



Derby City Council

COUNCIL CABINET
2 April 2014

ITEM 12

Report of the Strategic Director for Adults and Health

Sexual Health Services – Service Review and Retender for service provision 2015/16

SUMMARY

- 1.1 As of April 2013, Derby City Council is responsible for the commissioning of comprehensive, open access, sexual health services and ensuring provision of these services is a statutory responsibility. These services provide the testing and treatment of Sexually Transmitted Infections (STIs) and contraception services and advice and are free at the point of delivery for the benefit of all people present in their area.
- 1.2 Derby City performs well on the rate of long acting contraceptive methods prescribed via GPs; chlamydia diagnosis in 15-24 year olds (all settings); and uptake of HIV testing. Teenage pregnancy rates in the city are in decline. However, there remain challenges in improving the sexual health of the population of Derby, particularly within the most deprived areas of the City.
- 1.3 Derby City Council currently invests in sexual health services covering all aspects of targeted health promotion, treatment and prevention. These are currently contracted through a range of providers including Derby Hospitals Foundation Trust (Genito-urinary medicine: GUM), Derbyshire Community Health Service (Contraception and Sexual Health Service: CASH), General Practices, Pharmacies, the University of Derby, Derby City Council CYP department and the voluntary sector.
- 1.4 Although Derby City currently provides good, quality services, Derby's Sexual Health Needs Assessment indicates wide variation in both coverage and access, which has prompted the Public Health Directorate to undertake a review of existing services. This will involve engagement with stakeholders, benchmarking services against peers, reviewing national policy and evidence based practice. There will also be a review of cost effectiveness, projection mapping and an estimate of future costs. It is envisaged that this process will be completed by the end of May 2014 and will inform the vision and future development of an integrated sexual health system.
- 1.5 The future strategic vision is for an integrated sexual health system, that is informed by both national sexual health policy and a commitment to provide community needs-based services, where people can access a range of services in one location; driving up standards, whilst securing better value for money. Currently Public Health is an associate commissioner, with local NHS Commissioners, to two main contracts (DHFT/GUM and Derbyshire Community Health Services/CASH), which expire on 31st March 2015. A retendering exercise to secure a new integrated sexual health system needs to take place throughout 2014 to ensure new services are in place for April

2015.

- 1.6 Derbyshire County Council Public Health are also procuring sexual health services to commence from 2015. Agreeing a joint procurement framework and collaborating on the process will make best use of resources, maximise market stimulation, reduce the pressure on potential suppliers to complete separate bids (which may lower the quality of bids received or result in a failure to bid at all). A reduction in the quality or failure to bid will result in a further costly procurement exercise and may lead to a disruption to services. However, Derby City Public Health and Derbyshire County Council Public Health Departments intend to retain separate contracting arrangements with the successful provider(s).

RECOMMENDATION

- 2.1 To agree to undertaking a joint procurement framework alongside Derbyshire County Council. Derby City Council will retain separate contracting arrangements and service specification but the joint process will ensure efficiencies are achieved in the process.
- 2.2 To authorise the undertaking of a tendering exercise to deliver a new sexual health system during 2014 – with the level of investment being in line with the agreed budget and not exceeding current investment, and with service delivery to commence on 1st April 2015.
- 2.3 To give delegated authority to the Director of Public Health and the Strategic Director of Adults Health & Housing, in consultation with the delegated Cabinet Member, to authorise the publication of relevant tender documentation and to oversee the undertaking of the procurement exercise.

