

## Cabinet

<b>Report Title</b>	Re-procurement of Integrated Sexual Health Services in Sandwell
<b>Date of Meeting</b>	Wednesday, 11 March 2026
<b>Report Author</b>	Sophie Pagett, Service Manager Health Protection
<b>Lead Officer</b>	Dr Frances Howie, Interim Director Public Health
<b>Lead Cabinet Member(s)</b>	Cllr Taylor, Cabinet Member for Adult Social Care Services, Health & Well-being
<b>Why is this a key decision?</b>	1. Expenditure over £1 Million+: Yes. 2. Significant impact on 2 or more wards: Yes
<b>Wards Affected</b>	(All Wards);
<b>Identify exempt information and exemption category</b>	Open
<b>Is the report urgent?</b>	No
<b>Reasons for urgency (only where applicable)</b>	N/a
<b>Appendices (if any)</b>	1. Sandwell Sexual Health EQIA

### 1. Executive Summary

- 1.1 This report seeks approval to undertake a procurement exercise and on successful completion award a contract for the provision of sexual health services, for the three-year period 1 April 2027 for a three-year period to 31 March 2030, with an option to extend for up to two further years.

### 2. Recommendations

For the reasons set out in the report, it is recommended that –

- 2.1 Delegated authority be granted to the Interim Director of Public Health to undertake a competitive procurement process for the provision of Integrated Sexual Health Services to commence on 1 April 2027 for a three-year period to 31 March 2030 with the option to extend up to a further two years. The maximum annual budget for this service will be £2,500,000.

- 2.2 Delegated authority be granted to the Interim Director of Public Health in consultation with the Cabinet Member for Adult Services, Health and Wellbeing to award and enter into a contract agreement with the successful bidder, on terms to be agreed with the Interim Director of Public Health in consultation with Monitoring Officer, Service Director for Governance for the provision of Integrated Sexual Health Services for a period of three years with an option for the Council to extend for a further period of up to two years (total) until 31 March 2032.
- 2.3 A procurement exemption be authorised under rule 8.8, 8.10 and 8.11 of Council's Procurement and Contract Procedure Rules (January 2024) to allow the contract to be awarded to the successful tenderer if the required minimum number of tenders are not received.
- 2.4 The Monitoring Officer, Service Director for Governance be authorised to take all actions necessary to give effect to the proposals set above for the provision of Integrated Sexual Health Services in Sandwell.
- 2.5 Delegated authority be granted to the Interim Director of Public Health in consultation with the Cabinet Member for Adult Services, Health and Wellbeing and Monitoring Officer, Service Director for Governance to variations to the Contract up to a maximum of 10% of the Contract value, should they be required.

### **3. Proposals – Reasons for the recommendations**

#### **Background**

- 3.1 The current ISHS is part of the NHS Public Health Services Contract between Sandwell Metropolitan Council (SMBC) and West Birmingham NHS Hospital Trust which commenced on 1 January 2026.
- 3.2 National regulation and mandation for local authorities in this area of practice is unchanged. A recent announcement of the local government settlement has maintained the ring-fence on the Public Health Grant to local authorities. For the first time, this grant allocation has been announced for three years, rather than annually.
- 3.3 Under the Health and Social Care Act 2012, local councils in England are legally responsible for delivering public health services. They are required to take appropriate actions to improve the health and wellbeing of their local populations. Local authorities are mandated to commission comprehensive open access Integrated Sexual Health Services (ISHS's).
- 3.4 Councils receive an annual ringfenced public health grant from the Department of Health and Social Care (DHSC). The core condition of this grant is that it should be used only for the purposes of the public health functions of local authorities.

