

## LONDON BOROUGH OF HAMMERSMITH & FULHAM

**Report to:** Councillor Ben Coleman, Deputy Leader

**Date:** 17/03/2023

**Subject:** Direct awards to two providers to allow a staggered timetable for public health services procurement

**Report author:** Craig Holden, Senior Lead, Adult Public Health

**Responsible Director:** Lisa Redfern, Strategic Director of Social Care

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### SUMMARY

The council has recently completed re-procurement of its adult substance misuse services. Next steps are to reprocure its substance misuse and sexual health service for young people, and sexual health outreach and advisory service for adults. These tenders will be launched consecutively beginning in Spring 2023.

The current contracts ended on 30 September 2022, but in order to maintain the stability of these vital services quarterly payments have continued. To ensure compliance we are seeking to make short direct awards until the above tenders are completed. The duration of the direct awards are considered sufficient time to ensure that a high quality, co-produced offer is tendered and mobilised in each case. Also to regularise the Council's obligations by noting payment for service delivery from 1<sup>st</sup> October 2022 to 31<sup>st</sup> March 2023.

A waiver of the usual tendering requirements of the council's Contract Standing Orders (CSO) 19.1 on the grounds of Regulation 32(2)(b)(ii) that competition is absent for technical reasons, was approved by the Director of Finance on 15<sup>th</sup> March, 2023.

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### RECOMMENDATIONS

1. It is recommended that the Council enters into contracts with the following providers for the periods as set out in table 1 below: effective from 1st April 2023 to 30<sup>th</sup> September for the young people's substance misuse and sexual health service; and 1<sup>st</sup> April 2023 to 31<sup>st</sup> March 2024 for the sexual health outreach and advisory service for adults. The total value of the contracts will be £465,497 and will be funded from the ringfenced Public Health grant.
  2. It is further recommended that the Council notes payment to the following providers for the periods set out in table 1 below, from 1st October 2022 to 31<sup>st</sup> March 2023. The total value of the payments is £282,497, also funded from the ringfenced Public Health grant.
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**Wards Affected: ALL**

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<b>Our Values</b>	<b>Summary of how this report aligns to the H&amp;F Values</b>
Building shared prosperity	The services support the recovery of residents with substance misuse issues and those who need support with their sexual and reproductive health decisions. As individuals recover from their addiction or problem use, they improve their health, increase their ability to access education, training, and employment, sustain appropriate housing, commit fewer crimes (for those who are offending) and improve relationships often reconnecting with their families and gain positive social networks. The service aims are to reduce health inequalities. Sexual health problems disproportionately affect young people experiencing poverty and social exclusion. Individuals and groups who find it most difficult to access services include asylum seekers and refugees, sex workers and their clients, those who are homeless and young people in, or leaving, care. Good sexual and reproductive health has a major impact on population mortality, morbidity, and wider wellbeing.
Creating a compassionate council	Supporting residents to recover demonstrates compassion offering a chance at a lifestyle change for residents who misuse substances. Ensuring the continuation of services will ensure that there are no gaps in support provided to residents.
Doing things with residents, not to them	The direct awards will allow an appropriate procurement timeline for both tenders ensuring that there is continuity of service.
Being ruthlessly financially efficient	Substance misuse recovery promotes resident's wider wellbeing which reduces costs to other service areas. Sexual health promotion and advisory services provide a range of social and economic benefits which include reducing the need for more costly acute Genito-Urinary Medicine services. Ensuring the continuation of services

	will ensure that there are no gaps in support provided to residents so of which are the Boroughs most vulnerable.
Taking pride in H&F	Maintaining and supporting high quality services for our residents. Enabling positive health outcomes for all our residents via universal and targeted specialist services.
Rising to the challenge of the climate and ecological emergency	Providers will be expected to continue to commit to environmental outcomes as part of their social value offer. Providers will also continue to retain some newer ways of delivering this service as a result of COVID-19; increased use of digital platforms will reduce the need for staff / user travel and office space.

## Financial Impact

Table 1

Provider	Service	Value of the payments noted (1 <sup>st</sup> Oct '22 to 31 <sup>st</sup> Mar '23)	Value of direct award (1st Apr 23 to 30th Sept 23)	Value of direct awards (1st Apr '23 to 31 Mar '24)	Total
Turning Point	Sexual & Advice on Sexual Health (SASH)	£183,000		£366,000	£549,000
Turning Point	Resilience (Young People's Service)	£99,497	£99,497		£198,994
<b>Total</b>		<b>£282,497</b>		<b>£465,497</b>	<b>£747,994</b>

## Financial Implications

1. The proposal in recommendation one is to extend two existing contracts with the provider Turning Point. The first is a direct award for the Young Peoples Substance Misuse and Sexual Health Service (otherwise known as the Resilience Service). This direct award will cover the period from 1<sup>st</sup> April 2023 to 30<sup>th</sup> September 2023 and cost £99,497.
2. The second proposed direct award is for the Adults Sexual Health Outreach and Advisory Service, (SASH). This direct award will cover the period from 1<sup>st</sup> April 2023 to the 31<sup>st</sup> March 2024 and will cost £366,000. These proposed direct awards are at the current contract price so there are no savings associated with this report.

