

Decision Taker:	Cabinet Member for Health and Wellbeing
Date:	12 November 2024
Report title:	GW3 – Integrated sexual and reproductive health service contract extension
Ward(s) or groups affected:	All
Classification:	Open
Reason for lateness (if applicable):	Not applicable
From:	Strategic Director of Children and Adult Services

RECOMMENDATION

1. That the Cabinet Member for Health and Wellbeing approve the variation to the integrated sexual and reproductive health service contract with Guy's and St Thomas' NHS Foundation Trust (GSTT), commissioned by Lambeth Council as lead party on behalf of Lambeth and Southwark local authorities, in the sum of £3,018,900 to cover an extension for Southwark activity for the period of one year from 1 October 2024 to 30 September 2025.

BACKGROUND INFORMATION

2. 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.
3. SRH needs and uptake of services vary according to factors such as age, gender, sexuality, ethnicity and income levels. Southwark has a particularly young, mobile and diverse population. Many of our residents have high needs for SRH, and therefore there is high demand for our services. There are inequalities in SRH needs, use of services, and health outcomes so commissioning of these services also focuses on reducing health inequalities.
4. Provision of SRH services for residents is principally provided at in-clinic services, via booked appointments or walk-in arrangements, or via an online e-service named Sexual Health London. Some reproductive health services are also provided in primary care at GPs and pharmacies. Outreach services are also provided.
5. This report refers to procurement arrangements for provision of the integrated sexual and reproductive health services provided by GSTT.

6. Contract negotiations are currently underway to secure the services under a revised service specification for a longer term contract that will follow the requested contract extension in this report. Background information to the current contract negotiations is set out in the attached Gateway 0 report dated 15 June 2021 and Gateway 1 report dated 10 July 2023. The original contract was let in 2017, and the Gateway 2 report dated 19 September 2017 is included in the background documents to this report.
7. Local negotiations are taking place within the context of clinical providers across London writing an open letter to the new Secretary of State for Health and Social Care stating that current funding for sexual health services is inadequate, with at least one local authority not being able to procure a service via a competitive procedure, due to the contract value offered.
8. The proposed contract extension will be compliant with the Provider Selection Regime (PSR) regulation.

KEY ISSUES FOR CONSIDERATION

Key Aspects of Proposed Variation

9. The variation covers a 12 month extension for the integrated sexual and reproductive health service (ISRHS) provided by GSTT under the terms and conditions of the current contract.

Reasons for Variation

10. If this variation is approved this will allow continuation of negotiations to secure services until 2031.
11. Current negotiations have progressed slower than originally anticipated due to the provider's capacity to prioritise negotiations whilst the new Trust wide electronic patient record system 'EPIC' was rolled out and while the provider has been managing a critical IT data systems incident in its laboratory and diagnostics service provider, Synnovis, which was caused by a cyber-attack.
12. Approval of the contract variation would continue to satisfy the council's responsibilities to deliver SRH services under the 2012 Health and Social Care Act.
13. The proposed variation to extend the contract will support ambitions identified within the current Lambeth, Southwark and Lewisham (LSL) SRH Strategy for 2019-2024, and the direction of a future strategy. The current strategy describes shared goals and actions for improving SRH across the boroughs and is underpinned by four priority areas:

- Healthy and fulfilling sexual relationships.
- Good reproductive health across the life course.
- High quality and innovative Sexually Transmitted Infections (STI) testing and treatment; and,
- Living well with HIV.

14. The proposed contract directly contributes to ensuring Southwark meets its Public Sector Equality Duty.

Future Proposals for this Service

15. During the 12 month extension period, the service will continue to be provided using the current specification and terms and conditions.
16. Commissioners will use this time to agree the future model of delivery under the new contract with GSTT via negotiation.
17. Through this process officers will be reviewing opportunities to improve outcomes for residents through commissioning services and reviewing strategic commissioning arrangements.

