Memorandum – Chief Officer Recommendation

TO ENTER INTO THE INTER AUTHORITY AGREEMENT TO JOIN THE NEW PAN-LONDON SEXUAL HEALTH ON LINE EPORTAL SERVICE AS PART OF THE TRANSFORMATION OF SEXUAL HEALTH SERVICES ACROSS LONDON AND TO BE A PARTICIPANT CONTRIBUTING TO THE FUNDING OF THE E-PORTAL SUPPLIER CONTRACT AND THE MANAGEMENT OF THE E-PORTAL SERVICE

Exempt Information – The Appendices to this Report contain Exempt Information by virtue of Paragraph 3 or part 1 of Schedule 12A to the local Government Act 1972

Appendix A – Confidential Appendix setting out the full management and governance costs for e-services per participating authority (Exempt)

Appendix B – Confidential Appendix Financial Implication & Budget (Exempt)

Appendix C – list of participating authorities in the Pan-London Sexual Health online e-service & e-services mobilisation timetable

Appendix D – method statement questions used for the Pan-London Sexual Health online e-services

Appendix E – Future Governance Structure – Roles/Purpose

Dear Melanie,

This memorandum seeks your approval for Brent Council to enter into the Inter Authority Agreement (IAA) with the City of London (Lead Authority) and other participating authorities as detailed in the Recommendation below

1. Recommendations

It is recommended that the Director of Public Health:

1.1 Authorises entering into the inter-authority agreement (IAA) with the City of London (Lead Authority) and other participating authorities as detailed in this memorandum and for the payment of the contribution shown in Appendix A to enable access to the e-services procured by the Lead Authority on behalf of all the participating authorities and their service providers. The contract will be...
for a term of 5 years with the option to extend for up to 4 years and will be awarded to the most economical advantageous tenderer from the tender exercise completed by the Lead Authority and with Brent spend as detailed in confidential Appendix A of this report.

1.2 Authorises officers to finalise the IAA & the financial contribution parameters to the funding of the supply contract and management costs within the agreed budgets for these services as set out within this report and in line with the template figures detailed in confidential Appendices A and B and to report these back to the Director of Public Health before final agreement.

1.3 Notes that the new e-portal service is part of the new project intended to transform the provision of Sexual Health services across the capital. GUM services are an open access service meaning users can attend any clinic anywhere in the country and in practice each local authority pays for services delivered to its service users from any clinic they attend which will involve other providers than the one detailed in 1.1 above. London local authorities are also working in collaboration with each other to achieve a standardised approach to charging for such services to reduce overall costs, as well as integration with the pan-London e-services (as detailed in above) to re-direct less complex cases, and sub-regional services contracts are being let upon this basis.

2. Reason for Decision and Options Considered

2.1 A report went to Cabinet on the 15th December, 2015 seeking permission for Ealing Council to participate in the ONWL sub-regional arrangement, in collaboration with Harrow and Brent Councils, (procurement led by Harrow Council), for the procurement of a new integrated Sexual Health Service, comprising Genitourinary Medicine (GUM), Contraception and Sexual Health Services (CaSH) and other commissioned sexual health services (including primary care and outreach and prevention), to invite and evaluate tenders for the provision of public health services. These services include (1) an integrated sexual health service, at an Outer Northwest London level (ONWL) and (2) participation in the procurement of a London-wide e-service for sexual health information, sign-posting, self-sampling/testing of asymptomatic and less complex STI's and HIV, and triage into clinical services. These contracts are an integral part of a London re-design of a historically fragmented sexual health system. This transformation programme across London, and locally at sub-regional basis has focussed on service re-design and innovation, improving sexual health outcomes, whilst improving efficiency to deal with increasing demands for services, within the context of financial constraints.

2.2 Cabinet gave permission to invite and evaluate tenders for a new Integrated Sexual Health Service and the Pan-London Sexual Health online e-Service as described in 2.1 above and delegated authority to award contracts with the successful tenderer of the procurement as set out in 2.1
above, to the Director of Public Health (DPH), following consultation with the Chief Financial Officer and Chief Legal Officer. The interdependency of both services (ONWL Integrated Sexual Health Service and Pan-London Sexual Health online e-service) means that Councils are engaged in shared procurement, which may require flexibility with Council’s internal governance. Harrow Council is leading on the procurement for ONWL Integrated Sexual Health Services on behalf of Ealing, Harrow and Brent Councils and Camden Council on behalf of the City of London (as Lead Authority) is leading on the procurement for the Pan-London Sexual Health online e-service on behalf of the other London councils.

