

SEXUAL HEALTH SERVICE CONTRACT

Report of the Deputy Director of Public Health

1. INTRODUCTION AND PURPOSE OF REPORT

- 1.1 This report sets out a proposal for the joint procurement of an Integrate Sexual Health Service with other Greater Manchester Authorities. Following consideration by the Scrutiny Committee, the Executive will be invited to provide:
- (i) Authorisation for Stockport Council to jointly procure an Integrated Sexual Health Service with Tameside MBC and Trafford MBC.
 - (ii) Authorisation to the Director of Public Health to award the contract on behalf of Stockport Council as part of the joint procurement and to do all things necessary or incidental to the award of the contract..
 - (iii) To note an exemption to enable alignment of contracts for a joint procurement exercise with Tameside and Trafford has been approved. This enables the holding over of the current Sexual Health Service contract provided by Stockport NHS Foundation Trust and an extension of the existing contract from 1.4.2016 until the 15.9.2016.

2. INFORMATION

2.1 Background

- 2.1.1 Stockport Council has a mandated responsibility to commission a comprehensive, open access sexual and reproductive health service.

2.2 The legal obligation to tender the service, Public Contracts Regulations regarding Health and Social Care contracts

- 2.2.1 The Sexual Health Service contract transferred to the Local Authority from the former Primary Care Trust as part of the transition of public health commissioning responsibilities from the former PCT to the Local Authority in April 2013.
- 2.2.2 At the time of the transfer of responsibility the contract was for “Part B” services and was therefore exempt from the European Rules requiring competitive tendering.
- 2.2.3 The value of the contract means that replacement of the contract in April 2016 is now governed by the new Public Contracts Regulations 2015 which make special “light touch” provisions for services formerly exempt from the competitive procurement.
- 2.2.4 An exemption (to enable alignment of contracts for a joint procurement exercise with Tameside and Trafford) which enables the holding over of the current Sexual Health Service contract provided by Stockport NHS Foundation Trust has been agreed to enable an extension of the existing contract from 1.4.2016 until the 15.9. 2016.

2.3 Proposal for an Integrated Greater Manchester Sexual Health Service

- 2.3.1 Greater Manchester (GM) Sexual Health Network Public Health Commissioners are planning to collaboratively procure for new sexual health services by working closely together and procuring initially in sub regions of GM.
- 2.3.2 The longer term aim of this joint procurement is to bring all the new GM sub regional clusters together from 1.4.2019 when the opportunity becomes available through co termination of contracts to procure a new service for the whole of Greater Manchester.
- 2.3.3 The sub regional GM procurement is already underway in other areas for Bolton and Salford together as one cluster, and in Manchester which is a cluster area.
- 2.3.4 Bury, Oldham and Rochdale have recently jointly procured a new provider service for their sub regional cluster area.

2.4 The advantages of joint procurement of Sexual Health Services with Tameside Council and Trafford Council

- 2.4.1 Stockport is planning to procure on a sub regional cluster procurement footprint with Tameside and Trafford; this will enable efficiencies in the whole sexual health system across this cluster area.
- 2.4.2 The joint procurement provides better value for money through economies of scale, and savings across the system as a whole.
- 2.4.3 There will be efficiencies in officer time, legal and procurement time through planning for one procurement exercise, and one market engagement; rather than three individual exercises.
- 2.4.4 Further savings can be achieved through shared costs for NHS and NHS England clinical specialists to evaluate tender applications as part of the procurement.
- 2.4.5 This development will also enable closer integration with the NHS England Commissioner who commission HIV Treatment and Care.
- 2.4.6 There will be savings achieved through provision, in future, by one provider across the cluster footprint area (where there are currently two providers)
- 2.4.7 Savings can be realised because Stockport, Tameside and Trafford will only need to fund on-costs for one provider.
- 2.4.8 There will be savings in coordination of cross charge arrangements across the new sub regional area.