Alternative Options Considered

18. Insourcing the service would be very complicated and would take years of planning. The council doesn't currently deliver any clinical services and there are no examples found of local authorities delivering this type of service directly in similar areas. This is not a viable alternative at this time and is not recommended.
19. The council could move to a spot purchasing arrangement. This is not recommended as it would limit the council's influence over the shape of service delivery and the market to deliver this type of service is very limited. Not extending the contract without issuing a six-month notice period could lead to a situation where the service would continue, with the council still paying for the service, with less ability to ensure a safe and quality service is provided to meet residents' needs. This is not recommended.
20. GSTT is the larger of two SRH clinic providers that currently provide sexual health clinics for Southwark. It would be challenging for other sexual health providers to respond to a request to successfully establish a large service within the borough at short notice, particularly for a short period of time, and where providers do not have available sites in the borough. This is not recommended.

Identified risks for the Variation

21. There is no viable option to ending the GSTT service provision, unless all partners are willing to countenance major service and patient upheaval associated if Southwark were to unilaterally withdraw. Some specific identified risks for the variation period are set out in table 1 below.

Risk	Risk level	Mitigation action
1.	Provider may express concerns that they are unable to continue to provide full service from the current sites (Walworth Road, Burrell Street, and a site in Lambeth) during the extension period.	Medium LSL commissioners are working with the provider to ensure they are able to continue providing a full service and delay implementation of any proposed changes for future changes, or that any urgently implemented changes are appropriate.
2.	Agreement is not reached with GSTT within the one year extension period, so service development is not possible and service continuation is also at risk.	Medium LSL commissioners are working with the provider to understand the current proposal, reasoning for the proposed changes and work jointly on engagement and consultation work, and a joint timeline for agreeing future options.
3.	The extension is legally challenged and is unable to be implemented.	Low The extension will be compliant with the PSR legislation.

Procurement project plan (Key Decision)

22.

Activity	Completed by/Complete by:
Forward Plan (If Strategic Procurement) Gateway 2	Not applicable
Briefed relevant cabinet member (over £100k)	10/09/2024
DCRB Review Gateway 3:	14/08/2024
CCRB Review Gateway 3:	29/08/2024
Notification of forthcoming decision	12/09/2024

Approval of Gateway 3 Report	20/09/2024
End of Scrutiny Call-in period and notification of implementation of Gateway 3 decision	30/09/2024
Contract Variation Enacted	01/10/2024
Amend Contract Register	Not applicable as contract held by Lambeth
Contract amendment start	01/10/2024
Publication of variation notice on Find a Tender Service	01/10/2024
Contract completion date	30/09/2025

Policy framework implications

23. Approval of the contract variation would continue to satisfy the council's statutory responsibilities to deliver SRH services under the 2012 Health and Social Care Act.

24. The proposed variation will support the current LSL SRH Strategy for 2019-2024, and the direction of a future strategy from 2025 onwards. The current strategy describes shared goals and actions for improving SRH across the boroughs and is underpinned by four priority areas:

- Healthy and fulfilling sexual relationships;
- Good reproductive health across the life course;
- High quality and innovative STI testing and treatment; and,
- Living well with HIV.

25. The proposed contract directly contributes to ensuring Southwark meets its Public Sector Equality Duty.

26. The extension will be compliant with the PSR regulation.

27. In June 2019 cabinet adopted the Fairer Future Procurement Framework (FFPF) which sets out how the council will use procurement to support the delivery of the Council Plan and Fairer Future Commitments and the processes and practices that are needed to do this. The FFPF applies to all contracts with a total contract value in excess of £100,000. The council expects all of its procurement activity to be undertaken to the highest ethical, sustainable and responsible standards and within a robust and transparent governance framework.

Contract management and monitoring

28. The council's contract register publishes the details of all contracts over £5,000 in value to meet the obligations of the Local Government Transparency Code. The Report Author must ensure that all appropriate details of this procurement are added to the contract register via the eProcurement System. Annual Performance Reports will be presented in line with the requirements of Contract Standing Orders.

