


Cabinet 5 January 2016	 TOWER HAMLETS
Report of: Luke Addams: Director Adult Social Services	Classification: Unrestricted
Collaborative agreement on sexual health	

Lead Member	Councillor Amy Whitelock Gibbs, Cabinet Member for Health and Well Being
Originating Officer(s)	Chris Lovitt, Associate Director of Public Health
Wards affected	All wards
Key Decision?	Yes
Community Plan Theme	Health and Well Being

Executive Summary

The London Borough of Tower Hamlets is requested to consider entering into a collaborative agreement with other London councils to commission sexual health services for the period 2015/16, 2016/17 and for the development of new services to operate from April 2017.

Recommendations:

The Mayor in Cabinet is recommended to:

1. Agree that the London Borough of Tower Hamlets can join the London Sexual Health Transformation Project and the supporting east London commissioning with delegations that will enable the work to be taken forward.
2. Delegate authority to the Director of Public Health to approve the Council's participation in the pan-London agreements on cross charging, lead commissioning and integrated sexual health tariff.
3. Approve the Council's participation in a pan London procurement for a web-based system to include a 'front-end' portal, joined up partner notification and home/self-sampling. This will include the council being named in a Prior Indicative Notice (PIN) and Official Journal of European Union Notice (OJEU).
4. Approve the Council's participation in sub-regional arrangements for commissioning and procurement of Genitourinary Medicine (GUM) and Contraception and Sexual Health Service (CaSH) Services.

5. Delegate authority to award contracts, as set out in the recommendations 2. to 4. above, to the Director of Public Health following consultation with the Head of the Legal Services, Chief Financial Officer and the Portfolio Holders for Finance and Health and Well Being.

1. REASONS FOR THE DECISIONS

- 1.1. As part of the transfer of public health responsibilities the council is mandated to provide for the testing and treatment of sexually transmitted infections and provision of contraceptive services.
- 1.2. To discharge this mandate and address the high levels of sexual health needs the council commissions three tiers of sexual health services across primary care, community services (CaSH) and specialist Genitourinary Medicine (GUM) services.
- 1.3. Since 2013 London councils have been working together to improve the sexual health of local residents through aligning approaches to the commissioning of Genitourinary Medicine (GUM) services. Although the number of attendances has continued to increase, up by 14% since 2013, a collaborative approach to commissioning has averted costs of £2.5m through securing improved financial terms compared to the national tariff.
- 1.4. HIV and sexual health are key issues of public health importance both in Tower Hamlets and across the capital. The need for sexual health services in Tower Hamlets and London is significantly higher than the England average, and has risen significantly in recent years.
- 1.5. There are significant variations in access and activity across London boroughs, with high numbers of residents from across London accessing services in central London.
- 1.6. Given London's complex pattern of open access services, there are important advantages for London boroughs to transform and commission services together and implement an integrated sexual health tariff.
- 1.7. The need to respond to current and future financial challenges and ensure best use of resources available. If recent trends in activity levels continue, the financial sustainability of the current format of GUM services will come under substantial pressure.

2. ALTERNATIVE OPTIONS

- 2.1 Not to enter into a collaborative agreement with other London councils and to commission services separately from other councils.

3. DETAILS OF REPORT

- 3.1 As part of the transfer of public health responsibilities the council is mandated to provide for the testing and treatment of sexually transmitted infections and provision of contraceptive services.
- 3.2 To discharge this mandate and address the high levels of sexual health needs the council commissions three tiers of sexual health services across primary care, community services (CaSH) and specialist Genitourinary Medicine (GUM) services.
- 3.3 Community and GUM services are legally required to be free at the point of delivery and open access- no referral is needed and residents are able to walk into any NHS service in England without referral.
- 3.4 Community sexual health services have historically been commissioned on a block contract and were recommissioned in Tower Hamlets in 2014. GUM services have been provided under a national tariff (PBR) which until 2013 was mandatory, reviewed annually and set by Monitor.
- 3.5 Tower Hamlets has increasing levels of need for sexual health services, especially GUM services, due to a combination of demographic change, population increase and specific high need populations such as gay men migrating into the borough in increasing numbers.
- 3.6 The expected spend on sexual health services, funded by LBTH through the Public Health Grant for 2015/16 is £437k on prevention services, £751k on primary care services, £1.99m on community sexual health services (CaSH), £2.8m on in borough GUM services and £2.6m on out of borough GUM services.
- 3.7 Similar increases in need and activity at GUM services have occurred in Waltham Forest, Newham, The City and Hackney (WELC). There has been no commensurate increase in the public health grant.
- 3.8 Monitor has continued to publish nationally recommended, but no longer mandatory, payment by result (PBR) tariffs for GUM. These have increased each year.
- 3.9 In 2013 and 2014 Tower Hamlets worked in co-operation with the other WELC boroughs to negotiate a discounted PBR tariff with the main GUM providers. These terms were achieved by individual negotiations with our 8 main providers of GUM services and secured some of the lowest rates in London saving LBTH £1.52million.
- 3.10 This approach of co-operating was extended in 2014/15 to include approximately twenty London councils and although the number of attendances by Tower Hamlets residents has continued to increase, up by 14% since 2013, this collaborative approach to commissioning has averted a

