

## Report – Finance Committee

# Extension of Contract for the Pan-London Sexual Health E-Services contract

*To be presented on Thursday, 9<sup>th</sup> January 2025*

*To the Right Honourable The Lord Mayor, Aldermen and Commons  
of the City of London in Common Council assembled.*

### SUMMARY

Your Finance Committee recommends a 12-month extension to the Pan-London Sexual Health E-Services contract with Preventx Ltd, which provides for the commissioning of “open access” sexual health services across London.

The City of London Corporation commissions the service in collaboration with of 30 of London’s local authorities, and also acts as the Lead Authority and accountable body for the participating authorities. Your Policy and Resources Committee agreed in November 2024 that the City Corporation should continue to act as the Lead Authority and accountable body for the re-procurement of a new Pan-London Sexual Health E-services contract. The one-year extension of the current contract will allow for the completion of the re-procurement within an achievable timescale.

Court approval is required as the estimated contract value exceeds £4,000,000 as per Section 16.2 of the Procurement Code Part One. Your Finance Committee asks the Court to note that the cost for the City Corporation will be £40,000, out of a total extension cost of £27m.

### RECOMMENDATION

That approval be granted for the current E-services contract with Preventx Ltd, dated 15 August 2017 and currently due to expire on 15 August 2025, to be extended for a further year to expire on 15 August 2026.

### MAIN REPORT

#### Background

1. London’s Sexual Health E-Service is part of the Pan London Sexual Health Programme (LSHP) which aims “to manage and deliver an efficient virtual service as part of a wider healthcare system that responds effectively to the sexual and reproductive health needs of London’s residents.”
2. In 2017 the 30 London local health authorities (‘the participating Authorities’), including the City Corporation acting in that capacity, agreed to collaborate to deliver these sexual health services. The City Corporation also agreed to be appointed as the Lead Authority, being the accountable body responsible for hosting the programme management service and procuring the E-service.

3. An E-Service Management Board (ESMB), comprising of representatives from each participating Authority, provides strategic oversight for the contract and makes recommendations to the City Corporation when variations, including extensions, to the contract are needed.
4. The contract for the provision of the E-Service, valued at over £200m, was awarded by the City Corporation on 15 August 2017, for a minimum 5-year term with options to extend it by a maximum of 4 years. The contract was extended for a further 3-years extension in 2022, allowing for a further 1-year extension up to 14 August 2026. The cost of the 12-month extension is £27m, of which the total cost for the City Corporation will be £40,000. The E-Service is provided by Preventx Ltd.
5. The E-Service is managed by a programme team hosted by the City Corporation's Community and Children's Services Department on behalf of all participating authorities. It has performed well against the key performance indicators, and Preventx have responded to the evolving needs. It has received consistently positive feedback, and provides value for money when compared with similar care pathways in a traditional setting.

#### **Current Position**

6. The participating authorities agreed at the ESMB meeting in April 2024 to undertake a competitive process for the (re)procurement of the Sexual Health E-services contract; this was subsequently endorsed by the authorities at a meeting of the LSHP's Strategic Board. The participating authorities accordingly recommended to the City Corporation via the ESMB that the current E-Services contract should be extended by one further year from 15 August 2025 to 15 August 2026.
7. An extension will ensure there is adequate time for all participating Authorities to obtain their own authorisations to extend the arrangements, including hosting and procurement by the City Corporation as the Lead Authority and accountable body, and to participate in any subsequent service contract awarded by the City Corporation, and for the delivery of a comprehensive competitive procurement process by the City Corporation as Lead Authority.

#### **Proposal**

8. Your Finance Committee recommends that the Court approves the extension of the contract for one further year to provide for timeline assurance during the (re)procurement process.

## Corporate & Strategic Implications

- **Financial implications:** The total cost to the City Corporation will be £40,000. The proposal does not require any additional funding; the extension will result in a status quo position regarding how City Corporation manages the financial model on behalf of the participating authorities. The value of the monthly invoices from the existing supplier under the current contract requires enhanced approval processes involving the Chamberlain, Chamberlain's Department, and the Executive Director of Community & Children's Services. The programme team includes a dedicated resource for recharging the participating authorities each month according to their residents' usage. The level of liquidity in the funds under the arrangements is regularly reviewed with the Chamberlain and any new measures to manage risk for the City Corporation as accountable body are then implemented.
- **Resource implications :** There are no resource implications.
- **Legal implications :** The existing agreement allows for a one-year extension. If approved, the existing governance arrangements will continue for the duration of the extension.
- **Risk implications:** There is significant risk for London's sexual health system if the City Corporation does not approve the 12-month contract extension. If the mandate is not approved as recommended by the participating authorities, there would be significant risk of major reputational damage and potential adverse publicity for all participating authorities, including the City Corporation, because the activity currently managed through the contract would be transferred back to in-person clinics across London. If this were to occur the LSHP team would have to support participating authorities with a streamlined contingency plan service due to service disruption and financial constraints. There would also be an impact on the ability to seek a new supplier. The current pan London Needs Assessment indicates that there are critical changes in resident profiles and trends that require an updated service model and specification. The impact would mean service status quo and the existing contract will continue to deliver services out of contract. A lack of continuity of service will create a significant rise in financial burden for all participating authorities that has not been accounted for. The LSHP would have to seek advice and guidance from each participating authority finance teams (including the City Corporation through its own participation).
- **Equalities implications:** The Programme has sought external support from the Equalities & Human Rights Commission to ensure Public Sector Equalities Duty compliance.
- **Climate implications:** There are no climate implications.
- **Security implications:** There are no security implications.

## Conclusion

12. The Service has performed well under the suppliers of the current contract, meeting, receiving consistently positive feedback and achieving value for money. A one-year extension for the provision of "open access" sexual health services

across London is recommended as it will allow for the (re)procurement of the contract within an achievable timescale.

All of which we submit to the judgement of this Honourable Court.

DATED this 10<sup>th</sup> day of December 2024.

SIGNED on behalf of the Committee.

**Deputy Henry Nicholas Almroth Colthurst**  
Chairman, Finance Committee