3. The total sum of £465,497 can be funded from the 2023-24 ringfenced Public Health Revenue grant.
4. The payments for the period from 1st October 4. 2022 to 31<sup>st</sup> March 2023 for the same contracts of £282,497 are also funded from the ringfenced Public Health grant.

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### **Legal Implications**

5. The Public Contracts Regulations 2015 will apply to these contracts but we can rely on Regulation 32(2)(b)(ii) that competition is absent for technical reasons to make the direct awards. The rules against aggregation may combine the 2 together which is why the regulations may apply to the lower value direct award as well as the higher value contract.
6. A waiver of the usual tendering requirements of the council's Contract Standing Orders (CSO) 19.1 was obtained on 15<sup>th</sup> March 2023.

*Joginder Bola, Senior Solicitor (Contracts & Procurement), 09/03/2023*

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## **DETAILED ANALYSIS**

### **Proposals and Analysis of Options**

7. The current contracts expired on 30th September 2022. In order to maintain the stability of these vital services quarterly payments have continued.
8. These direct awards are sought in order to ensure the continuation of these vital services, which are accessed by some of the most vulnerable residents, and until the on-going procurement exercises are completed.
9. The young people's resilience service provided by Turning Point delivers specialist HIV, sexual health, and gangs support within one integrated service. This tender is due to be launched in April 2023. (See Table 2 for timetable).
10. The adults' substance misuse, outreach and sexual health service is delivered by a lead provider for a number of sub-contractors. At present the combination of specialist services that this contract requires is limited within the market. Necessary market development will therefore be occurring in the coming months in preparation for re-procurement of this service by Spring 2024. (See Table 2 for timetable).

These awards will allow officers to:

- complete a transparent competitive market process and seek Cabinet Member approval to award the contracts
- sufficiently mobilise the new contracts to commence at the end of the direct award period which will be dependent on the outcome of the tenders.

11. This is considered the best commissioning option to enable the Council to achieve its strategic objectives for these areas going forward.

12. One other option was considered as follows:

**Do nothing** - this is not a viable option as the current contracts expired on 30 September 2022. The Council has a statutory duty to provide elements of these services as part of its public health functions under the Local Authorities (Public Health Functions and Entry to Premises by Local Healthwatch Representatives) Regulations 2013.

### **Current services and contracts**

13. **The Resilience Service** provided by Turning Point delivers:

- an integrated holistic wellbeing offer of advice and support for young people specialising in issues of substance use, sexual health, and relationships
- groupwork
- parental groupwork and one to one support
- access to clinical sexual health services for young people via an external clinical provider specialist substance misuse treatment from within this service
- work with the Integrated Gangs Unit and the Youth Offending Service providing specialist 1:1s and training and support for professionals.

14. **SASH** provided by Turning Point (as lead provider in a consortium of sub-contractors of London Friend, Naz, Metro and Marie Stopes) delivers:

- specialist outreach services
- campaigns targeted at residents and informed literature to reduce the transmission and acquisition of STIs
- counselling and 24-hour online support to residents to address their needs for example chemsex or self-management for people living with HIV
- HIV support groups
- contraception advice

### **Timetable for the two procurements**

15. The table below sets out the combined timetable of activity for the tenders of the following services:

- The tender for procuring the integrated substance misuse and sexual health and wellbeing service for young people is due to commence on or before 1<sup>st</sup> April 2023.

- The tender for procuring the sexual health promotion and advisory service for adults is due to commence on or before 1<sup>st</sup> October 2023.

