

<b>Item No.</b>	<b>Classification:</b> Open	<b>Date:</b> 14 March 2023	<b>Meeting Name:</b> Cabinet Member for Health and Wellbeing
<b>Report title:</b>		GW3 Sexual and Reproductive Health Services	
<b>Ward(s) or groups affected:</b>		All	
<b>From:</b>		Strategic Director of Children and Adult Services	

## RECOMMENDATIONS

1. That the Cabinet Member for Health and Wellbeing approve the extension of the use of the sexual and reproductive health services contract that Lambeth Council have with King's College Hospital NHS Foundation Trust (KCH) for a period of one year from 1 April 2023 – 31 March 2024 at an estimated value of £1,418,571.
2. That the Cabinet Member for Health and Wellbeing approve the extension of the use of the sexual and reproductive health services contract that Lambeth Council have with Guy's and St Thomas' NHS Foundation Trust (GSTT) for a period of one year from 1 April 2023 – 31 March 2024 at an estimated value of £2,897,368.
3. That the Cabinet Member for Health and Wellbeing note that a procurement strategy to commission these sexual and reproductive health services from 1 April 2024 will be brought forward for decision in summer 2023.

## BACKGROUND INFORMATION

4. Public health services and the commissioning remit for sexual and reproductive health (SRH) transferred to local authorities on 1 April 2013 following the Health and Social Care Act 2012. Local Authorities accordingly have a statutory requirement to provide, or arrange to secure the provision of, open access sexual health services for their residents.
5. Provision of SRH services for Southwark residents is provided via in-clinic services through which residents can access any clinical SRH provider via booked appointments or walk-in arrangements, and via an online e-service named Sexual Health London. This report refers to procurement arrangements for provision of SRH services from the two existing local clinical providers; GSTT and KCH.
6. Joint commissioning arrangements for the provision of sexual health services are governed by a tripartite agreement between Lambeth, Southwark, and Lewisham (LSL) with Lambeth hosting a joint sexual health commissioning team and designated as the lead commissioner for joint contracts for the three

boroughs. The joint team is responsible to the LSL Strategic Board which determines the LSL commissioning priorities and approaches.

7. These contracts are included within the tripartite agreement. As the lead authority for the contracts, Lambeth ultimately have legal responsibility for contracts commissioned on behalf of LSL and hold corporate and governance risk.
8. The decisions that this report seeks relates to separate individual contracts with different providers (KCH and GSTT). For expediency and because all other background, context, and considerations are the same between each provider contract, these decisions have been requested within the format of a single joint paper covering the detail required but it is important to note for governance purposes that two separate contracting decisions are being requested to be made.

### **Sexual Health Need**

9. The level of sexual health need in Southwark is high, as set out in detail in Office for Health Improvement and Disparities'(OHID's) sexual and reproductive health profile.<sup>1</sup>
10. Southwark's diagnosis rate for major sexually transmitted infections (STI's) are significantly higher than the London and England averages. In 2020, 2,781 cases of new STIs per 100,000 population; significantly higher than the London average of 1,391 per 100,000. The number of STI diagnoses had been rising from 2017-2019, before falling in 2020, likely as a result of result of reduced clinic access during the pandemic but possibly due to some reduction in sexual activity during lockdown periods. Southwark's rate of new STI diagnoses in 2020 was the second highest in London (behind Lambeth). Rates of diagnoses of Gonorrhoea (753 per 100,000) and HIV (23.2 per 100,000) are both substantially higher than London averages. 40% of HIV diagnoses in Southwark in 2019-21 were made at a late stage of infection (resulting in worse prognosis).
11. Progress has been made in reducing teenage pregnancy; in 2020 the rate fell further to 7.5 under 18 conceptions per 1,000 population. High numbers of abortions and repeat abortions indicate that there is a need for improved access to contraception services. Southwark is performing well in achieving high rates of targeted screening for Chlamydia in young people, with 34% of young people aged 15 to 24 being screened in 2021. This is significantly higher than the London and England screening rates and is reflected in local rates of detection, with 2,564 Chlamydia infections detected per 100,000 15 to 24 year olds in Southwark.
12. Local Authorities have a statutory responsibility to provide open access sexual health services. The Lambeth, Southwark and Lewisham (LSL) Sexual Health Strategy 2019-2024 sets out a vision and direction for the

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<sup>1</sup> [Sexual and Reproductive Health Profiles - Data - OHID \(phe.org.uk\)](https://www.phe.org.uk/publications-and-reports/sexual-reproductive-health-profiles)

delivery of services to continue improving sexual and reproductive health in LSL over the five years to 2024. The strategy outlines LSL's intentions to reduce inequalities in sexual and reproductive health and to target services to those with greater need in order to reduce the impact of poor sexual health outcomes for our communities.

13. As elsewhere across London, in order to achieve best value for money, Southwark commissions a combination of in-clinic, and online, sexual and reproductive health services in accordance with the council's responsibilities.