29. The contract will continue to be monitored and managed by: Lambeth, Southwark and Lewisham joint sexual health commissioning team, working with the Southwark consultant in public health and head of public health commissioning. It will be compliant with the council's contract standing orders (CSO) requirements for annual performance reports.

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

Community impact statement

30. Sexual health clinics provide services for people with a range of lifestyles and circumstances and include those who may be vulnerable or at risk. GSTT has 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. The variation will enable the provider to maintain services at the current level and will prevent any adverse impact on the community.

Equalities (including socio-economic) impact statement

31. An equalities and health needs impact assessment is being conducted on the proposed future service changes. The variation will allow these proposed changes to be considered fully before they are put in place. A full equalities and health impact assessment was completed in 2016 ahead of the start of the current contract and is included in the appendices. The impact assessment highlighted the need for the clinic services to improve access to populations who are most at risk and the most vulnerable, including black and minority ethnic communities, young people and men who have sex with men.

32. Groups in Southwark with a higher need for SRH services include women, people from Black African and Black Caribbean heritage groups, minority ethnic communities, including Latin Americans, and other minority ethnic groups, young people, men who have sex with men (MSM), the trans community and non-binary people.

33. The proposed contract variation and changes to the integrated SRH services would have a positive impact on these groups, by ensuring their needs are considered within the future service, while protecting their access to the services in the short term.

Health impact statement

34. The proposed variation will enable the provider to maintain services at the current level and will prevent any adverse impact to health. As mentioned in paragraph three there are inequalities in SRH needs in Southwark, inequalities in the use of services and health outcomes so the continuation of service delivery will assist the continued focus on reducing health inequalities.

Climate change implications

35. 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. GSTT is a large hospital trust with good awareness of climate change and their role in reducing carbon footprint impact. GSTT 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

36. 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 well-being of the local area can be secured. The social value considerations included in the contract (as outlined in the Gateway 2 report) are set out in the following paragraphs in relation to the commitments to be delivered under the proposed contract variation.

Economic considerations

37. 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 £0.5M and £1,000,000 in terms of individual social care and health benefits and treatment costs.

Social considerations

38. Access to sexual health services improves the health and wellbeing outcomes of Southwark residents with need of SRH services.

39. The existing contract specifies for providers to pay the London Living Wage (LLW) to all staff employed via these contracts. GSTT are London Living Wage Employers.

40. GSTT are signed up to the London Mayor's Healthy Workplace Charter.

41. GSTT offer apprenticeships and programmes vary in duration from 12 months to four years, depending on the Programme chosen.

42. 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.

43. 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.

Environmental/Sustainability considerations

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

Financial Implications

45. The value of this variation for Southwark activity can be met solely from existing Sexual Health budgets allocated within the Public Health Grant. Lambeth Council will make payments on behalf of Southwark Council to GSTT, and Southwark will provide funding to Lambeth Council to cover those payments.

46. The uplifts have been modelled by Lambeth as the lead commissioner and agreed by their Senior Management Team in line with the NHS Planning and Contract Guidance for 2024.

47. The value of the contract extension from 1 October 2024 until 30 September 2025 will be £3,018,900 as stated in paragraph 55.

48. The contract value excluding VAT is set out below:

Guy's and St Thomas' NHS Foundation Trust	Cost excl. VAT
Original total cost – 1 October 2017 to 31 March 2022 (maximum estimated value)	£13,450,000

Guy's and St Thomas' NHS Foundation Trust	Cost excl. VAT
Total value of any previous variations – 1 April 2022 to 30 September 2024	£7,361,450
Total value of proposed variation for 12 months from 1 October 2024 to 30 September 2025	£3,018,900
Total contract value 1 October 2017 to 30 September 2025	£23,830,350

Legal Implications

49. The contract extension will fall under the new Provider Selection Regime (PSR). The extension will be compliant with the PSR legislation and is a permitted modification under the new regulations.
50. The extension will allow the council to fully consider the health impacts of the provider's proposals for delivery of the service and consult with residents on options for service delivery. It is particularly important to undertake meaningful consultation given the proposal to close a sexual and reproductive health clinic site within Southwark.
51. Please also see the concurrent report of the Assistant Chief Executive – Governance and Assurance below.