REASONS FOR RECOMMENDATION

- 3.1 An effective, open access sexual health system is both a statutory requirement and an example of best-value invest to save practice.
- 3.2 The Public Health grant as part of Derby's central government allocation is contingent on the city providing an effective sexual health system. This system must be able to support better performance against the national indicators set out in the Public Health Outcomes Framework, namely:
 1. Reducing under 18 conceptions
 2. Increasing chlamydia diagnoses in the 15 – 24 age group
 3. Reducing late diagnosis of HIV



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SUPPORTING INFORMATION

- 4.1 From April 2013 local authorities were mandated to commission needs-led sexual health services for its resident population via a ring fenced public health grant. The grant is made under Section 31 of the Local Government Act 2003 and has conditions to govern its use. The grant can only be spent on activities whose main or primary purpose is to improve the health and wellbeing of local populations (including restoring or protecting their health where appropriate) and reducing health inequalities.
- 4.2 There is a statutory requirement on sexual health services to provide open access to both Genital Urinary Medicine (GUM) and contraceptive services. This means that everyone, irrespective of age or location of residence or GP registration, should have access to high quality services for Sexually Transmitted Infection (STI) treatment and contraceptive provision, in a timely manner, without need for referral by a GP.
- 4.3 As part of the transition to the Local Authority, the current Sexual Health contracts were transferred under a holding position. Baseline funding was included in the Public Health grant received by the local authority. Current core sexual health contracts are not standalone contracts in themselves; rather, they form part of core NHS acute, community, and primary care contracts. Our current position as an associate commissioner to the two main contracts significantly reduces our ability to influence improvements and negotiate efficiencies. Our future position as a lead commissioner, through the procurement of an integrated service, will both drive service improvements, thereby improve sexual health outcomes and should result in net cost savings. These savings are expected from both a move from hospital based to community based care, along with efficiencies created by a 'one stop shop' model of provision.

- 4.4 Good sexual health is of critical importance to the wellbeing of individuals and the health and economic wellbeing of any population. Managing sexual health effectively has the potential to lead to significant savings for LA and NHS. The societal cost of poor sexual and reproductive health is significant, for example:
- Teenage parenthood reduces the life chances of young people and perpetuates social exclusion most often leading to poorer economic outcomes for both mother and child.
 - Women older than teenagers may have career paths that can be interrupted by unintended pregnancy.
 - Some Sexually Transmitted Infections (STIs), if left undiagnosed, cause long term and life threatening complications, including cancers.
 - Failure to diagnose HIV infection early leads to avoidable serious illness, avoidable use of social services and NHS services, and early death.
 - HIV is now a long term condition thanks to effective treatments, but the increasing numbers of older people with HIV have higher levels of dependence on welfare benefits & social services, and higher levels of ill health and co-morbidities than the general population.
- Wider inequalities in health repeat themselves as inequalities in sexual health; levels of need can vary between areas and population groups within the city.
- 4.5 Whilst there have been many improvements in sexual health outcomes in Derby City, we still have a long way to go. Whilst the teenage pregnancy rate in the city is in decline, it still remains higher than the national average. Our HIV prevalence rates currently stand at 1.9 per 100,000 population, this is approaching the threshold of 2 per 100,000 where universal screening for all newly registered patients at GP practices is recommended which would result in increased costs. We are also performing significantly lower than the England average for the proportion of the target population tested for chlamydia outside of genitourinary medicine. Redesigning and re-commissioning our sexual health services ensures we can continue to work to improve quality, efficiency and performance.
- 4.6 There are many reasons why people choose to access sexual health services out of their own area; fear of being seen, availability and location of services, opening times, ease of travel etc., as such, there is significant cross border activity. For example, whilst 96% of city residents access city services (GUM) only 32% of county residents access county services, the remaining access services elsewhere, including the city. Furthermore, there is no national tariff for CASH services and it is unknown how many city residents access services out of area. Recent guidance from the Department of Health states that local authorities should be responsible for out of area payment for these services; therefore, subject to the value applied by providers, could have financial implications for Derby City Council. It is important therefore to work closely with our county colleagues to ensure a consistent approach for cross-charging. In addition, as a result of the requirement to re-tender services, Derbyshire County Council will also be seeking to procure an integrated service from April 2015, again working closely with our county colleagues under a joint commissioning framework will ensure efficiencies within the process and increase the quality of bidders.
- 4.7 The proposal for the integrated service (pending consultation) will be based on a 'hub and spoke' model. It is envisaged that there will be one main site with up to five sites (spokes) based in the community – delivering a 'one stop

shop', where patient needs are addressed at a single location including extended availability via weekends and evening openings. This will result in a more cost efficient service, that provides a better patient experience ultimately resulting in an improvement to the sexual health of the population through the reduction of transmission of STIs/unplanned pregnancy.