### **Commissioning Structure and Governance**

14. Southwark currently spends approximately £8.7M per annum on sexual and reproductive health services, which includes all sexual and reproductive health services provided in primary (GP and pharmacy) and secondary care (hospital clinics), digital and outreach services, and includes promotion and prevention work. The two contracts with KCH and GSTT provide local sexual and reproductive health clinics at GSTT and KCH hospital sites, and they make up £4.3M of this overall spend. These services are all funded by the public health grant.
15. Southwark Council is one of 31 (of 33) London council signatories to the 'London Sexual Health Programme', via an Inter-Authority Agreement (IAA). The IAA includes a common core service specification and agreed pricing for clinic services via the 'London integrated sexual health tariff' (ISHT). These arrangements enable patient choice, provision of standardised services and equitable costs across London, as well as facilitating system-wide, reciprocal cross charging for SRH care. The services at KCH and GSTT use this common core specification. The services are available to residents from outside of Southwark and Lambeth, and are re-charged to their borough of residence.
16. All SRH services nationally are provided on the basis of 'open access services': this is the principle that Southwark residents should be able to access sexual health services wherever they are, and that those services located within our borough should be open to residents from elsewhere. In 2020-21, 26% of all SRH Activity for Southwark residents took place in clinics outside of the borough. Where activity takes place in out-of-borough clinics (such as Dean Street, run by Chelsea and Westminster NHS Foundation Trust), Southwark council is recharged for this activity.
17. Host council(s) are identified as lead commissioners for particular hospital-based services, who then commission contracts with their local providers. Lambeth are the lead contractor for the KCH and GSTT sexual health contracts, acting on behalf of Lambeth and Southwark with Southwark identified as the host borough for KCH, and Lambeth for GSTT). Clinics need to ensure that they can also accommodate the needs of service users from both the host and wider boroughs and recharge relevant councils accordingly via the London ISHT.

18. Block contracts are held by Lambeth Council with KCH and GSTT on behalf of Lambeth and Southwark councils. These contracts were negotiated in 2016-17 through direct negotiation with providers. In December 2015, Cabinet approved a GW1 approval for a procurement strategy whereby local commissioners would pursue a negotiated approach to the award of a contract with KCH and GSTT for the continued provision of SRH services. In September 2017, cabinet approved two four and a half-year contracts for integrated sexual and reproductive health services to be awarded to KCH and GSTT following this negotiation process. Cabinet noted the significant reduction in contract costs in delivering integrated sexual health services as a result of the negotiated contracts and use of the ISHT. These contracts commenced in October 2017 and were due to end on 31 March 2022; however, a GW3 approval to extend these contracts with KCH and GSTT for a period of 12 months, from 01 April 2022 to 31 March 2023, was approved.
19. In order to provide good value for money and a range of access options for residents, Southwark Council is part of London-wide commissioning of an online e-service, Sexual Health London (SHL) which provides sexual health testing, contraception and some treatment. Where appropriate, clinics are expected to transfer those with no symptoms to SHL, which is a more cost-effective delivery platform for uncomplicated health needs. This arrangement helps to preserve in-clinic services for more complex care, so that those who need to be seen in specialist clinics can do so.
20. There are cost pressures experienced by all NHS Trusts providing sexual health services, in part due to increased inflation, the cost of living crisis and related pay awards for staff. Integrated sexual health tariff payments set the level of cost for each type of activity within SRH provision and were set at a pan-London level in order to ensure consistency in costs to support the open-access nature and requirement for the provision of sexual health services.
21. The need to fully assess and determine an accurate picture of sexual health need is a driving reason for the need to extend current SRH contracts by one year in order to consider the points provided in the reasons for variation below. There is a need to fully assess the impact of some system-wide changes that have occurred in order to help establish a true level of need for sexual health SRH service provision.

## **KEY ISSUES FOR CONSIDERATION**

### **Reasons for Variation**

22. The points outlined in the subsequent paragraphs are provided to illustrate changes that have occurred or factors that are relevant during the current contractual period and that contribute to reasons for the need to extend contracts. These include considerations around statutory requirement; pan-London whole system interdependencies; unexpected changes to provision precipitated by the COVID-19 pandemic and an Mpox virus outbreak; market considerations; and future provision considerations.