total £2.5m of costs through securing improved financial terms compared to the national tariff.

- 3.11 In addition to securing discounted PBR rates the WELC co-operating boroughs also jointly commissioned NE and NC Commissioning Support Unit (CSU) to put in place a robust monitoring, invoice validation and performance monitoring system.
- 3.12 The council is not able to receive patient level sexual health data due to legal protections on confidentiality. The WELC boroughs worked with CSU to set up a safe haven so that patient level data can be received. This enables CSU to act on our behalf to ensure that all activity claimed for is a) from LBTH residents b) reflects only services mandated for the council to provide c) is appropriately billed using our locally negotiated rates. Once an invoice has been validated by CSU it is then processed through the councils standard financial systems.
- 3.13 The WELC boroughs public health leads for sexual health meet monthly with CSU to review performance reports on each provider and wherever possible seek to align approaches to control expenditure and improve sexual health of local residents.
- 3.14 A review of the commissioning arrangements of GUM services was undertaken by the Directors of Public Health across London in 2014. This identified that by building on the approach adopted by the WELC and Tri Borough even better terms might be secured if councils collaborated to align our approach to negotiations with providers for 2015/16 and 2016/17.
- 3.15 Although a collaborative approach to commissioning has enabled LBTH to benefit from a reduction in the average cost per patient episode (£142 in 2014/15, estimated £132 for 2015/16) the overall spend on GUM services has increased by between 4-8% for each of the last three years due greater patient activity.
- 3.16 To address the medium term challenges of increasing rates of STIs and increasing expenditure The London Sexual Health Services Transformation Programme (LSHTP) was developed. The initial stages of this work involved 22 London boroughs (Barnet, Brent, Camden, City of London, Ealing, Enfield, Hammersmith & Fulham, Hackney, Haringey, Harrow, Islington, Kensington & Chelsea, Lambeth, Lewisham, Merton, Newham, Southwark, Redbridge, Tower Hamlets, Waltham Forest, Wandsworth and Westminster).
- 3.17 The LSHTP programme has sought to establish improved service models, through the use of technology and contract specifications to better address current and future service demands and reduce the incidence of sexually transmitted infections (STIs) including the human immunodeficiency virus (HIV), teenage pregnancies and improve access to contraception.
- 3.18 There are five key strategic reasons why this project is necessary:

- a) HIV and sexual health are key issues of public health importance across the capital. The need for sexual health services in London is significantly higher than the England average, and has risen significantly in recent years.
- b) There are significant variations in access and activity across London boroughs, with high numbers of residents from across London accessing services in central London.
- c) Given London's complex pattern of open access services, there are important advantages for London boroughs to transform and commission services together and implement an integrated sexual health tariff.
- d) Ensure strong clinical governance, safeguarding and quality assurance arrangements are in place for commissioning open access services
- e) The need to respond to current and future financial challenges and ensure best use of resources available. If recent trends in activity levels continue, the financial sustainability of the current format of GUM services will come under substantial pressure.