- 4.8 During April and May 2014, subject to receiving prior Cabinet approval, further consultation will be undertaken on the proposed new integrated model. At this time, the service model will be finalised. Throughout the months of May and June 2014 a series of stakeholder and potential bidder events will be held.

The formal tender is planned to be launched in July 2014, closing in October 2014 at which point the selection of preferred providers based upon the outcome of tender scores will be identified. January to March 2015 will be utilised for the implementation of the new model together with managing any changes in provider.

OTHER OPTIONS CONSIDERED

- 5.1 Do nothing i.e. no sexual health service provision. This is out of the question in reality due to the statutory obligations under the Health and Social Care Act 2012
- 5.2 Continue as now i.e. a range of different providers. As an associate to the two main current contracts this would mean our ability to influence any changes/negotiating power to improve services on behalf of city residents would remain reduced. In addition, not moving towards an integrated system will unable us to make efficiency savings over time. This is also a more expensive option in terms of the resources required to procure several new services.
- 5.3 Reduce level of investment. This would, in essence destabilise the current offer and services available by reducing essential components, likely to increase overall costs in the long term if secondary care is required. The integrated model should gain efficiency year on year indicating that to meet the challenge of the rise in poor sexual health, the same level of investment is required to sustain the level of return on investment and gain.
- 5.4 Increase level of investment. This is not currently necessary due to the synergies and economies of scope and scale by having an integrated sexual health system.

This report has been approved by the following officers:

<p>Legal officer Financial officer Human Resources officer Estates/Property officer Service Director(s) Other(s)</p>	<p>Toni Nash –Head of Adults Health & Housing & Resources Finance Catherine Woodman - Category Manager, Finance & Procurement</p> <p>Derek Ward – Director of Public Health Dr. Robyn Dewis – Consultant in Public Health Medicine (Sexual Health)</p>
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For more information contact: Background papers: List of appendices:	Derek Ward 01332 643104 derek.ward@derby.gov.uk None Appendix 1 – Implications Appendix 2 - Service review Outline
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IMPLICATIONS

Financial and Value for Money

1.1 Financial and Value for Money

The cost of the new sexual health system is estimated to be less than the level required to fund the existing range of services. Efficiencies are expected from both moving to a larger proportion of services delivered in the community and the development of a 'one stop shop' model. Sustaining treatment and prevention is a prima facie case of value for money and 'spend to save' logic

Legal

- 2.1 The contracts will be let by Derby City Council using the new Public Health contracting framework. Provision of open access sexual health services is a statutory requirement under the Health and Social Care Act 2012.

Personnel

- 3.1 During 2014/15 our Sexual Health services will not be provided by DCC staff; it therefore not anticipated that there will be a TUPE transfer of staff into or out of the DCC as a result of this retendering exercises. There may be a transfer of staff from existing suppliers of sexual health services to new suppliers of such services following the retendering exercise and DCC will work with existing suppliers to facilitate the provision of relevant employee liability information to interested bidders.

Equalities Impact

- 4.1 An equalities impact risk assessment will be conducted on completion of the review and as part of the integrated service proposal, which will be subject to public consultation

Health and Safety

- 5.1 None

Environmental Sustainability

- 6.1 Not applicable

Property and Asset Management

- 7.1 There are no liabilities to Derby City Council with respect to property or assets

Risk Management

- 8.1 The proposal allows for the provision of mandated open access sexual health services, mitigating against the risk of any reduction, suspension or withholding of the public health grant as a result of breaching conditions of the grant

Corporate objectives and priorities for change

- 9.1 The provision of 'open access' sexual health services supports the improvement of the health and wellbeing of the local population and serves to discharge the council's corporate function in respect of the newly acquired Public Health Department, the Health and Wellbeing Board strategy and the Derby Plan.