## **Statutory requirement and pan-London interdependencies**

23. Provision for sexual health services is mandatory and these are required to be open access. Department of Health and Social Care (DHSC) cross charging guidance requires local authorities to pay for services used by their residents at the prices agreed by the host commissioners. Lambeth is the host commissioner for the services provided by KCH and GSTT and negotiates terms with the provider on behalf of other London boroughs. Lambeth also negotiates specifically on behalf of Southwark Council via a joint commissioning arrangement which is underpinned by a tri-partite agreement between Lambeth, Southwark and Lewisham Councils.
24. Current contracts for which the extensions are proposed report all clinical activity against the integrated sexual health tariff (ISHT). In 2017 these contracts introduced the requirement that, where appropriate, asymptomatic testing for sexually transmitted infections (STIs) should be transferred to the sexual health online / e-service platform for London (SHL) where such testing is delivered at a cheaper price point than in clinics.
25. The combination of integrated sexual health (ISHT) clinic and e-service (SHL) provision has delivered significant savings for all London local authorities when compared with the pre-2017 payment system. In that system, interventions for testing and management of sexually transmitted infections (STIs) were remunerated via the national Genitourinary Medicine Payment by Results (PbR) tariff, which applied a flat rate payment to the provider for each clinic attendance. Contraception and reproductive health services were paid as hosted block contracts, without potential for recharge for out of area attendances, which meant that hosting boroughs bore the entire costs of provision regardless of a user's resident borough. The ISHT changed this and covers a range of costs for different elements of service provision. Tariff currencies are set and revised with clinical input and designed to utilise clinical staff appropriate to the level of complexity of service and thus deliver a more cost-effective service. The ISHT enables STI and reproductive health care to be recharged accordingly.
26. During the COVID-19 pandemic routine access to services was temporarily restricted due to acute trust staffing redeployments (to the front-line COVID response). Attendances at clinics also reduced during the lockdown periods. Face to face appointments were prioritised for those with acute clinical need.
27. In response to this, the SHL e-service expanded its capacity for asymptomatic STI testing; increased its service offer to include some testing for those with symptoms; and now provides online access to routine contraception and emergency hormonal contraception. This has resulted in a greater than expected shift in the balance of provision between clinics and e-service. The suitability of proportion and type of activity mix between in-clinic versus on-line activity requires assessment. Extension of contracts for one year will enable assessment and activity baseline setting.

## **COVID-19 and MPox Impacts**

28. Lambeth Commissioners' review of these contracts and processes for planning change requirements have been impeded by the ongoing impacts of COVID and MPX on KCH and GSTT clinical services and have resulted in reduced service provision. Whilst activity levels recovered somewhat following COVID, effects on the services of responding to MPX have confounded work to plan future contract levels with accuracy. There are also upcoming changes expected to national procurement guidance and legislation for these services which will impact on the most appropriate commissioning routes.
29. In May 2022, just as the system of delivery appeared to be recovering from the impacts of COVID-19, an outbreak of Mpox virus was identified in the UK. Initial cases were detected in London, and the numbers of reports confirmed by the UK Health Security Agency (UKHSA) increased rapidly. These were mainly identified in gay, bisexual and other men who have sex with men, with no documented travel to endemic regions, who were presenting to sexual health services. Although not defined as a sexually transmitted infection (STI), most of those affected appeared to have acquired MPX during sexual encounters. Many of those presenting to SRH services had concomitant STIs.
30. This outbreak of MPX required the rapid mobilisation of a clinical response, to develop investigation and management pathways for those who may be infected or at risk of MPX, provide advice, diagnostic testing and treatment (if needed) and, subsequently, to administer vaccines. Inevitably, this led to significant impacts on SRH clinic services, both in terms of infection control measures, and in clinical resources needed. Responding to MPX diverted clinic staff away from routine business and was associated with a corresponding drop in reported SRH service activity.
31. As the current contract incorporated significant changes including the move to an integrated tariff-funding model and the requirement to divert asymptomatic STI testing to online services where appropriate, commissioners will continue to evaluate the impact of these changes and how they have affected the clinical service model and case mix.
32. Ongoing impacts of the factors summarised in the previous paragraphs have made it difficult to plan for future service levels and financial values with any accuracy at the current time and so this paper recommends extending contracts for a further year to support service recovery and further evaluation.

## **Market considerations**

33. As Southwark Council is signatory to the IAA for the 'London Sexual Health Programme' (paragraph 15a), the council uses the 'London Integrated Sexual Health Tariff' (ISHT).
34. The market for provision of SRH services in London is limited. It is dominated by NHS Foundation Trust providers. There are a very limited number of voluntary sector organisations which provide basic genitourinary medicine and reproductive and sexual health services (described by the NHS as 'level 1 and 2' services).
35. KCH and GSTT are established local NHS provider organisations and are central partners within the Integrated Care System (ICS). Protecting future sustainability of health and care services will be a key priority for Integrated Care Boards (ICBs) going forwards and which is best achieved through the integrated and collaborative approaches of commissioners and providers in the procurement and development of services.
36. Extending the contracts with KCH and GSTT by one year will enable further work to be completed with the two providers on establishing the correct baselines for service provision following recovery from the major pandemic impacts. It will enable a recommendation on future procurement to be brought for decision to Cabinet in summer 2023. It will also allow closer alignment with contracts at other London services and will also allow time for the London Sexual Health Programme team to provide a steer on the future strategic approach to service delivery.

### **Future proposals for this service**

37. The proposed extension will allow commissioners to consider the future service in the context of the developing Integrated Care System (ICS) and associated changes in the local operating environment. Commissioners also need time to assess the potential future utility of changes precipitated during the COVID pandemic and understand any ongoing provision that may be required for MPX and / or other communicable disease outbreak responses that require input from SRH provider services. The extension will allow sufficient time to put contracts in place with the providers.
38. As part of preparation for the process of contact negotiation with SRH providers for service provision from 1 April 2024 onwards, a workplan will be developed with Lambeth to define and more clearly understand the needs of SRH service capacity and resource demands, and how service provision integrates with other elements of service provision across the local health system. The workplan will ensure address the following issues:
- a. there is scope to develop further alignment with other parts of the treatment system and this may include the alignment of contract terms for the provision of outreach and young person services with SRH provision;

- b. there is a need to clearly define the objectives that LSL have as outcomes from the contract negotiation process in terms of capacity, cost, service development, outreach and integration with other parts of the local health system; and,
- c. a timeline negotiation schedule will be developed in collaboration with Lambeth as lead commissioners.

