

Report – Finance Committee

Pan-London Sexual Health eService (SHL.UK)

*To be presented on Thursday, 26th June 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 Competitive Process, under the Health Care Services Provider Selection Regime, for the procurement of the replacement Pan-London Sexual Health eService, due to commence on 15 August 2026

This recommendation is made following appointment of the City Corporation to continue to act as the Lead Authority for London and accountable body for the procurement of a new Pan-London Sexual Health E-services contract and the host of the programme management service under an inter-authority agreement, which provides for the commissioning of “open access” sexual health services across London.

Court approval is required as the estimated contract value exceeds £4,000,000 as per Section 16.2 of the Procurement Code Part One notwithstanding the fact that all funding is received from external parties. This proposal has been reviewed and recommended by Projects & Procurement Sub-Committee and approved by the Finance Committee.

RECOMMENDATION

That approval be granted for the procurement, via a Competitive Process (described in more details as Option 1 in this paper) under the Health Care Services Provider Selection Regime, of the replacement Pan-London Sexual Health eService, due to commence 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, 30 London local health authorities, including the City Corporation acting in that capacity, agreed to collaborate to deliver these sexual health services under an Inter-Authority Agreement (IAA) dated 16th May 2017, with the City Corporation also agreeing to be appointed as the Lead Authority, being the accountable body responsible for hosting the programme management service and procuring the E-service.
3. 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, and then a final 1-year extension was applied, taking the contract end date to 14 August, 2026.
4. The current E-Service is provided by Preventx Ltd who sub-contract with Chelsea and Westminster NHS Trust and Lloyds Online Doctor for clinical leadership, patient care and the supply of medical treatments.
5. It provides online assessment for sexual health testing services by post with remote treatment for chlamydia. The E-Service is partnered with London's NHS Trusts who provide ongoing care to E-Service users as required. It provides contraception to residents of 16 authorities, who have called off this optional service line.
6. The E-Service has performed well against the key performance indicators, the supplier has been responsive to our evolving needs and service user feedback is consistently positive. When compared with providing similar care pathways in a traditional clinic setting, the E-Service provides value for money to the participating Authorities and convenience for their residents.
7. A small Programme team, the London Sexual Health Programme Team (LSHPT) hosted by the Directorate of Community and Children's Services within the City Corporation, manages the E-Service contract on behalf of 30 participating authorities under the IAA. The arrangements provide for the costs of the hosting to be met by the participating authorities as well as for recharging each of the local authorities for their residents' usage in a timely manner so that liquidity risk is managed for the City Corporation as the accountable body.
8. 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.

Current Position

9. The 30 participating Authorities have recommended to the City Corporation, via the E-Services Management Board (ESMB), that the current E-Services contract is reproced and to go live on 15 August 2026.
10. Publishing the tender documentation in June 2025 will ensure there is adequate time for the delivery of a comprehensive competitive procurement process by the City Corporation as Lead Authority, allowing all participating Authorities to obtain their own authorisations throughout the process, and to participate in the subsequent service contract awarded by the City Corporation. The competitive procurement (including legal advice) will be funded by all the participating authorities.
11. The new Provider Selection Regime (PSR) sets out the rules for procuring health care services in England by organisations termed Relevant Authorities. The key criteria under regulation 5 of the PSR are (a) quality and innovation, (b) value, (c) integration, collaboration and service sustainability, (d) improving access, reducing health inequalities and facilitating choice and (e) social value.
12. The participating Authorities reached a consensus in the ESMB of the 18 April 2024 for a competitive process to be undertaken for the (re)procurement of the Sexual Health E-services and this was endorsed by the authorities at a subsequent meeting of the LSHP's Strategic Board. The City Corporation as the host authority has taken this decision on behalf of the Related Authorities via the IAA.
13. Your Finance Committee accordingly recommends the competitive process option for reprocuring the contract, as it has the advantages of encouraging a cost-effective service e-provision, promotes new approaches and improvements in service delivery and reduces the legal and reputational risk associated with direct awards.

Corporate & Strategic Implications

Strategic implications

14. Having a 99% service user satisfaction rate, the SHL.UK E-Service fully supports the City's outcome of "Providing Excellent Services".
15. The current contract has so far delivered high user satisfaction (99% ecommendation rate), award-winning service, and significant testing activity (57% of all testing in London). The service has recently been awarded 'Environmental Sustainability Project of the Year' at the HSJ Partnership Awards 2025 for the recycling and reuse of testing equipment.
16. Performance against KPIs is reviewed with the supplier at quarterly Contract Board and reported to all Authorities at quarterly E-Service Management Board.