2.3 GUM and CaSH are statutory services and the contracts will be funded wholly from the Public Health budget.

2.4 Brent Council was included as a participating (related) Authority in the OJEU notice advertising the Pan-London Sexual Health online e-service along with 26 other London Councils. Four other authorities indicated that they may wish to join the arrangement at a later date (Named Authorities). See attached Appendix A.

2.5 New technologies, including access to the online e-service, alongside clinical sexual health services, and the development of a ONWL Integrated Sexual Health Service model (including sub-contracting with primary care and voluntary sector providers) will offer different, more efficient, options of sexual health service delivery. The London Sexual Health e-service will provide high quality advice and information about sexual health services and online access to order self-sampling and testing kits for STI’s and HIV for people who have been appropriately triaged. This will be accompanied by professional health advice. Access to self-sampling kits offer the opportunity to move a proportion of attendances outside of clinics to convenient online alternatives. There may be further potential for service development of the Pan-London Sexual Health online e-service to provide clinical online booking and centralised partner notification in the future.

2.6 Brent Council currently offers sexual health services through a number of different service providers. Services are not as integrated as they could be, many with different service entry points, making it a complex system for those using the services. The Council’s view, shared by other London Councils through the collaborative work, is that it needs to reshape how the current services are provided so that there is a more holistic approach for users and this will allow help to be accessed where it is needed most. Residents do not get an integrated, tailored service pathway and can end up being signposted between services and dropping out of the system along the way. The open-access nature of GUM and CaSH services means that people access services outside of the borough, mainly across London. Therefore, a London-wide approach to sexual health commissioning offers opportunities to better meet need and manage demand by re-designing

Contract Procurement and Management Guidelines

Jan 2016

Chief Officer – Approval to Extend Contract

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services that improve access, such as online triage and self-management, where appropriate so that people only go to clinics when they need to.

2.7 With a number of sexual health contracts coming to an end on the 31st July 2017 (including extensions to align with this procurement) there is an opportunity for Public Health to deliver economies of scale by integrating sexual health services, improving co-ordination, cutting duplication and increasing value for money across Ealing, Harrow and Brent, and London. The new ONWL Integrated Sexual Health Service and pan-London e-services model will deliver sexual health services more efficiently and become more effective for those using the services in a more coherent structure, enabling access by combining services and re-designing provision to support self-management, where appropriate, freeing up valuable clinical time for more complex health needs and vulnerable patients and enabling a faster response through effective triage and provision of appropriate services. Targeted provision and increased contraception access will be enhanced by the ONWL provider sub-contracting with primary care and specialist HIV prevention and health promotion providers to engage with MSM, BAME groups, young people, and other vulnerable groups. The Service will be integrated with the Pan-London Sexual Health online e-service, with mutual referral pathways to ensure people are seen in the right setting. The aim is that up to 30% of users who have low-risk are diverted into the London e-service, incrementally throughout the contract period. As well as the provision of pathways in and out of the e-service, these services will provide effective pathways into other services, including, but not limited to abortion services, gynaecology, HIV treatment and care and drugs and alcohol services.

2.8 There will be a phased approach to integrating the online service with the sub-regional open access clinical services. Brent Council in partnership with Harrow and Ealing Councils will have an integrated service from August, 2017.

2.9 Under the Public Contracts Regulations 2015, the procurement of contracts for health, social and related services are required to follow the Light Touch Regime. However, owing to the value of the services being procured, it was decided between the three authorities to tender the ONWL Integrated Sexual Health Service and between London boroughs to tender the Pan-London Sexual Health online e-service under the full regime of the Public Contracts Regulations 2015 using the Competitive Procedure with Negotiation.

2.10 By allocating services into a single contract for the ONWL Integrated Sexual Health Service and a single contract for the Pan-London Sexual Health online e-service and integrated provision for the service user, rather than contracting services individually, certain synergies and efficiencies can be achieved and service users should be able to experience a more
seamless journey across ONWL and Pan-London Sexual Health online e-service sexual health pathways.