#### **Outcomes and Objectives**

- 3.5 Sexual health is an important area of public health. Most of the adult population of England are sexually active and access to quality ISHSs improves the health and wellbeing of both individuals and populations.
- 3.6 The Contract service specification will be outcomes focused and the providers will be asked to how they will meet our local challenges.
- 3.7 The Public Health Outcomes Framework (PHOF) includes five key sexual health indicators. Two indicators fall under Health Improvement, focusing on contraception, while the remaining three fall under Health Protection, covering chlamydia detection, new STI diagnoses among those aged 24 and under, and HIV late diagnosis.
- 3.8 One of our key challenges in Sandwell is to improve the total Long-Acting Reversible Contraception (LARC) prescribing rates, which currently stand at 23 per 1,000, compared to 36.7 per 1,000 in the West Midlands and 43.5 per 1,000 in England. Improving access to LARC is essential for preventing unintended conceptions.
- 3.9 Sandwell's under-18-year-old conception rates have fallen significantly from 38.5 per 1,000 in 2012 to 17 per 1,000 in 2022. The West Midlands and England saw similar decreases for the same period, but remain higher in Sandwell. The challenge remains to maintain a downward trend.
- 3.10 The most recent published figures from the Office for National Statistics (ONS) show that England's under 18 year old conception rate rose slightly from 13.1 per 1,000 in 2021 to 13.9 per 1,000 in 2022, marking the first increase in over a decade. This upward trend was observed across all regions, including the West Midlands. Sandwell's rate for the same period was approximately 14.1 per 1,000, broadly in line with the national average. While this represents a significant improvement compared to historic rates (38.5 per 1,000 in 2012), the recent increase highlights the need for continued focus on prevention and access to contraception.
- 3.11 Chlamydia screening among females aged 15–24 is not meeting the recommended detection rate of 3,250 per 100,000 nationally, regionally, or locally. This has been a persistent issue from 2012 to 2024, and the proportion of females being screened continues to decline. Increasing screening uptake will remain a priority in future commissioning.
- 3.12 The STI diagnosis rate (excluding chlamydia) among under-24-year-olds in Sandwell was 438 (per 100,000) in 2024, higher than the West Midlands rate (330 per 100,000) but lower than England (482 per 100,000). Testing uptake in Sandwell was 4,001 per 100,000, exceeding the regional average (3,060 per 100,000) and close to the England rate (4,089 per 100,000).
- 3.13 HIV late diagnosis remains a challenge, with 57% of diagnoses in Sandwell between 2022 and 2024 being late presentations, compared to 47% in the West Midlands and 43% in England. However, HIV testing rates in Sandwell increased by 6% between 2022 and 2024 (from 2,446 per 100,000 to 2,594 per 100,000).

- 3.14 Sexual health outcomes are not equally distributed across the population. There are strong links between deprivation and higher rates of sexually transmitted infections (STIs), teenage conceptions, and abortions. The greatest burden is experienced by women, men who have sex with men (MSM), the trans community, young people, and individuals from ethnic minority backgrounds. Similarly, HIV infection in the UK disproportionately affects gay, bisexual, and other MSM, as well as Black African populations.

#### **Proposals and delivery**

- 3.15 A specialist ISHS provides service users with open access to confidential, non-judgemental services including:
- sexually transmitted infections (STIs) and blood borne viruses (BBV) testing (including HIV)
  - treatment and management
  - HIV prevention including pre-exposure prophylaxis (PrEP) and post-exposure prophylaxis (PEP)
  - the full range of contraceptive provision
  - health promotion and prevention including relevant vaccination.
- 3.16 Local authorities are mandated to commission comprehensive open access ISHS's, including free STI testing and treatment, notification of sexual partners of infected persons, advice on, and reasonable access to, a broad range of contraception, and advice on preventing unplanned pregnancy.
- 3.17 The DHSC recently published the HIV Action Plan for England 2025 to 2030 which sets out some ambitious priorities which include prevention and testing. The content of the specification will follow a national service specification for ISHS's and take into consideration papers including the HIV National Action Plan for England.
- 3.18 A comprehensive sexual health needs assessment will inform the design and specification of the service. This assessment will review local, regional, and national data to provide a clear understanding of sexual health in Sandwell. It will identify groups where the burden of sexual ill health is greatest, as well as particularly vulnerable populations, ensuring that the service is tailored to meet local needs effectively.
- 3.19 Consultation will be sought from both the service users and residents to ensure the service specification reflects the views of local residents. The service will deliver outputs and outcomes to improve sexual health in the local population, while also being based on local needs assessments to recognise risk changes in the population. Work with local partners, including the NHS, to plan services according to population need.
- 3.20 Services must be inclusive, appropriate, and sensitive to the needs of all people, including those individuals whose gender identity does not align with their biological sex, non-binary people, and people of diverse gender identities.
- 3.21 Services should demonstrate that user and public involvement will be fundamental to service development, provision, monitoring and evaluation of

the service and improvement, including taking into account local safeguarding policies.