Results savings, efficiencies and benefits

17. The current contract for E-services provides value for money to the participating authorities when compared with providing similar care pathways in a traditional clinic setting. Currently the participating authorities are spending £11 million less on STI interventions than in 2019/20. The greater the proportion of activity that happens online, the greater the efficiencies for the Authorities individually and collectively. Public Health England predict that the next 10 years will see a return

on investment based on £9.00 saving for every £1 invested in publicly provided contraception.

18. The E-Service is addressing accessibility challenges for residents from deprived areas. 69% of STI Kits were ordered from the top 5 most deprived areas in London with 74% for routine contraception and 81% for Emergency contraception.
19. Providing the same care at lower prices enable the participating Authorities to meet the challenge of rising demand for sexual health testing that accompanies expanded uptake of Pre- Exposure Prophylaxis (PrEP) and fulfil the capital's commitment to becoming the first nation in the world to achieve zero new HIV transmissions by 2030.
20. The LSHP Team have a new dedicated senior Health Business Analyst joining the team in September 2024 to undertake all the data and financial modelling to detail the efficiency, effectiveness, value and behaviour of Pan-London residents accessing the Sexual Health E-Service and how it is critically improving health outcomes across all participating authorities. This information has underpinned the Business Case for the re-procurement and has been approved across all Related Authorities to proceed to market via a PSR route.

Financial implications

21. City Corporation acts as a trusted broker on behalf of the LSHP; consequently this proposal involves no direct cost to the Corporation.
22. 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

23. There is already a team in place within City of London who manage the SHL.UK service on behalf of the London Boroughs; the re-procurement will not require additional resource to be brought in.

Legal implications

24. There will be a continuation of the existing governing arrangements, including financial commitments; this will include the City Corporation as local authority which decisions are for the Health and Wellbeing Board and will be considered separately by that Board should this reports recommendations be supported. The City Corporation, as the Lead Authority can then take the relevant steps to (re)procure the Sexual Health E-Service in accordance with the City Corporation's standard procurement procedures and a new IAA will be required after approvals are confirmed at City Corporation. The IAA will clearly state the apportionment of liabilities across all participating authorities.

Risk implications

25. There is significant risk for London's sexual health system if the City Corporation does not re-tender the SHI.UK E-Service on behalf of the Related Authorities.
26. If the mandate is not approved as recommended by the participating Authorities, this would create significant risk of major reputational damage for all participating Authorities and potential adverse publicity for all Authorities, including the City Corporation because the activity currently managed through the sexual health E-Service will be transferred back to in-person clinics across London. If this were to occur the LSHP team will have to support participating authorities with a streamlined contingency plan service due to service disruption and financial constraints.
27. The re-procurement of the SHL.UK E-Service gives the Programme's capability to seek a more effective and efficient supplier in a competitive market under the PSR regime. 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.
28. 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 City Corporation through its own participation).
29. A disruption in service will have a impact on residents requiring STI and contraception support across the region. This is counter-intuitive to the values and principles of the City Corporation's Corporate Plan, specifically Outcome 2: Diverse engaged communities, providing excellent services.

Equalities implications

30. The Programme has sought external support from the Equalities & Human Rights Commission to ensure Public Sector Equalities Duty compliance. To ensure the Programme remains fully compliant throughout the duration of the Programme an Equity Equalities Diversity & Inclusion Advisory Board (EEDIAB) has been established as part of the existing governance structure to provide advice to the Statutory Board and Clinical Advisory Board on all matters related to the delivery of the Programme. The EEDIAB consists of diverse service user representation to ensure service users' voices are heard and represented on all matters related to the Programme. This Group will be consulted on the Equalities Impact Assessment (EQIA) completed by the Programme.

Climate implications

31. The following initiatives around climate and responsible procurement are in place currently and will be built upon throughout the new service:
 - The existing e-Service as recently won a national environmental award:
 - Environmental impact (energy use, managing waste)
Community benefits (engagement with neighbours, residents & businesses, service user involvement)
 - Workforce representation (ethos, culture, mindset)
 - Economic outcomes (recruitment of workers from London's diverse communities, local volunteering opportunities)

Security implications

32. There are no security implications.

Conclusion

33. The City Corporation as a Lead Authority (and through its own participation as a local authority) will ensure an exemplary LSHP procurement process will be undertaken on behalf of all participating authorities with the re-procurement of the SHL.UK E-Service.

34. By conducting this re-procurement, the City Corporation is provided with the opportunity to continue to enhance its reputation for delivering excellent public services, technological innovation and cost effectiveness.

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

DATED this 4th day of June 2025.

SIGNED on behalf of the Committee.

Deputy Henry Nicholas Almroth Colthurst
Chairman, Finance Committee