2.11 Robust service specifications and terms and conditions for the ONWL integrated and pan-London service were developed. The specification clearly defines the expectation of the organisations to meet the requirements of the Councils and evidence based national policy/guidance. Services will be delivered in-line with the most recent best practice recommendations issued by the National Institute for Health and Clinical Excellence (NICE), the Department of Health (DH), British Association for Sexual Health and HIV (BaSHH) and Faculty of Reproductive and Sexual Health (RSH) guidelines.

2.12 The procurement of the Pan-London Sexual Health on-line e-service was conducted by Camden Council on behalf of the City of London (who is the Lead Authority). There were three stages to this:
- Selection (pre-qualification)
- Invitation to Participate in Negotiation (ITPN)
- Invitation to Submit Final tender (ISFT)

2.13 In respect of the on-line service, 8 organisations submitted selection questionnaires which included Health Trusts, private companies and a Community Interest Company. The majority of submissions were consortia due to the hybrid nature of the services in terms of information technology/clinical services. Following evaluation against the selection criteria, 6 organisations were invited to the ITPN stage. Only three submitted tenders, two of which were consortia.

2.14 At initial tender stage, tenders were evaluated using a quality/price ratio of 70:30 as set out in the published tender documents. The two highest scoring submissions were invited to the negotiation stage. The third organisation did not meet the minimum standards and did not progress to that stage.

2.15 Quality was evaluated in line with weighted criteria as detailed in a set of method statements (see Appendix C). These included areas such as website design and functionality, information governance, sample kit design and content, social value, safeguarding and mobilisation.

2.16 Price was assessed based on an evaluation of the Total Tender Sum which comprised:
• the Kit Costs for each year of the Contract
• the Kit Diagnosis Costs based on a notional return rate of 70%;
• a price for Chlamydia only treatment

2.17 The evaluation panel for each element of the tender included the programme lead, commissioners from the London sub regions, a clinician, health advisor, finance officers, information technology (IT) reps from City of London along with colleagues covering safeguarding and information governance (IG). A microbiologist and virologist were involved in the visits to the pathology laboratories. The Head of Commercial Services for the City of London attended moderation discussions.

2.18 Service user focus groups were involved with reviewing the sampling kits and the design and layout of the proposed websites. Feedback from the groups informed the panel’s discussions on these aspects.

2.19 Discussions at the negotiation stage were documented in detail and recorded as issues logs which were updated after each negotiation session and addressed all aspects of award criteria/method statements. There were three negotiation sessions held with each bidder with the aim of developing their initial submissions to ensure comprehensive final tender bids and clear and sustainable pricing models.

2.20 At final tender stage, tenders were evaluated using a quality/price ratio of 50/50. The weightings differed to shift the focus of the tenderers at each stage. At initial tender stage the focus was on the quality and technical elements to ensure that all tenders were of good quality, and then subsequently at final tender stage the focus shifted to ensure that the tenderers turned their attention to the pricing elements after negotiation in order to submit competitive tenders.

2.21 The evaluation of the Pan-London Sexual Health online e-services is still being concluded and the winning tenderer is yet to be determined and formally notified by the Lead Authority, however, owing to the tight timescales for this collaborative procurement authority is required to enter into the IAA with the Lead Authority ahead of notification of the winning tenderer owing to the IAA needing to be signed by all parties prior to the Lead Authority entering into the contract with the winning tenderer who will be selected following the robust procedure outlined above and will be the most economically advantageous tenderer from that procedure.

3. Key Implications

A new integrated sexual health service is aimed at providing a seamless service across the ONWL sub-region, ensuring effective prevention, triage and self-management, where appropriate and specialised care for complex conditions and
more vulnerable people. The overall aim of improved service provision, including the integration of the new ONWL Integrated Sexual Health Service with the new Pan-London Sexual Health online e-service, is to improve sexual health outcomes for individuals and the population.

4. Financial Implications

4.1 Brent budget available for contribution to the cost of the e-portal services is as follows:

Year 1 £112k, Year 2 £224k, Year 3 £365k, Year 4 £377k, Year 5, £392k. The total projected contribution to the e-services costs for Brent is £1,471m over the 5 year term. (see Appendix B) This equates to an average annual forecasted cost of £294k. There will also be a management fee payable to the Lead Authority, City of London for its costs of managing the e-services supplier. This is currently estimated to be in the region of £10k per year.