Consultation

52. The extension is being requested in order to facilitate further consultation on service proposals. There has been no additional public consultation related to this variation proposal. The variation has been discussed with the provider.

Other implications or issues

53. There are no known implications or issues not covered within this report.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Strategic Director of Resources

54. The Strategic Director of Resources notes the variation to the integrated sexual and reproductive health service contract with Guy's and St Thomas' NHS Foundation Trust, commissioned by Lambeth Council as lead party on behalf of Lambeth and Southwark local authorities, in the sum of £3,018,900 to cover an extension for Southwark activity for the period of one year from 1 October 2024 to 30 September 2025.
55. The Strategic Director of Resources notes the proposed variation will support the current Lambeth, Southwark and Lewisham SRH Strategy for 2019-2024, and the direction of a future strategy from 2025 onwards.
56. There is sufficient budget within the existing Sexual Health budgets allocated within the Public Health Grant to fund the overall contract.

Head of Procurement

57. This report seeks approval for the use of a contract variation to the ISRHS contract with Guy's and St Thomas' NHS Foundation Trust (GSTT), commissioned by Lambeth Council as lead party on behalf of Lambeth, Southwark and Lewisham (LSL) local authorities, in the sum of £3,018,900 to cover an extension for the period from 1 October 2024 to 30 September 2025.
58. The nature of the services to be procured dictates alignment with the Provider Selection Regime 2023 (the PSR) as relevant to "health care services". In accordance with the PSR, the lead commissioning council (Lambeth) may effect a variation to contract under grounds for modification as permitted by Regulation 13(c) whereby "the modification is made in response to external factors beyond the control of the relevant authority", namely vis a vis rationale as detailed at paragraphs 10 – 16, notwithstanding observation of associated record-keeping and transparency requirements related to the modification value exceeding £500K. It is anticipated that the lead commissioning council will confirm the aforementioned record-keeping and transparency requirements on behalf of LSL, and advise accordingly re: completion within timescales stipulated by the PSR. In the event that such confirmation is not forthcoming, Southwark will be required to fulfil this requirement in respect of its own contractual contribution. The report is also consistent with the council's Contract Standing Orders, which reserve decision to approve the recommendation to the Strategic Director of Finance following review at DCRB and CCRB.
59. Headline risks associated with the recommended use of the contract variation are contained within table at the end of paragraph 22.
60. Intended alignment with the Fairer Future Procurement Framework (FFPF) is evidenced within the content of paragraphs 32 - 45 generally. Paragraphs 29 - 44 specifically evidence commitment to payment of the London Living Wage, (LLW) the Mayor's Healthy Workplace Charter, and creation of apprenticeships.
61. Proposed methodology for performance/contract monitoring is detailed within paragraphs 29 - 30. The report also confirms that an annual performance review will be provided to the relevant DCRB in alignment with council Contract Standing Orders.
62. The Community, Equalities and Health Impact Statements are set out in paragraphs 31 - 35.
63. The Climate Change, Social Value, Economic and Environmental / Sustainability statements are set out in paragraphs 36-45.

