

Agenda Item:

Joint Public Health Board

9b

Bournemouth, Poole and Dorset councils working together to improve and protect health

Date of Meeting	20 July 2015
Officer	Director of Public Health
Subject of Report	Progress report on procurement of the integrated sexual health service
Executive Summary	<p>This paper provides an update of progress in the procurement of the integrated sexual health service since the last report to Board in February 2015.</p> <p>The paper covers two main areas:</p> <ul style="list-style-type: none"> • A summary of progress • An overview of identified risks and challenges emerging as the service development and procurement plans progress
Impact Assessment:	<p>Equalities Impact Assessment:</p> <p>An equalities impact assessment screening tool has been completed and does not include a full equalities impact assessment</p>
	<p>Use of Evidence:</p> <p>The commissioning updates uses</p> <ul style="list-style-type: none"> • Internal performance monitoring information • Evidence base for what works and best practice guidance • Service review recommendations
	<p>Budget:</p> <p>The integrated sexual health services procurement</p>

	<p>documentation outlines a range for the annual contract of £5.5- 6 million per annum for an open access service where cost can vary each year. This figure is a normalised contract value range, which will deliver quality, while ensure value for money. It is expected that following procurement evaluation and award, the commissioning team will review plans to identify any further efficiency measures that are feasible within the first year.</p> <p>This initial focus will continue with improvements to working practice in areas such as IT, the local Tariff payment development, improving access through innovative marketing/social media campaigns.</p> <p>Risk Assessment:</p> <p>There is a medium financial risk as the value of services being commissioned through a single managed contract is in excess of £1 million. The main risks include public health funding changes and subsequent pressures, effective management of early decommissioning, destabilisation of elements of NHS commissioned services and the need for media plans to be in place.</p> <p>The sexual health programme has an updated risk assessment document with detail of risk and mitigation plans to manage such risks. Having considered the risks associated with the County Council approved risk management methodology, the level of risk has been identified as: Current Risk MEDIUM Residual Risk MEDIUM</p> <p>Other Implications:</p>
<p>Recommendation</p>	<p>The Joint Public Health Board is asked to:</p> <ol style="list-style-type: none"> 1. Note progress in procurement development 2. Acknowledge risks and mitigating planning
<p>Reason for Recommendation</p>	<p>To enable further development on key areas and provide assurance on progress to date</p>
<p>Appendices</p>	<p>None</p>

Background Papers	Joint Public Health Board report 6 November 2014 and 3rd February 2015 National and local integrated service specification Risk register for sexual health
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1. Background Summary

- 1.1 The first paper for sexual health was submitted to the Board in November 2014. The report gave an overview of current commissioning of sexual health services and provided an outline for the transformation vision and the agenda for a fully integrated service. The Board recommendations were to note the programme progress and the market engagement undertaken. The board approved contract notice and commencement of procurement for an integrated service.
- 1.2 The second paper to the Board in February 2015 outlined procurement plans and progress at that time and continued stakeholder engagement updates with an outline of potential programme risks and mitigation plans. The Board approved the recommendation for awarding a newly commissioned service to commence in 2016.

2. Update on Procurement Progress

- 2.1 The vision for sexual health service is to procure a comprehensive, integrated service, that enables transformation to a single managed system which provides the right intervention, by the most appropriate professional, at the right time and place to meet population need.
- 2.2 Over the last year, there have been two supplier engagement events with excellent take up. In addition, all information is communicated through Dorset County Council's e-tendering system [ProContract]. To date, provider interest in service tendering has been positive, with initial interest now shown by seven different provider organisations, close of tenders was 30th June 2015.
- 2.3 There have been a number of clarification requests sent from interested providers, ranging from GP activity, service locations and training to evidence of integration, activity costs and data queries. All clarifications have been answered as part of a formal response process. The deadline for such queries closed on 18th June 2015.
- 2.4 Despite all efforts, there does remain however, an element of challenge with some providers, as the changes in working practice start to take shape. The expectations of contract activity, queries on contract outcomes, operational efficiency and a more flexible funding allocation within block contracts have caused some debate. The messages for change during contract negotiations have remained consist and clear, in order to continue to gain improved outcomes and service value.

- 2.5 The next stage of the process is the tender evaluation period, which follows the June submission closure. This evaluation will be during July, in preparation for the interviews month end. Plans are in place for a comprehensive, fair and transparent evaluation process including tenderer interviews and presentations. The evaluator panel comprised of both external and internal specialists from the NHS, PHE and Local Authorities, including specialist clinical input.
- 2.6 In addition a Pan Dorset young people user panel will be an integral part of the evaluation process.
- 2.7 The overall aim is to prepare for and establish the newly commissioned service in preparation for the planned start in January 2016.

3. Update on potential Programme Risks and Challenges

- 3.1 The risks have been reviewed, with 31 risks in total, 23 rated low and 8 rated medium. The next section outlines the main strategic and operational risks that have been recognised.
- 3.2 The programme risk log is an open document with mitigating actions that are ongoing in order to close or instigate actions to manage risk. The sexual health team have proactive contract management processes to keep provider understanding and engagement. Work is ongoing to gain advice on business processes, staffing and legal issues.
- 3.3 The recent Public Health funding changes and subsequent pressures may impact on the sexual health programme with expectations to provide further efficiencies. At this time we lack clarity of the scope or extent of changes to local budgets, but we may need to reflect these in the contracts in due course.
- 3.4 There is a challenge to manage existing services and possible early decommissioning is a reality, with one GP sexual health service recently serving notice. Any emerging gaps in service during the tender process will have to be managed through service signposting and working with current providers. In the longer term other commissioning process such as the procurement of community health services will need to work with the integrated services to ensure an appropriate level of coverage for the service to meet population need. It will be important to engage in the procurement of community health services in such a way to ensure any required services in GP or pharmacy settings are put in place.
- 3.5 A further, well recognised challenge related to the period of change, is a potential for destabilisation of elements of existing NHS commissioned services which are currently integrated in provider organisations. Examples include contracts for pathology or HIV care.
- 3.6 We are making every effort to collaborate and communicate with other commissioners in this process. Media and communication plan will need to be in place to effectively manage internal and external change.

4. Recommendations

The Joint Public Health Board is asked to:

1. Note progress in procurement development
2. Acknowledge risks and mitigating planning