4.2 The new service is expected to start on 1st August and it is anticipated that the e-service will have commenced by this date, enabling the activity diversion assumed by LNWHT to be achieved. There will not therefore be a full year of diversion in 2017/18 and it will take time for the newly transformed service to embed and activity trends to be established.

4.3 This is a demand led statutory service and whilst assumptions have been made around the level of activity over the 5 years of the contract, this level of activity cannot be confirmed. Demand will fluctuate and the nature of the services provided (and therefore the currencies triggered) will change over the term of the contract, both of which will affect the total price paid for services in any financial year.

4.4 The contract does not include any provision for inflation and the tendered price for the currencies will be charged throughout the life of the contract.

4.5 The Public Health grant is currently ring-fenced until March 2019, after which it is expected that the service will be funded by business rates. It is not clear what impact, if any, the changes to the funding will have on the level of available resource but as a statutory service, the costs of this service will need to be funded by the Council. It should be noted that award of any future contract results in contractual obligations with the provider for services which are funded by external grant and which cannot be guaranteed in the longer term.
5. Legal

5.1 The Health and Social Care Act 2012 creates a statutory duty for the Council to take such steps as they consider appropriate for improving the health of people in the borough. The Council inherited responsibility for a range of public health services previously provided by the NHS. The Secretary of State continues to have overall responsibility for improving health – with national public health functions delegated to Public Health England.

5.2 Local Authorities (Public Health Functions and Entry to Premises by Local Healthwatch Representatives) Regulations 2013 (SI 2013/351) sets out certain functions as mandatory for the Council to undertake. These include:

a. Provide, or make arrangements to secure the provision of open access sexual health services in their area. (Regulation 6)

b. Medical Inspection of pupils and weighing and measuring children for the National Child Measurement Programme. (Regulation 3)

c. NHS Health Check assessment. (Regulations 4 and 5)

5.3 The commissioning of other services to meet the public health improvement duty is guided by strategies including the Department of Health's Public Health Outcomes Framework, the local joint strategic needs assessment and the joint Health and Wellbeing strategy.

5.4 The charging regulations mean that when the Council provides services as part of the comprehensive health service these services must be free at the point of use just as they were when provided by the NHS.

5.5 The Council has a number of general duties under the Care Act 2014 which include –

- To promote an individual's well-being. Well-being is defined in the 2014 Act and includes control by the individual over day-to-day life. In exercising this general duty the Council must have regard to the importance of preventing or delaying the development of needs for care and support as well as and the importance of the individual participating as fully as possible.

- To promote integration of care and support with health services. The statutory guidance supporting the 2014 Act includes guidance for Council departments and their partners working more closely together and in a joined up manner.
• To establish and maintain a service for providing people in its area with information and advice relating to care and support. This service should include information about the choices and types of care and support available, choices of providers available and how to access the care and support.

5.6 The arrangement of the proposed services in this report contributes to meeting this general duty.

5.7 Under the new Public Contracts Regulations 2015, the procurement of contracts for health, social and related services are required to follow the Light Touch Regime. The Light Touch Regime under the Regulations require that contracts over £625,050 in value are advertised in the Official Journal of the European Union (OJEU), a contract award notice is published (following completion of the procurement process), compliance with the EU Treaty principles of transparency and equal treatment, and a requirement to carry out the procurement in conformance with the information provided in the OJEU advert.

5.8 Owing to the values of both the ONWL and the eportal procurements it was decided that for each a full competitive tender process was followed in accordance with the Public Contracts Regulations 2015, with full advertising of the requirements (including publication of an OJEU Notice in the Official Journal of the European Union) and the lead Council’s Contract Procedure Rules (Harrow for ONWL procurement and Camden for e-services procurement) being followed when inviting and evaluating tenders for each contract to ensure the best possible value for money for the Council’s in London.

5.9 The contract for services for the e-portal system and management is to be a contract made between the Lead Authority, City of London and the services provider (only). Brent Council will not be signing this contract. Instead Brent will be taking certain benefits from and making a commensurate contribution to the services provision and contract management on the terms of the IAA.