Assistant Chief Executive – Governance and Assurance (SB030924)

64. This report seeks approval of a variation of the ISRHS contract with Guy's and St Thomas' NHS Foundation Trust, commissioned by Lambeth Council as lead party on behalf of Lambeth, Southwark and Lewisham councils (LSL), to cover Southwark activity for the period from 1 October 2024 to 30 September 2025.
65. Health services of the type provided under the existing contract are subject to the Health Care Services (Provider Selection Regime) Regulations 2023 ("PSR"). As the contract had been entered into before 1 January 2024 any proposed variation is subject to the requirements of Regulation 13 which, amongst other things permits a contract for relevant health care services to be modified during its term without following a new procurement process where that modification is made in response to external factors beyond the control of the relevant authority and the provider, and the modification does not render the contract materially different in character. Paragraphs 11 to 13 of this report explain the circumstances which have made it necessary to seek approval to vary the contract by way of a further one year extension.
66. The recommended contract variation is also consistent with the council's Contract Standing Orders (CSO) which reserve the decision to the Strategic Director of Finance, following consideration of the report by the Corporate Contract Review Board.
67. The decision maker should be mindful of the Public Sector Equality Duty under section 149 of the Equality Act 2010, and to have regard to the need to (a) eliminate discrimination, harassment, victimisation or other prohibited conduct, (b) advance equality of opportunity and (c) foster good relations between persons who share a relevant protected characteristic and those who do not share it. The relevant characteristics are age, disability, gender reassignment, pregnancy and maternity, race, religion, religion or belief, sex and sexual orientation. The duty also applies to marriage and civil partnership but only in relation to (a). The community, equalities and health impact statements which are set out from paragraphs 30 to 34 note the consideration that has been given to equalities issues and advise that an equalities and health needs impact assessment is being conducted on the future service changes proposed by GSTT. That assessment will measure the effect and impact of those service changes on individuals and groups within the community, in particular those with a higher need for SRH services as identified in paragraph 32, and who possess a protected characteristic under the Act.

Director of Public Health

68. Public Health Divisional Management Team have reviewed the proposal and approve the use of the Public Health Grant for this service.

BACKGROUND PAPERS

Background Papers	Held At	Contact
GW1 Integrated SRH services procurement strategy	Integrated Commissioning, Children and Adult Services 160 Tooley Street London SE1 2QH	Neil Colquhoun 020 7525 0966
Link: https://moderngov.southwark.gov.uk/documents/s115200/Report%20GW1%20Integrated%20sexual%20and%20reproductive%20health%20services.pdf		
Gateway 0 - Strategic Options Assessment for the provision of genito-urinary medicine services	Integrated Commissioning, Children and Adult Services 160 Tooley Street London SE1 2QH	Neil Colquhoun 020 7525 0966
Link: https://moderngov.southwark.gov.uk/documents/s98982/Report%20Gateway-0-template-GUMcontracts.pdf		
Gateway 2 - Contract Award Approval Award of Contracts for the Provision of Sexual Health Services	Integrated Commissioning, Children and Adult Services 160 Tooley Street London SE1 2QH	Neil Colquhoun 020 7525 0966
Link: 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		
London Borough of Lambeth Full Equality Impact Assessment Report	Lambeth Council / Public Health team, 6 Brixton Hill and online	Nancy Padwick 020 7926 9984
Link: https://www.lambeth.gov.uk/sites/default/files/ec-ph-eia-sexual-health-210616.pdf		

APPENDICES

No	Title
Appendix 1	London Borough of Lambeth Full Equality Impact Assessment Report

AUDIT TRAIL

Lead Officer	David Quirke-Thornton, Strategic Director for Children and Adult Services
Report Author	Neil Colquhoun, Head of Public Health Commissioning
Version	Final

Dated	25/09/2024	
Key Decision?	Yes	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments Sought	Comments included
Strategic Director of Finance	Yes	Yes
Head of Procurement	Yes	Yes
Assistant Chief Executive – Governance and Assurance	Yes	Yes
Director of Exchequer (for housing contracts only)	No	No
Cabinet Member	Yes	Yes
Contract Review Boards		
Departmental Contract Review Board	Yes	Yes
Corporate Contract Review Board	Yes	Yes
Cabinet Member	Yes	Yes
Date final report sent to Constitutional Team		11 November 2024