develop sexual health services that can meet current and future priorities. Important areas of feedback were also gained from the community and professionals as part of the sexual health strategy consultation between May – July 2022 that we now also need to take account of. Extension would also allow stability with consideration being given for a longer-term contract. This is the recommended proposal.

5 Consultation

5.1 The recommendation to extend the contract to allow for a revised commissioning strategy to be developed is supported by the Public Health Senior Management Team, and in the meeting on 29 June 2022 the proposed commissioning timeline was endorsed by the team.

6 Risk Management

6.1 The commissioning proposal has been developed through a robust project management programme that includes the management and identification of risks that are tracked as part of the project delivery.

6.2 To minimise the risk of possible challenge from the market a Voluntary Ante Ex-Transparency Notice (VEAT) would be issued to the market to inform them of the decision and proposed timeline for the future commissioning/procurement.

7 Compliance Issues:

7.1 How are the recommended decisions consistent with the City Council's priorities, plans and strategies?

7.1.1 Birmingham is an aspirational city to grow up in

7.1.2 Birmingham is a fulfilling city to age well in

7.2 Legal Implications

7.2.1 The Health and Social Care Act 2012 and associated regulations transferred the responsibility for public health from the NHS to local authorities from April 2013. Several key indicators in the Public Health Outcome Framework relate to these areas and it is likely that they will be assessed in terms of performance.

7.3 Financial Implications

7.3.1 The cost of the proposed extension to the Sexual Health Contract will be funded through the Public Health Grant that is received by the Council. There is no additional funding required from the Council to support the extension of this contract.

7.3.2 The overall total value of the proposed 12-month extension would therefore be £14,541,854, which is the same as the current financial year. Breakdown as 3.3. The contract has no inflation.

7.3.3 The additional NHSE grant that commenced in 2020 - 2021 for HIV Pre-Exposure Prophylaxis (PrEP) was received within the main public health grant for 2022/2023. The intention is to extend both the main service and PrEP activity to March 2024 at the total value of £14,541,854

7.4 Procurement Implications

7.4.1 There is no further delegated provision to extend the current contract, as the original extensions have already been utilised. The Sexual Health Contract commenced on 10 August 2015 with University Hospitals Birmingham and expired on the 31 August 2020. Subsequent extensions approved by Cabinet on 1 November 2019 and 27 July 2021 have brought the contract end date to 31 March 2023.

7.4.2 Regulation 72. (1) of the Public Contract Regulations provides that "Contracts and framework agreements may be modified without a new procurement procedure...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... (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."

- 7.4.3 This circumstance complies with Regulation 72(1)(b)(ii) as set out in 7.4.2, the costs of the extension do not exceed the 50% tolerance. As set out in paras 3.4 – 3.9 above, there is a significant amount of uncertainty surrounding strategic direction for a sexual health service and to go to market in advance of this being resolved would present the Council with a real potential that services would be procured that do not align with the national standards and outcomes.
- 7.4.4 In accordance with the Council’s new Procurement and Contract Governance Rules, the Waiver Procedure guidelines have been followed. This has enabled the recommendation for the extension of this contract to be brought to Cabinet. The Waiver Form is included at Appendix 4.
- 7.4.5 In addition, a Voluntary Ante Ex-Transparency Notice (VEAT) would be issued to the market to inform them of the decision and proposed timeline for the future commissioning/procurement.
- 7.4.6 In parallel with the proposal to extend current contract arrangements for a further 12 months to the 31 March 2024, consideration has been given to ensuring continuity of delivery of current services.
- 7.4.7 The indicative implementation plan for the commissioning and procurement is detailed below to demonstrate that this can be completed in the proposed extension period:

Activity	Proposed Dates
National Sexual and Reproductive Health Strategy Published	End 2022
Co-production with citizens and partners	January 2023 onwards
Market engagement to develop specification	March 2023
Commissioning and Procurement Strategy approved	April 2023
ITT and specification signed off	May 2023
Tender published to the market	July 2023
Evaluation Period	September 2023
Contract Award approved/awarded	October 2023
Mobilisation period	November 2023
Contract Start	1 st April 2024

- 7.4.8 The proposal for the procurement is via the open tender route to market. The proposed split for price, quality and social value is based on ensuring that the quality and provision provided would be able to meet the needs of our most vulnerable citizens whilst still maintaining value for money, therefore the split of 50% Quality, 30% Price and 20% Social Value.
- 7.4.9 It is proposed that Cabinet delegates the approval of the Commissioning and Procurement Strategy for the future service provision to the Cabinet Members for Health and Social Care and Finance and Resources in

conjunction with the Director of Public health, Assistant Director – Procurement, the Director of Council Management (or their delegate) and the Interim City Solicitor & Monitoring Officer (or their delegate) to enable the procurement of a new integrated model to be achieved within the advised timeline above.

7.4.10 Any formal guidance issued by the Department of Health and Social Care in connection with the new Provider Selection Regime will be considered when evaluating options for the future Procurement Strategy.

7.4.11 The contracts will continue to be managed by the Public Health Commissioning Team within the Adult Social Care Directorate. As part of the ongoing contract management the provider will be required to update their Social Value Action Plan to include new targets for their plan for a further year of service delivery.

7.5 Human Resources Implications

7.5.1 None

7.6 Public Sector Equality Duty

7.6.1 See **Appendix 1** Equality Impact Assessment

7.6.2 The requirements of Standing Order No. 9 in respect of the Council's Equal Opportunities Policy are incorporated in the contract for those services proposed to be extended.

7.6.3 The requirements of the Equality Act 2010 are specifically included in the contract to ensure compliance with the Act.

7.7 Environmental and Sustainability Implications

7.7.1 Attached as **Appendix 2**.

8. Appendices

8.1 **Appendix 1** - Equality Impact Assessment

8.2 **Appendix 2** – Environment and Sustainability Assessment

8.3 **Appendix 3** - Consultation findings - Draft Birmingham and Solihull Sexual and Reproductive Health Strategy 2023 – 2030

8.4 **Appendix 4** – Waiver Form

9. Background Documents

9.1 [Cabinet Member Decision 1 November 2019 - Contract Extension for the Provision of Sexual Health Treatment and Prevention Services](#)

9.2 [Cabinet Report 27 July 2021 – Sexual Health Contract Extension](#)