5.10 There is delegated authority by means of the Council’s Cabinet Decision of 14th December 2015 for the Council’s Director of Public Health to enter into the IAA and associated participatory commitments for the purpose of the setting up and management of the e-portal services as part of the new transformation project. The Cabinet Decision is that this decision is to be taken in consultation with the Heads of Finance and Legal. (The Cabinet Decision also delegated authority to the Director of Public Health for the purpose of award of the sub-regional health services contract and this authority was exercised in consultation with the heads of Finance and Legal with the authorisation of award in the Procurement Gateway 2 Report dated 18 April 2017).
5.11 Based on the above statements and the reports on procurement activities provided by City of London Lead Authority in the e-procurement, it is believed there is no breach of European Procurement legislation.

5.11 There are insurance requirements contained in the IAA applicable to all participant authorities including Brent. In addition there are certain indemnity and liability commitments in the IAA which Brent and other participant authorities are required to enter into, in order to participate and receive the benefit of the new e-portal system. These requirements and risks will need to be implemented and managed in liaison and with the Council’s insurance and risk management advisers.

6. Value for Money

6.1 Value for Money has been achieved through a competitive tender process to establish the most economically advantageous tenders to deliver the integrated lifestyle services.

6.2 The Integrated Sexual Health service model proposes the use of a tariff based payment, in combination with other levers such as integration, self-management, where appropriate and effective triage and prevention provide improved value for money than historical contracts.

6.3 There are also processes in place for monitoring and reviewing the costs of both services. For the ONWL integrated service, the public health team will be responsible for ensuring that the services are delivered in line with the service specification, in collaboration with Harrow and Ealing Councils. This includes regular contract performance review meetings and audit to ensure effective use of resources and relevance to population needs. For the Pan-London Sexual Health online e-service, the City of London has been appointed as the Lead Authority to manage the contract on behalf of participating Councils. All participating Councils are required to enter into an IAA with the Lead Authority in order to be able to access the procured e-services and once the ONWL provider contract is in place all parties will enter into a partnering agreement to allow the ONWL provider to work collaboratively with the e-services provider.

6.4 The recommended organisation for the Pan-London Sexual Health online e-service submitted a comprehensive and achievable implementation plan phased to capture sub regional contract awards. Arrangements have been put in place to ensure that the transformed service is managed well over the lifetime of the new contracts. A new governance model is agreed to ensure successful transition and future operation of a transformed system. This will include:

- A structure that supports the sub regions
- Ability for boroughs to hold each other to account and ensure delivery of benefits
- An annual cycle for the review of the e-service and integrated tariff
- Ensuring that all stakeholders including providers are engaged in overseeing annual plans for collaborative sign off
The structure of the future London governance arrangements is as follows:

See Appendix E for the roles/purposes of these boards and frequency of meetings.

12. Staffing/Workforce and Accommodation implications:

It is not envisaged that there will be staffing issues for Brent employees, or accommodation issues affecting Council property. There will potentially be such implications for the contractors.

13. Indicative Pan London Sexual Health online e-service

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<tr>
<th>Date</th>
<th>Event</th>
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<tr>
<td>10 May 2017</td>
<td>Signing of IAA by all participating councils and signing of provider contract by Lead Authority</td>
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<tr>
<td>TBC</td>
<td>Contract Commencement</td>
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17. Appendices

Appendix A – Confidential Appendix setting out the full management and governance costs for e-services per participating authority
Appendix B – Confidential Appendix Financial Implication & Budget.

Appendix C – list of participating authorities in the Pan-London Sexual Health online e-service & e-services mobilisation timetable

Appendix D – method statement questions used for the Pan-London Sexual Health online e-services

Appendix E – Future Governance Structure – Roles/Purpose

18. Background Information

Report to Cabinet on 15 December, 2016 is available on the Council’s website.

Brent Council Gateway 2 procurement report dated 18 April 2017 for the Award of sexual health services contract for the ONWL sub regional procurement.
1.0 The Benefits of the award

WAY FORWARD

Please confirm in writing in the approval box below whether or not:

Yours sincerely

Miss Isoken Aiyano Aigbekaen
Sexual Health Commissioner
Brent Council

I do approve the entry into the Inter Authority Agreement and related commitments detailed in the above report

Signed: 

Melanie Smith
Position: DPH
Date: 12/5/17

After being consulted regarding the above recommendations and proposed Inter Authority Agreement, I confirm I object/ do not object to the above agreement being entered into:

Signature

Conrad Hall, Chief Finance Officer

After being consulted regarding the above recommendations and proposed Inter Authority Agreement, I confirm I object/ do not object to the above agreement being entered into:

Signature

Debra Norman, Chief Legal Officer