Table 2

	Tender 1 Young People's Sexual Health and Substance Misuse Service	Tender 2 Sexual Health outreach and Advisory Service (SASH)
Tender open date	1 <sup>st</sup> Apr '23	1 <sup>st</sup> Oct '23
Closing date for clarifications	15 <sup>th</sup> Apr '23	15 <sup>th</sup> Oct '23
Closing date for submissions	10 <sup>th</sup> May '23	7 <sup>th</sup> Nov '23
End of evaluation of tenders	7 <sup>th</sup> Jun '23	30 <sup>th</sup> Nov '23
Governance period end	14 <sup>th</sup> July '23	14 <sup>th</sup> Jan '24
Award letter	21 <sup>st</sup> July '23	21 <sup>st</sup> Jan '24
Contract mobilisation and implementation	22 <sup>nd</sup> July '23 – 30 <sup>th</sup> Sept '23	22 <sup>nd</sup> Jan '24 – 31 <sup>st</sup> Mar '24
Contract Commencement date	1 <sup>st</sup> Oct '23	1 <sup>st</sup> Apr '24

## Reasons for Decision

16. H&F has a statutory duty to provide elements of these services as part of its public health functions under the Local Authorities (Public Health Functions and Entry to Premises by Local Healthwatch Representatives) Regulations 2013.
17. In order to ensure the continuation of vital services until the proposed tenders are completed direct wards are sought to enable commissioners to:
  - Carry out a transparent, competitive market process.
  - Procure, award and sufficiently mobilise the new contracts for the substance misuse and sexual health promotion and advisory service, and the integrated substance misuse and sexual health wellbeing services for young people.
18. Substance misuse support promotes resident's wider wellbeing which reduces costs to other service areas. Sexual health promotion and advisory services provide a range of social and economic benefits which include reducing the need for more costly acute Genito-Urinary Medicine services. Ensuring the continuation of these services will ensure that there are no gaps in support provided to residents, some of which are the boroughs most at risk.
19. Approval of the direct awards to enable these vital services to continue will aid in a successful procurement in order to:

- protect residents from harm and promote health and wellbeing, harm reduction, prevention and treatment through integrated and high performing substance misuse and sexual health services.
- deliver a model that aligns well with national and local priorities and has the flexibility to meet changes in local need.
- ameliorating the pandemic impact of increasing health inequalities.
- the adults and young peoples' model will continue to make use of specialists within the system.
- develop the way in which adult drug and alcohol services work, meeting a range of complex needs, in a more financially efficient and effective manner, while also ensuring that overall health and well-being is improved.
- the wider social impacts - there is a significant and growing body of evidence showing that investing in the prevention and treatment of drug and alcohol misuse improves social, physical, human and recovery capital.
- reduce the transmission and acquisition of Sexually Transmitted Infections (STIs) via campaigns targeted at residents and informed literature
- deliver mixed universal and targeted services aimed at reducing inequalities and improving sexual health outcomes
- provide online support and peer support groups to residents to address their needs for example chemises or self-management for people living with HIV.

### **Performance and Contract management**

20. Both providers have adhered to contract terms and consistently met expectations across the service. Funding is being spent in accordance with the contracts.
21. As a minimum the providers will continue to be expected to ensure that regular service user and stakeholder consultation occurs at all levels of service, and to evidence to commissioners ways in which service user feedback has been incorporated into service planning and delivery.

### **Risk Management Implications**

22. The report recommends awarding short term contracts, funded through Public Health Grant, to ensure continuity of these vital statutory services and for a competitive process to be carried out to put in place new contracts over the longer term. This is in line with the objectives of being ruthlessly financially efficient and in creating a compassionate council.

*David Hughes, Director of Audit, Fraud, Risk and Insurance, 9 March 2023*

### **Climate and Ecological Emergency Implications**

23. All climate and ecological considerations will continue to be monitored in line with the current contract and climate and ecological consideration set out in the direct award 1<sup>st</sup> April 2023 to 30<sup>th</sup> March 2024.

*Hinesh Mehta, Head of Climate Change, 14<sup>th</sup> March, 2023*

## **Local Economy and Social Value**

24. It is a requirement that all contracts awarded by the council with a value above £100,000 propose social value contributions that are additional to the core services required under the contract. This proposal should be assessed as reasonable and the commitments amount to at least 10% in value of the price of the contract before the contract is awarded.
25. This direct award does not propose new social value commitments, the commissioner has proposed that commitments made in the previous contract are transposed into this award.
26. It is recommended that the commissioner ensures the proxy value of the commitments in this new award reflects, as a percentage of the overall contract value, at least the minimum value required of H&F's policy and that a delivery plan is in place to realise those commitments.
27. It is advisable that the commissioner works closely with legal to ensure appropriate social value clauses are included in the contract, so that the Council can enforce its right to compensation if social value commitments are not delivered.

*Oliur Rahman, Head of Employment and Skills. 14<sup>th</sup> March 2023*

## **Equalities Impacts**

28. A previous award report for these services covering the periods 1 April 21 to 30 September 22 assessed the recommendation to continue services as having a positive or neutral effect across for all equality characteristics. There is no change in these services that would affect this assessment.

*Craig Holden, Senior Lead Adult Public Health, 9th March 2023*

## **29. LIST OF APPENDICES**

None