39. Ensuring best value arrangements for SRH provision funded by councils relies on the accurate development of SRH service baseline activity assessment, as these determine the contract values. It will be essential to fulfil these important processes prior to procuring services appropriate for the next five-year contracting period.

### Alternative Options Considered

40. Entering into direct contract negotiation with each of the providers (KCH and GSTT) was considered and initially planned to begin in late 2022 with the objective to re-negotiate contracts and issue a direct contract award for a period of five years from 1 April 2023. This was deemed unsuitable due to the issues in need to better establish levels of need in order to adequately and responsibly commission SRH services for the local population and for those reasons highlighted in previous paragraphs.

41. The governance review process within Lambeth as part of the decision making process to approve this approach recognised the risks and determined it would be more appropriate to delay the contract negotiation to allow time to more clearly assess needs. Other options that were considered are summarised in the table below.

No.	Option	Impact
1.	Do Nothing (provide no clinical services)	<ul style="list-style-type: none"> <li>- Southwark would be in breach of its statutory duty to provide SRH services.</li> <li>- Incidence of STIs and unwanted pregnancies likely to worsen within the borough, with associated health and care costs.</li> </ul>
2.	Extend current contracts	<ul style="list-style-type: none"> <li>- Extending existing contracts will provide a further year of stability to providers with the expectation of longer contracts to be commissioned from 1 April 2024</li> <li>- This will allow the council more time to assess need more fully and provide a different service model.</li> <li>- This would delay any benefits that could be realised by entering into new agreements which afford the opportunity to re-define objective outcome requirements from a service provider, however it is seen as the preferred way by Lambeth as lead commissioners for LSL to ensure that areas of</li> </ul>

		service development focus will ensure benefits can be built into future commissioning
3.	Full competitive procurement via Find a Tender (FTS) process	<ul style="list-style-type: none"> <li>- The provider market of specialised clinical SRH interventions is very limited and gaps in detailed understanding of need would mean the service specification would not be fit for purpose</li> <li>- As a signatory to the London Sexual Health Programme, Southwark is committed to fixed tariff pricing as per the ISHT.</li> <li>- Experience from other local authority (LA) areas (2014-17) shows that moving to non-NHS providers involves substantial risks: including loss of trained staff, failed contracts due to inadequate staffing, and deleterious effects on service quality.</li> </ul>
4.	Procure via a suitable compliant framework	<ul style="list-style-type: none"> <li>- No appropriate framework has been identified</li> </ul>
5.	Direct negotiation with providers. Lambeth to lead direct negotiation with GSTT and KCH on behalf of LSL tripartite commissioning partnership arrangement and London IAA.	<ul style="list-style-type: none"> <li>- This approach would enable Lambeth and Southwark Commissioners to work with KCH and GSTT colleagues to further develop specialist SRH services and optimise pathways within and between providers (as per paragraph 21)</li> <li>- The incumbent contractors (KCH and GSTT) are deemed to be performing effectively.</li> <li>- Experience from 2017, when Lambeth and Southwark negotiated directly with established service providers, has demonstrated benefits: both Trusts were keen to assimilate the contract changes and move forward with significant change agenda at that time.</li> <li>- Enable continued development of established partnerships (between commissioners and Trust clinicians / service management) to support the future sustainability of high quality SRH services.</li> <li>- Due to gaps in clear understanding of baseline levels of activity and levels of need, this is the preferred long-term option but to get the best out of it, delaying this process for one year would give it the best chance of being successful and effective in the longer term.</li> </ul>
6.	Provide SRH services in-house	<ul style="list-style-type: none"> <li>- The option of insourcing SRH Services likely presents unacceptable risks and costs and therefore is not recommended.</li> <li>- Potential loss of workforce: there is a high likelihood that SRH staff would leave a service that transferred to a non-NHS provider, to retain their NHS terms and conditions.</li> <li>- The absence of any cost-saving potential: the local authority intending to insource would need to register</li> </ul>

		with professional bodies/regulators to deliver clinical services and ensure clinical supervision for staff. The council would need to establish a client record system that has connectivity to NHS records, and satisfies NHS information security, otherwise links with critical referral services (such as ante-natal care, A&E or primary care) would be lost. They would also need to acquire relevant licences currently integral to NHS providers. This would all bring additional cost.
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### Identified risks for the variation to extend the contract

42. Identified risks and mitigations are set out in the table below.

Risk	Impact and mitigation
<p>The proposed contract extensions will continue provision on the current contract terms at block payment levels that LSL are not currently completely confident are aligned to actual levels of demand within the system.</p>	<p>This is a risk for one year and the risk is mitigated by extending for one year rather than rushing through a commissioning process to set contract prices and terms for a full five-year period.</p> <p>This risk is a shared risk with SRH provider services who will receive a contract extension offer for a one year period with no uplift on the basis that contract negotiation for provision from 1 April 2024 onwards will be negotiated from a more informed position. The future negotiation will set suitable levels of service and will provide stability and sustainability within the system through a longer-term contracting period following this one year extension.</p>
<p>Risk of provider (procurement) challenge due to a further extension of the contract that was not anticipated in the original award.</p>	<p>The risk of provider (procurement) challenge is low, and is mitigated by rationale provided in subsequent procurement and legal concurrents. The LSL commissioning team within Lambeth Council will work to mitigate the risk as the lead contractor.</p>