FUTURE VISION FOR SERVICES

- 3.19 The Business Case for the LSHTP is now being finalised and sets out a vision for how services could be delivered in the new model.
- 3.20 The front door into services will be web based, a single platform providing patients with information about sexual health, on line triage, signposting to the most appropriate service for their needs and the ability to order self-sampling tests.
- 3.21 There will be fewer major consultant led services, but the services that are commissioned will be open longer hours and will be properly linked with a network of integrated one stop shops at local level. They will also work closely with primary care. Transport links will be a critical element of determining locations for clinics. A single database will be developed with the highest levels of confidentiality and security enabling greater understanding of the patient flows, and enabling us to focus prevention and specialist services on those who need it most.
- 3.22 All major clinics will offer patients the opportunity to triage and self-sample on site and all services will be required to ensure that routine STI screen results are available electronically to patients within 72 hours. Patients who are diagnosed with an STI will be offered an appointment within 24 hours or will be fast tracked if they present to a walk in service. Improved systems for identifying and notifying contacts of patients with an STI will ensure that resources are targeted at the highest need groups.
- 3.23 The whole system will be designed to ensure that evidence about best practice drives changes, and resources will be focused on groups with the highest risk.

- 3.24 In addition to the LSHTP local sub-regional collaborative commissioning is also recommended to enable local services to be commissioned using a single London wide service specification. Collaborative commissioning in east London would enable integrated services to be commissioned in 2016/17 that better meet the needs of our local populations from a reduced number of specialist sites but with enhanced local access for uncomplex sexual health services.

THE IMPORTANCE OF COLLABORTION

- 3.25 The collaborative approach has been very successful in ensuring that councils take a consistent line with NHS providers and has ensured stability in the system and mitigated significant cost pressures over the last 3 years.
- 3.26 This project has demonstrated that by working together on sexual health London councils can work together effectively and deliver shared outcomes. Maintaining a collaborative approach is considered essential as there is a high level of interdependency between the councils in this area. Very few boroughs have sufficient leverage with their local provider to be able to commission the service without reference to their neighbouring boroughs. Most of the central London services have flows of attendees from all over the city and from outside London. For example, Westminster residents only account for 10% of the activity in their local service in Dean Street.
- 3.27 To transform the system as set out in the vision above, it is felt to be essential that councils act together as changes in one part of the system may not be effective if other parts of the system continue to operate on the current service model. It should be noted that the system in its current form is not sustainable and an approach where councils continue to reduce the funding without active engagement in the redesign risks significant disruption as some providers are likely to close clinics or even withdraw from the market in an unmanaged way.
- 3.28 In addition, a system whereby individual councils are all engaging individually with multiple providers creates significant transaction costs for both councils and sexual health service providers.

4. COMMENTS OF THE CHIEF FINANCE OFFICER

- 4.1 The procurement of GUM services is funded from the Public Health Grant. The 2015/16 budget relating to the provision of sexual health services is £7.393m and is broken down below:

	£'m
GUM - In borough	2.800
GUM - Out of borough	2.600
Total GUM	5.400
Community Sexual Health Services	1.993
Overall SH Budget	7.393

- 4.2 The proposed collaborative agreement covers GUM in and out of borough provisions and Community Sexual Health Services. Negotiations with individual providers have secured a reduction in unit prices for patient episodes through the application of an agreed marginal rate for activity above the 2014/15 level. As a result any savings generated by the lower unit costs have helped to reduce the financial impact of increased activity/demand.
- 4.3 Central government has recently announced that the level of 2015/16 Public Health grant allocated to Tower Hamlets will be cut by 6.2% (£2.235m), this represents Tower Hamlets share of a £200m reduction nationally. The collaborative agreement would need to be met from within the reduced Public Health grant, the reduced grant overall in 2015/16 inclusive of 0-5 year old funding (which transferred to the Council in October 2015) is £33.881m.
- 4.4 The proposed collaborative agreement will help to reduce the attendance costs via economies of scale, diverting costs to lower cost providers and more effective treatment of STIs. The approach could help to generate greater savings to mitigate the increased activity demand and the reduction in the amount of Public Health Grant in this and future financial years. The costs of operating the collaborative have already been funded and there are no proposals for additional programme costs.

5. LEGAL COMMENTS

- 5.1 This report provides an update on the Council's collaborative agreement with 22 local authorities within London (Collaboration Agreement) relating to genito-urinary medicine services and community sexual health services (the Services) of which the annual budget for 2015/16 is £7,393,000. In addition, this report seeks delegated authority in respect of certain future actions the Council may be required to undertake under the London Sexual Health Transformation Project (LSHTP) with the other 22 local authorities in order to mitigate the risk of delays when decisions are made under it.
- 5.2 The Council has statutory duties pursuant to section 2B(1) National Health Service Act 2006 'to take steps as it considers appropriate for improving the health of the people in its area' and section 6 of The Local Authorities (Public Health Functions and Entry to Premises by Local Healthwatch Representatives) Regulations 2012 to provide or 'make arrangements to secure the provision of, open access sexual health services in its area'.
- 5.3 The Council seeks to enter into the LSHTP agreement but it has not yet been finalised. Legal advice from Legal Services should be sought concerning the terms of the LSHTP agreement in order for the Council to protect its position under it. The Council should note that any spend under the LSHTP will not be additional to the £7,393,000.00 authorised through the Collaboration Agreement.
- 5.4 It is envisaged that the Council will participate in pan-London and sub-regional procurements as part of the initial transformation of the Services (Procurements). The Council's role under the Procurements is not currently