- 3.22 Providers of ISHSs are expected to operate in line with the most recent guidance and established clinical practice. Clinical standards set out by UK clinical guidance for SRH care and GUM will be adhered to and follow NICE guidance. Clinical governance arrangements will be in accordance with the Sexual Health Clinical Governance Principles.
- 3.23 The proposed procurement strategy will be that the Health Care Services (Provider Selection Regime) Regulations 2023 (PSR) will be used to procure the new contract using a Competitive Process. The initial contract period will be for 3 years with an option to extend for 2 years (i.e. maximum 5-year Contract Term. The anticipated contract start date of 1 April 2027.

### **Costs**

- 3.24 The market for ISHS's providers has not been tested since 2016 therefore a Competitive Process for procurement is being recommended. A cost envelope of £2.5 million has been estimated based on the population needs and benchmarking with neighbouring Local Authorities and those with higher deprivation. Both providers and commissioners must recognise the need to respond to changes and emerging trends within their population. This may include new and/or re-emerging infections, new technologies, changing population profile and changing behaviours.

## **4. Alternative Options Considered**

- 4.1 The following alternative options have been considered –

4.1.1 **Option 1: Do nothing.** This option was not chosen as the Council is under a statutory duty to deliver the provision of ISHS's. The current contract for ISHS sits within the NHS Public Health Services Contract which started on 1<sup>st</sup> January 2026 and is due to end on 31<sup>st</sup> March 2027, but this Services has remained with the same provider since 2012. This option is not recommended.

4.1.2 **Option 2: Undertake a competitive procurement process.** This option will allow us to test the market which has not been done since the inception of the current Service in 2012. This option is preferred and is the subject of this report.

## **5. Consultation**

- 5.1 Consultation will be sought from residents and existing service users. Resident views will be sought through a survey using the councils consultation hub. Service users will provide responses to a survey through the existing service provider. The findings from the consultation will help inform the service specification.
- 5.2 Market engagement will also provide an opportunity for providers and key stakeholder to feedback on a draft specification. The service must meet the statutory requirements set out in the Health & Social Care Act 2012.

5.3 The content of the Service specification is professionally driven and is a clinical service which must meet national clinical standards and be NICE compliant.

## 6. Financial Implications

6.1 Expenditure for the contract for the Integrated Sexual Health Contracts is funded by the Public Health ring-fenced Grant (PHRG). In 2026, the government started to release indicative multi-year allocations to give local government more certainty for future planning.

6.2 The annual maximum expenditure for approval for the contract starting 1 April 2027 is £2,500,000. This equates to approximately 8% of the PHRG. The current agreement as part of the co-operative working agreement ISHS budget is £1,945,900.

<b>Integrated Sexual Health Service</b>	
<b>Contract Period</b>	<b>Contract Value</b>
2027 - 2028	£2,500,000
2028-2029	£2,500,000
2029-2030	£2,500,000
<b>Total (2027 - 2030)</b>	<b>£7,500,000</b>
<b>Option to extend (1+1 year)</b>	
2030-2031	£2,500,000
2031-2032	£2,500,000
<b>Total (2027 - 2032)</b>	<b>£12,500,000</b>

6.3 For cabinet approval a cost envelope has been provided based on the population needs and benchmarking with neighbouring and Local Authorities with higher deprivation. More intensive work will be undertaken including consultation with stakeholders and residents to finalise the service costing which will not exceed £2.5 million, this includes annual uplifts to be accounted for within this sum.

## 7. Legal and Governance Implications

7.1 Under the Health and Social Care Act 2012, local councils in England have statutory responsibility for delivering public health services. Regulations made under the 2012 Act outline the specific actions councils. The mandated functions within the regulations include ISHS.