## **Policy framework implications**

43. This contract extension request supports the strategic aims of the LSL Sexual Health Strategy by ensuring continued provision of mandated provision of open access sexual health services for residents in line with Health and Social Care Act (2013) requirements. The decision to extend the contract in order to better determine and define long term requirements whilst supporting system and service development towards LSL sexual health strategic priorities is detailed throughout the body of this report.
44. The contract extension request and subsequent development of better informed longer-term commissioning programmes of support for sexual and reproductive health is in line with UK Government All Our Health Framework and specifically the application of this to sexual and reproductive health and HIV prevention by Office for Health Improvement and Disparities (OHID).
45. The contract extension request supports local sexual health strategic objectives as identified within the Lambeth, Southwark, and Lewisham (LSL) Sexual Health Strategy; Health & Social Care Act (2013) statutory sexual health service provision requirements that Local Authorities are responsible for; and Southwark Plan<sup>2</sup>, specifically the strategic policy of thriving neighbourhoods and tackling health inequalities.

## **Contract management and monitoring**

46. Contract management arrangements during the one year extension will continue as per the current arrangements – i.e. Lambeth will continue to lead on monthly monitoring. KPIs established for the existing contracts will be those used during the extension. Public Health terms and conditions will be used. Monitoring and performance management will be led by Lambeth Public Health commissioning team.
47. There is an established performance monitoring programme led by Lambeth as lead commissioner which Southwark commissioners are fully engaged in which has governance through the LSL Board which oversees the LSL commissioning arrangements and meets quarterly. This performance monitoring approach reviews performance against KPI's and tracks activity and spend against both direct provision for residents of the boroughs which fund the services (in this case: Lambeth, Southwark, or Lewisham), as well as out of area activity which requires financial recharge in line with the content outlined in paragraphs 15a–15d. An annual performance review covering the 2022-23 contracting year will be provided to DCRB / CCRB between June and October 2023, when the Q4 service data has been reviewed and verified.

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<sup>2</sup> [Southwark Plan 2022 - Southwark Council](#)

## **Community, equalities (including socio-economic) and health impacts**

### **Community Impact Statement**

48. Sexual health clinics provide services for people with a range of lifestyles and circumstances and include those who may be vulnerable or at risk. Both acute Trusts have effective adult and child safeguarding policies in place to identify and support such individuals. Service provision and pathways to a range of relevant support services are in place for those who engage in risky sexual behaviours, those who are using alcohol and drugs, those who have experienced sexual violence, coercion, or intimate partner violence.

### **Equalities (including socio-economic) impact statement**

49. Prior to the commencement of the existing contracts, an Equalities Impact Assessment was undertaken at a London level by officers leading the London Sexual Health Programme. This demonstrated positive impacts in maintaining access to STI testing and treatment to ensure that key outcomes can be met, especially for those most at risk of poor sexual health - young people, black African and black Caribbean communities, and men who have sex with men (MSM). Public health priorities for sexual and reproductive services include increasing STI testing amongst young people, MSM, black African and black Caribbean communities; increasing HIV testing amongst MSM and black African communities; reducing late diagnosis of HIV; and increasing access to contraception and, in particular, long-acting, reversible contraception (LARC) to reduce teenage conceptions, abortions and repeat abortions.

### **Health impact statement**

50. The proposal supports public health's delivery of the Joint Health and Wellbeing strategy by maintaining open access sexual health services. This is essential given the borough has higher rates of poor sexual health, harmful drug and alcohol use and HIV prevalence in comparison to London averages.

51. These commissioned services support the council's strategic objectives for sexual health as outlined in LSL Sexual and Reproductive Health Strategy 2019-24 priorities and sexual health related Joint Strategic Needs Assessments (JSNAs).

52. As with many health outcomes, sexual health is patterned by socioeconomic inequalities, with those from deprived areas at greater risk of negative outcomes, such as sexually transmitted infections and unplanned pregnancy. In Southwark, there is a particular need to ensure that groups who are over-represented in terms of infection rates (eg: MSM, young people, black Africans and black Caribbean's) are served well by any transformed sexual health services. As part of the preparation efforts for contract negotiation for provision from 1 April 2024, it is expected that an EIA will be developed to address this and inform negotiations in order that the longer-term contract has a focus on targeting the most affected population groups for poor sexual

health. Open access sexual health services will continue to be available for those who are unable to access online service provision.

53. The scope of new service provision will be available to all residents who present with a sexual health need regardless of protected characteristics, and as such may be considered a universal service. Any impacts are likely to be positive in terms of the individuals engaging with the service. Consideration has been given to how sexual health affects residents and the impact of financial disinvestment from the overall treatment system has also been considered.