known. In light of this and at the point decisions are made on the Procurements, legal advice should be sought from Legal Services to enable the Council to satisfy relevant tendering and constitutional rules relative to its role under them.

- 5.5 The Council has an obligation as a best value authority under section 3 of the Local Government Act 1999 to “make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.” The Council must be satisfied that by potentially entering into the LSHTP agreement and authorising decisions under it on the basis that a collective approach with other local authorities is more conducive and effective in managing spend and significantly reviewing the Services’ delivery mechanisms, represents best value.
- 5.6 With regards to the Council’s proposed involvement in a review of the Services under the LSHTP agreement and if they or the Procurements were to become subject to the Public Procurement Regulations 2015 further to any remodelling or realignment, the Council is required by the Public Services (Social Value) Act 2012 to consider how its procurement activities might secure the improvement of the economic, social and environmental well-being of Tower Hamlets. The Council should be satisfied that due regard will be given to these duties during a review of the Services under the LSHTP agreement.
- 5.7 Before deciding to proceed with the LSHTP agreement, formal review of the Services under it and the Procurements, the Council must have due regard to the need to eliminate unlawful conduct under the Equality Act 2010 (e.g. discrimination), the need to advance equality of opportunity and the need to foster good relations between persons who share a protected characteristic and those who don’t (the public sector equality duty). The level of equality analysis required is that which is proportionate to the function in question and its potential impacts.

6. ONE TOWER HAMLETS CONSIDERATIONS

- 6.1 There are significant inequalities in sexual health with higher rates of STIs, unwanted pregnancies and poorer access to contraception over represented in some groups including gay and bisexual men, young people and people from specific ethnic groups including people from black ethnic origins.
- 6.2 Maintaining open access service to sexual health services, monitoring uptake and utilisation of services by the nine protected characteristics alongside specific targeted prevention and health improvement programmes will reduce health inequalities and promote the objectives of One Tower Hamlets.

7. BEST VALUE (BV) IMPLICATIONS

- 7.1 The council has a best value duty to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.
- 7.2 The proposal to enter into a collaborative agreement will improve both the efficiency and effectiveness of services to treat STIs, reduce teenage pregnancies and improve access to contraception.

8. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT

- 8.1 Improving the prevention, detection and treatment of STIs can help reduce the use of pharmaceuticals the production of which has been identified as a contributor to greenhouse gas emissions.
- 8.2 Improving access to online services and remote self-sampling of STIs can help reduce unnecessary attendance and travel to services.
- 8.3 All new services that will be commissioned will include requirements to reduce their environmental impact and carbon footprint by promoting the efficient use of resources and encouraging walking, cycling and use of public transport.

9. RISK MANAGEMENT IMPLICATIONS

- 9.1 Implementing the LSHTP within an 18 month period does present significant challenges with risks including a) delays in councils confirming participation in the programme b) further reductions in central government funding c) undertaking procurement within a relatively short time period.
- 9.2 The LSHTP has evolved from current collaborative arrangements operating across London councils for the last year. There is a pre-existing board supported by a project management team which oversees and steers the work chaired by CEO of Camden with work streams covering procurement, clinical governance and stakeholder engagement. An active approach is taken to managing risks through regular consideration of risk logs.

10. CRIME AND DISORDER REDUCTION IMPLICATIONS

- 10.1 This report does not have any implications for crime or disorder.

11. SAFEGUARDING IMPLICATIONS

- 11.1 All sexual health services have robust policies and procedures for safeguarding of both children and adults. The focus on maintaining best practice and use of local reporting procedures will be central to all procurement and service transformation.
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Linked Reports, Appendices and Background Documents

Linked Report

- NONE

Appendices

- NONE

Background Documents – Local Authorities (Executive Arrangements)(Access to Information)(England) Regulations 2012

- NONE

Officer contact details for documents:

N/A