2.5 Governance Arrangements for the planned joint procurement of Sexual Health Services with Tameside and Trafford

- 2.5.1 A Project Steering Group has been established to manage the planned procurement exercise with Sexual Health Commissioning representation from the three local authority areas.
- 2.5.2 The three areas have agreed a tripartite approach in respect of the allocation of tasks to ensure that the project meets its deadlines.
- 2.5.3 The steering group has representation from STaR the Stockport and Trafford procurement Hub; STaR has also agreed to act on behalf of Tameside.
- 2.5.4 A Memorandum of Understanding (MOU) will be agreed for the three areas. The memorandum will define each party's obligations and value within the contract; define how the payments will be made to the new provider, and how the provider will be monitored for performance.
- 2.5.5 It is planned that the MoU will define the role of a lead partner to act on behalf of the three areas by providing leadership, chairing the project meetings, coordination of the tender and procurement, coordination of performance and monitoring meetings and ensuring that the project meets its timescales.

- 2.5.6 It is proposed that the lead partner will award the contract with the new provider on behalf of the three areas.
- 2.5.7 Discussions about exact roles that each area will fulfil in the performance monitoring of the contract for the MoU are continuing and this will next be discussed again at the next Project Meeting on 5.11.15, and will include the views of STaR and legal services.
- 2.5.8 The three areas are meeting regularly with Stockport chairing the Project Steering Group meetings
- 2.5.9 Similar MOU's are planned in the other sub regions following a precedent set for the recent Bury Oldham and Rochdale cluster procurement.
- 2.5.10 Tameside is seeking approval for the joint procurement from their Executive Cabinet on 16th December 2015.
- 2.5.11 Trafford is seeking approval for the joint procurement from their Senior Leadership Team on 20th November 2015.

2.6 Proposed Timeline

- a. Issue of Commissioning Intentions – to be confirmed following Executive decision.
- b. Commissioning Market Engagement - to be confirmed following Executive decision
- c. Issue OJEU notice on or before 15th February 2016
- d. Issue tender document by 15th February 2016
- e. 1st Stage (Pass/Fail Criteria) by 11th April 2016
- f. 2nd Stage Evaluation of Tenders questions by 22nd April 2016
- g. Final Award 13th June 2016
- h. The planned start date for the new contract for this cluster will be 16th September 2016.

2.7 Delegation of joint contract award decision

- 2.7.1 Stockport Executive is empowered to exercise all the Executive functions of the Council and to delegate them to officers. Therefore it is recommended that the Executive/Leader authorises the Director of Public Health to award a jointly procured sexual health contract as outlined in this report.
- 2.7.2 The financial details for the proposed services are contained in the **Exempt Appendix 1** that have been circulated to councillors only. This is because the appendix contains information that would be 'not for publication' by virtue of Paragraph 3 of Schedule 12A of the Local Government Act 1972 (as amended).

3. CONCLUSIONS AND RECOMMENDATION

- 3.1 The Scrutiny Committee is invited to comment on the report.
- 3.2 The Executive is asked to note the content of this report and consider the joint procurement approach and if in agreement is asked to:
 - (i) Authorise Stockport to jointly procure an Integrated Sexual Health Service with Tameside and Trafford.
 - (ii) Authorise the Director of Public Health to award the contract on behalf of SMBC as part of the joint procurement and to do all things necessary or incidental to the award of the contract.
 - (iii) Note an exemption (to enable alignment of contracts for a joint procurement exercise with Tameside and Trafford) which enables the holding over of the current Sexual Health Service contract provided by

Stockport NHS Foundation Trust has been agreed to enable an extension of the existing contract from 1.4.16 until the 15.9. 2016.

BACKGROUND PAPERS

Appendix 1

Anyone wishing to inspect the above background papers or requiring further information should contact Michael Priestley on telephone number 07800 617521 or alternatively email michael.priestley@stockport.gov.uk