### **Climate change implications**

54. Service provider locations are accessible by public transport, by foot, or cycling which reduces the impact of private car travel on carbon footprint. Services are set up to signpost and divert appropriate activity to e-service provision which reduces the need for travel and provides ease of access for patients. Existing provider services are both large hospital trusts with good awareness of climate change and their role in reducing carbon footprint impact. Each provider has their own sustainability plans, and is required to comply with The Greener NHS, Long Term Plan, NHS Standard Contract, and Operational Planning and Contracting Guidance for the NHS, which require deliverables for environmental sustainability in the NHS.

### **Social Value considerations**

55. The Public Services (Social Value) Act 2012 requires that the council considers, before commencing a procurement process, how wider social, economic and environmental benefits that may improve the wellbeing of the local area can be secured. The social value considerations included in the tender (as outlined in the Gateway 1 report) are set out in the following paragraphs in relation to the tender responses, evaluation and commitments to be delivered under the proposed contract.

56. The providers will be required to demonstrate their commitment to social value by engaging with service users, residents and local health and wellbeing organisations and by supporting action to facilitate service access from across our diverse local communities, including those who are vulnerable and socially disadvantaged. Facilitating links and referrals to wider health and social care provision, where appropriate, adds social value and enables the incumbent providers to develop a more responsive and robust service.

### **Economic considerations**

57. The health economics argument for investment in sexual health services illustrates the value that they deliver in downstream savings for health and social care services. For example:
- preventing unplanned pregnancy through NHS contraception services (RSH) has been estimated to save over £2.5 billion a year;

- preventing STIs such as Chlamydia dramatically reduces the costs associated with pelvic inflammatory disease and preventable infertility;
- increased access for women of reproductive age to long acting reversible contraception (e.g. intrauterine devices, injectable contraceptives and implants) and prompt access to emergency contraception has been proven to be cost effective; and,
- the average lifetime treatment cost for an HIV positive individual is calculated at approximately £276,000. The monetary value of preventing a single onward transmission is estimated to be between £0.5 and £1million in terms of individual social care and health benefits and treatment costs.

### **Social considerations**

58. Improved access to sexual health services will improve the health and wellbeing outcomes of Southwark residents with need of sexual and reproductive health services.

59. The existing contracts specify for providers to pay the London Living Wage (LLW) to all staff employed via these contracts. Incumbent NHS Trusts are London Living Wage Employers.

60. Pursuant to section 149 of the Equality Act 2010 the council has a duty to have due regard in its decision making processes to the need to:

- a. Eliminate discrimination, harassment, victimisation or other prohibited conduct.
- b. Advance equality of opportunity between persons who share a relevant protected characteristic and those who do not.
- c. Foster good relations between those who share a relevant characteristic and those that do not share it.

61. The relevant protected characteristics are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation. The Public Sector Equality Duty also applies to marriage and civil partnership, but only in relation to (a) above.

62. NHS providers are signed up to the London Mayor's Healthy Workplace Charter.

### **Environmental/Sustainability considerations**

63. The NHS providers have recycling systems in place and promote the reduced use of single-use plastics amongst their staff and clients.

### **Financial Implications**

64. There are minimal financial risk implications. Recent cost saving budget proposal submissions reflect a very small budget reduction of just under £4k

from SRH contracts in order to support the proposed extension of the SRH contract as proposed within this paper. There is sufficient budget within the core sexual budget to facilitate the proposed extension.

65. Budget savings from sexual health spend have been made by reducing spend in other areas of sexual health commissioning and provision.
66. This proposed extension will maintain contract under the current terms of block payment arrangements. This means that Southwark will pay a set amount for SRH service provision which provides a level of assurance that outgoing payments made by Southwark are fixed. Payment will be on the standard payment terms and conditions, quarterly at the midpoint of the quarter, with an equal breakdown between quarters. The amount for KCH will be £1,418,571. The amount for GSTT will be £2,897,638.

### **Legal Implications**

67. Please see the concurrent report of the Assistant Chief Executive – Governance and Assurance below.

### **Consultation**

68. There is a strong history of consultation and co-production between Lambeth public health commissioners and these acute NHS Trusts for delivery of clinical sexual health services. As part of plans for procuring the longer-term future service (beyond the proposed extension) commissioners plan to undertake evaluation of changes which have occurred during the contract period, including changes made in response to the COVID-19 pandemic which expanded the digital clinical offer and increased the use of remote tele-consultations within clinical pathways. In May and June of 2022 services also had to mobilise an outbreak management response rapidly to respond to MPX as directed by NHS England. Assessing the future impacts of these changes and achieving optimal efficiency and value will be an important element of future planning.
69. Further discussion will need to take place with the integrated Care Board (ICB) regarding any foreseeable opportunities for more integrated commissioning, ensuring planning remains cognisant of ICS changes going forwards.
70. A review of integration opportunities to potentially align other areas of service provision with SRH services i.e. outreach and young person support services, will be informed by suitable consultation and engagement.
  - a. A process of engagement with young people across Lambeth and Southwark is already underway which is engaging with over 220 young people about their needs and expectations from sexual health provision. This is a particularly important consideration for sexual health services because the majority of sexual health need is seen within younger age groups.