7.2 Councils receive an annual ringfenced public health grant from the Department of Health and Social Care (DHSC). The core condition of this grant is that it should be used only for the purposes of the public health functions of local authorities.

7.3 The Health and Care Act 2022 introduced a new procurement regime for health contracts effective from 1 January 2024, known as the Health Care

Services (Provider Selection Regime) Regulations 2023 (PSR). Under these regulations, the Council is classified as a “Relevant Authority” for the purposes of procuring relevant health care services. Any procurement process to which the PSR applies must follow the prescribed procedures set out in the regulations to ensure compliance and transparency.

## **8. Risks**

- 8.1 The corporate risk management strategy has been complied with to identify and assess the risks associated with the decision being sought. This has concluded that the following significant risks have been identified. For the risks identified, suitable measures will be in place to mitigate the risk to an acceptable level.
- 8.2 Cost pressures for the Service. Regular monitoring of finances through contract monitoring meetings will provide opportunities to discuss and unplanned increases and discuss mitigations. If the risk is significant with a high impact, mitigation would be to review contract values and/or permitted variations being made to the specification. If the service is no longer affordable, we have the option to terminate the contract, re-model and re-procure with a reduced financial envelope.
- 8.3 Clinical risks have been identified. Any clinical procedure carries a risk. To reduce the likelihood, clinical best practice should be followed in line with NICE guidance.
- 8.4 Any significant risks identified will be escalated to the Strategic Leadership Team for consideration for inclusion on the Strategic Risk Register. Outside of the service risks there are recommissioning risks to be acknowledged:-
- 8.4.1 **Risk that there are insufficient bidders for the contract** - Mitigation would be to seek approval for an exemption under rule 8.10 of the Procurement and Contract Procedure Rules 2024 to allow a contract to be awarded to a successful tenderer in the event that fewer than three tenders are received.
- 8.4.2 **Risk of nil submissions** – Mitigation is to widely advertise Invitation to Tender, including market engagement events, notify potential bidders including current provider, and if necessary, review the service specification and re-advertise.

## **9. Equality and Diversity Implications (including the public sector equality duty)**

- 9.1 A robust equality impact assessment (EIA) has been completed, based on a recent data and health needs assessment. The EIA found that the majority of protected characteristics had no adverse impact, with measures to improve access for low-income groups, mitigations are provided in the EQIA (11).
- 9.2 The impact of the service on equality, diversity and inclusion will be monitored and evaluated using the Health Equity Assessment Tool (HEAT) and a health inequalities dashboard as part of routine service monitoring.

## **10. Other Relevant Implications**

- 10.1 Climate change – Recommissioning should have minimal impact on climate change. The impact on the environment will be considered through the recommissioning and service specification, for example online testing, use of online platforms for promotion and referrals.

## **11. Background Documents**

Not applicable.

## **12. How does this deliver the objectives of the Strategic Themes?**

- 12.1 The proposals set out in this report will help support delivery against the following strategic objectives:

12.1.1 **Healthy in Sandwell:** Through the delivery of statutory public health services, Sexual Health, the contract will contribute directly to improved health outcomes and reduced inequalities. This will be achieved by using local data and evidence to inform our approach. The service are integral to the Sandwell Story ambition - to celebrate, champion and bring people together in making Sandwell a great place to live, learn, work and visit.

12.1.2 **Healthy in Sandwell:** ISHS's provide advice and support for contraception, Sexual Health Infections (STIs) and treatment. through prevention and early detection this will reduce the number of unplanned pregnancies and sexual transmitted infections, therefore reducing the burden on the local system and NHS.

## Relevance Check

**Budget Reduction/Service Area:**

**Service Lead**

**Date:**

In what ways does this Budget reduction have an impact on an outward facing service? How will the service feel different to your customers or potential customers?

N/A

If not, how does it impact on staff e.g. redundancies, pay grades, working conditions? Why are you confident that these staff changes will not affect the service that you provide?

N/A

Is a Customer Impact Assessment needed? No