## **Other implications or issues**

71. There are no known other implications or issues not already covered within the content of this report.

## **SUPPLEMENTARY ADVICE FROM OTHER OFFICERS**

### **Strategic Director of Finance REF: [56PHAS2022-23]**

72. This report seeks approval of a contract extension for the two sexual and reproductive health services through Lambeth Council with Kings College Hospital NHS Trust and Guys & St Thomas Hospital NHS Foundation Trust for one financial year effective from 1<sup>st</sup> April 2023. The Strategic Director of Finance notes the estimated contract values mentioned in the finance implications.

73. As the service operates through the tripartite agreement between Lambeth, Southwark and Lewisham, with Lambeth as the lead Commissioner, the service will have to work closely to ensure that the desired outcomes are met and that effective cost projections are in place to manage the financial sustainability of the contract.

## **Head of Procurement**

74. This report seeks approval of contract extension for use of two sexual and reproductive health (SRH) services contracts that Lambeth Council have with King's College Hospital NHS Foundation Trust (KCH) and Guys & St Thomas' NHS Foundation Trust (GSTT) for a period of one year, effective from 01 April 2023 until 31 March 2024. Associated estimated annual contract values are £1,418,571 and £2,897,368 respectively. Commissioning arrangements are enacted through a tripartite agreement between Lambeth, Southwark, and Lewisham, (LSL) with Lambeth designated as the lead commissioner. Commissioning decisions are informed through discussion at an LSL Strategic Board which determines LSL commissioning priorities and approaches.

75. The value of the proposed variation is above the minimum threshold for services covered by the Light Touch Regime (LTR) as detailed in the Public Contracts Regulations 2015 (PCR2015). However, Regulation 72(b) permits modification in those instances 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 procured 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.

76. The report confirms that the extension period will enable the council to review its service requirements in order to enable development of future commissioning intentions for the service from 2024/25 onwards. The extension is also aligned with the council's Contract Standing Orders (CSOs) which dictate that decision must be taken by Cabinet Member for Health and Wellbeing.
77. Headline options and risks associated with the proposed extension are contained at the end of paragraphs 41 and 42.
78. Alignment with the Fairer Future Procurement Framework (FFPF) is evidenced, specifically via confirmation of London Living Wage (LLW) payment (both providers are confirmed as LLW employers – please refer to paragraph 59) and the subject matter of the contract (“Tackling Health Inequalities”).
79. Proposed methodology for performance/contract monitoring is detailed within paragraphs 46 and 47, namely through an LSL monitoring and oversight board. The report also confirms that an annual performance review will be provided to the council's DCRB and CCRB in alignment with council CSOs.
80. The Community, Equalities and Health Impact Statements are set out in paragraphs 48 – 53.
81. The Climate Change, Social Value, Economic and Environmental / Sustainability statements are set out in paragraphs 54 – 63.

### **Assistant Chief Executive – Governance and Assurance**

82. This report seeks approval to extend use of existing contracts held by Lambeth Council with King's College Hospital NHS Foundation Trust (KCH) and Guys & St Thomas' NHS Foundation Trust (GSTT) for the provision of sexual and reproductive health (SRH) services for a period of 12 months from 1 April 2023. The services are commissioned by Lambeth Council through a tripartite agreement between Lambeth, Southwark and Lewisham Councils.
83. The estimated value of the individual contract extensions is such that they are subject to the Public Contracts Regulations (PCR) 2015, to the extent applicable to “light touch” services of this nature. PCR 72(1)(b) permits contract modifications without the need for a fresh procurement exercise for additional services 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 procured under the initial procurement, and
  - (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.

84. The report sets out from paragraph 17 the factors that have made it necessary to maintain service continuity with the existing providers and explains that the council will undertake a review of its service requirements during the proposed extension period in order to inform its future commissioning proposals.
85. Under the council's Contract Standing Orders the decision to approve the proposed extension of the contract with KCH is reserved to the Strategic Director of Finance and Governance, whilst the decision relating to the GSTT contract is reserved to the Cabinet Member. However, as noted in paragraph 8 a single report is being presented for administrative expediency.
86. The decision maker will be aware of the Public Sector Equality Duty (PSED) in section 149 of the Equality Act 2010. At each stage, in exercising its function (and in its decision making processes) the council must have due regard to the need to the requirements of the PSED which are set out under paragraphs 60 and 61 of this report.
87. Paragraph 49 notes that the services delivered under the existing contracts are designed to benefit vulnerable and "at risk" individuals and groups and also advise that an equalities impact assessment had been undertaken before the commencement of the contracts. Officers should review and refresh that assessment at intervals in order to ensure that the needs of those service users having a protected characteristic are being met. The decision maker has to be satisfied that the PSED has been complied with when considering the recommendations of this report.

## BACKGROUND PAPERS

Background Papers	Held At	Contact
Lambeth, Southwark and Lewisham (LSL) Sexual and Reproductive Health Strategy 2019-2024	Public Health Division, Children and Adult Services, 1 <sup>st</sup> Floor, Southwark Council, 160 Tooley Street SE1 2QH	Arrthi Pangayatselvan  07938740277
<a href="https://www.lambeth.gov.uk/sites/default/files/yh-lsl-sexual-health-strategy_0.pdf">https://www.lambeth.gov.uk/sites/default/files/yh-lsl-sexual-health-strategy_0.pdf</a>		
Gateway 1 - Procurement Strategy Approval: Southwark Sexual Health Transformation Programme – Sexual Health Services (December 2015)	Public Health Division, Children and Adult Services, 1 <sup>st</sup> Floor, Southwark Council, 160 Tooley Street SE1 2QH	Arrthi Pangayatselvan  07938740277
<a href="https://moderngov.southwark.gov.uk/documents/s58407/Report%20GW1%20Southwark%20sexual%20health%20transformation%20programme.pdf">https://moderngov.southwark.gov.uk/documents/s58407/Report%20GW1%20Southwark%20sexual%20health%20transformation%20programme.pdf</a>		
Gateway 2 - Contract Award Approval Award of Contracts for the Provision of Sexual Health Services (September 2017)	Public Health Division, Children and Adult Services, 1 <sup>st</sup> Floor, Southwark Council, 160 Tooley Street SE1 2QH	Arrthi Pangayatselvan  07938740277
<a href="https://moderngov.southwark.gov.uk/documents/s70943/Report%20Gateway%202%20Contract%20Award%20Approval%20-%20Award%20of%20Contracts%20for%20the%20Provision%20of%20Sexual%20Health%20S.pdf">https://moderngov.southwark.gov.uk/documents/s70943/Report%20Gateway%202%20Contract%20Award%20Approval%20-%20Award%20of%20Contracts%20for%20the%20Provision%20of%20Sexual%20Health%20S.pdf</a>		
Gateway 3 – Variation Decision Extension of contracts for the provision of genitourinary medicine services at KCH and GSTT (June 2021)	Public Health Division, Children and Adult Services, 1 <sup>st</sup> Floor, Southwark Council, 160 Tooley Street SE1 2QH	Arrthi Pangayatselvan  07938740277
<a href="https://moderngov.southwark.gov.uk/documents/s98981/Report%20Gateway-3-GUMcontracts.pdf">https://moderngov.southwark.gov.uk/documents/s98981/Report%20Gateway-3-GUMcontracts.pdf</a>		
Fingertips Public Health Data Sexual and Reproductive Health Profiles - Southwark	Public Health Division, Children and Adult Services, 1 <sup>st</sup> Floor, Southwark Council, 160 Tooley Street SE1 2QH	Arrthi Pangayatselvan  07938740277

<a href="https://fingertips.phe.org.uk/profile/SEXUALHEALTH/data#page/1/gid/8000057/pat/6/ati/401/are/E09000028/iid/90742/age/1/sex/4/cat/-1/ctp/-1/yr/1/cid/4/tbm/1">https://fingertips.phe.org.uk/profile/SEXUALHEALTH/data#page/1/gid/8000057/pat/6/ati/401/are/E09000028/iid/90742/age/1/sex/4/cat/-1/ctp/-1/yr/1/cid/4/tbm/1</a>		
Council Assembly, 25 November 2020 – Item 6.1 Refresh of the Council Plan 2018-2022: Borough Plan	Public Health Division, Children and Adult Services, 1 <sup>st</sup> Floor, Southwark Council, 160 Tooley Street SE1 2QH	Arrthi Pangayatselvan 07938740277
<a href="https://modern.gov.southwark.gov.uk/documents/s92006/Appendix%20A%20Southwark%20Borough%20Plan%202020.pdf">https://modern.gov.southwark.gov.uk/documents/s92006/Appendix%20A%20Southwark%20Borough%20Plan%202020.pdf</a>		
Equality impact assessment report	Public Health Division, Children and Adult Services, 1 <sup>st</sup> Floor, Southwark Council, 160 Tooley Street SE1 2QH	Arrthi Pangayatselvan 07938740277
<a href="https://modern.gov.southwark.gov.uk/documents/s63196/Sexual%20Health%20Equality%20Impact%20Assessment.pdf">https://modern.gov.southwark.gov.uk/documents/s63196/Sexual%20Health%20Equality%20Impact%20Assessment.pdf</a>		

## APPENDICES

No	Title
None	

## AUDIT TRAIL

<b>Lead Officer</b>	David Quirke-Thornton, Strategic Director of Children and Adult Services	
<b>Report Author</b>	Nick Sinclair, Head of Programmes (Maternity cover) Sexual Health	
<b>Version</b>	Final	
<b>Dated</b>	10 March 2023	
<b>Key Decision?</b>	Yes	
<b>CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER</b>		
<b>Officer Title</b>	<b>Comments Sought</b>	<b>Comments included</b>
Strategic Director of Finance and Governance	Yes	Yes
Head of Procurement	Yes	Yes

Assistant Chief Executive – Governance and Assurance	Yes	Yes
Cabinet Member	Yes	No
<b>Contract Review Boards</b>		
Departmental Contract Review Board	Yes	Yes
Corporate Contract Review Board	Yes	Yes
<b>Cabinet Member</b>	Yes	No
<b>Date final report sent to Constitutional Team</b>		14 March 2023