
Memorandum – Chief Officer Recommendation

Date: 28/02/2017

APPROVAL FOR EXTENSION TO THE CONTRACTS FOR SEXUAL HEALTH RELATED SERVICES AS FOLLOWS:

- (1) CNWL – CaSH SERVICES**
 - (2) TERENCE HIGGINS TRUST – CHLAMYDIA SCREENING SERVICES**
 - (3) TERENCE HIGGINS TRUST – HIV PREVENTION**
 - (4) ADDACTION - INTEGRATED YOUNG PEOPLE'S SERVICE SUBSTANCE MISUSE & SEXUAL HEALTH SERVICES**
 - (5) LNWHT - GUM SERVICES**
-

Dear Phil,

In accordance with Contract Standing Order 112 this memorandum seeks your approval for Brent Council to extend and vary the contracts with incumbent service providers for the services referred to in this report for a period of up to four months from 1st April 2017 to 31 July 2017 subject to a notice period of one month.

A summary of the background to the recommendation, including details of the two contracts and the reasons for the extensions, is outlined below.

1.0 Recommendations:

- (1) That you approve an extension to the Contract with the incumbent service provider Central and North West London NHS Foundation Trust ("CNWL") for provision of Community Contraceptive and Sexual Health Services ("CaSH") for a period of one to four months from 1st April 2017, subject to one month's notice period. There is provision for an extension period within this contract.
- (2) That you approve an extension to the Contract with the incumbent service provider Terence Higgins Trust ("THT") for Chlamydia screening and testing services for a period of one to four months from 1st April 2017, subject to one month's notice period. There is provision for an extension period within this contract.
- (3) That you approve an extension to the Contract with the incumbent service provider Terence Higgins Trust ("THT") for HIV prevention services for a period of one to four months from 1st April 2017, subject to one month's notice period. There is provision for an extension period within this contract.
- (4) That you approve an extension to the Contract with the incumbent service provider Addaction for Young persons substance misuse and sexual health services for a

period of one to four months from 1st April 2017, subject to one months notice period. There is provision for an extension period within this contract.

- (5) That you approve the extension of the Council's requirement for GUM Services under the Contract made between London North West Healthcare NHS Trust ("LNWHT") held by Harrow Council (as lead borough) for the benefit of Brent Council (and others). For this extension it is necessary for Harrow to negotiate and agree an extension by way of variation to the contract term and to be authorized to negotiate and agree on Brent's behalf. It is recommended that approval is given authorizing Harrow to act for Brent in negotiations and agreement for the variation and to agree a variation extending the contract term for the period of up to four months from 1st April 2017 to 31st July 2017 with the terms of payment/charging to be as agreed between the incumbent, Harrow and Brent, and the contract value for Brent's service in the extension period to be as detailed in this report below.

2.0 Background to the Proposed Extension:

There is a requirement for all of the above contracts to be extended owing to the fact that the procurement process for award of a new contract for an integrated sexual health services has not yet been completed.

Unforeseen delays in the procurement have occurred owing to the complexity of the integrated arrangements and design of cross charging arrangements to align with a pan London and sub regional models mean that more time has been needed and it is necessary to seek authority to extend the existing contracts with the various incumbent services providers for Brent, Harrow and Ealing. Consequently and realistically the earliest start date for the new integrated service is aimed to be the 1st of August 2017 which necessitates the need for the contracts with the incumbent service providers to be extended for a reasonable period of time which is likely to be a maximum of 4 months.

The combined contract values (5 contracts) for the existing contracts are: £3,063,721.38

The combined contract values (5 contracts) for the 4 month extension period is: £1,021,240.5

Below is a breakdown of the projected monthly and up to four months and express total as percentage of the total original contract value.

SERVICES	ANNUAL VALUE	4 MONTHS	MONTHLY VALUE	PERCENTAGE OF THE ORIGINAL VALUE
CNWL – CASH SERVICES	£900,000.0	£300,000.0	£75,000.0	33%
TERENCE HIGGINS TRUST – CHLAMYDIA SCREENING SERVICES	£252,000.0	£84,000.0	£21,000.0	33%
TERENCE HIGGINS TRUST – HIV PREVENTION	£119,500.0	£39,833.3	£9,958.3	33%
ADDACTION - INTEGRATED YOUNG PEOPLE'S SERVICE SUBSTANCE MISUSE & SEXUAL HEALTH SERVICES	£100,000.0	£33,333.3	£8,333.3	33%
LNWHT - GUM SERVICES	£1,692,221.4	£564,073.8	£141,018.4	33%
TOTAL VALUE	£3,063,721.4	£1,021,240.5	£255,310.1	33%

Under section 3(b) of the table at paragraph 2.5 of Part 4 of the Constitution, Chief Officers are able to extend contracts and agreements without the need for Cabinet approval:

- (a) provided that the extension, variation, renegotiation, novation or assignment would not be in breach of the European Procurement Legislation.
- (b) provided that the extension, variation, renegotiation, novation or assignment does not substantially alter the terms and conditions of the contract.
- (c) provided that there is sufficient existing budgetary provision.
- (d) if the extension goes beyond the period of extension provided for in the contract (if any) or is otherwise not in accordance with the extension provisions in the contract:
 - (i) in the case of any contract, agreement, deed or other transaction with a life of not more than one year (including any possible extension provided for in the contract) the extension shall not exceed a period of six months; or
 - (ii) in the case of any contract, agreement, deed or other transaction with a life of more than one year (including any possible extension provided for in the contract) the extension shall not exceed a period of one year.

It is considered that you have delegated authority as:

- (a) In the case of contracts (1) to (4) above the extension and variation would not be a breach of the European Legislation as there is an existing extension provision in those contracts and any modification does not alter the overall nature of the contract within the parameters of Regulation 72(1)(a) of The Public Procurement Regulations 2015 and there is sufficient existing budgetary provision to cover the extension therefore the extensions are permissible under the Council's Constitution.
- (b) In the case of GUM service contract, based upon the facts as reported above and in this report, the extension and variation would not be a breach of the European Legislation as the need for the modification/variation to the contract has been brought about by circumstances which the Council acting diligently could not have foreseen; the modification does not alter the overall nature of the contract and does not exceed 50% of the overall value of the contract within the parameters of Regulation 72(1)(c) of The Public Procurement Regulations 2015. There is existing budgetary provision and the period of extension does not exceed six months, therefore is permissible under the Council's Constitution.

3.0 The Benefits of the Extension

These contract extension is being sought to ensure continuity of existing service provision. This will ensure that statutory requirements such as TUPE are fully met as well as practical requirements such as estates, staff relocation data transfer and IT systems are fully addressed for the new integrated service to go live from the earliest targeted start date of the 1st of August 2017.

Both current services are mandated services (as is the new service) the extensions will enable commissioning leads to ensure that the transfer of data and range of statutory duties are fully discharged by the outgoing service provider and received by the new service provider.

4.0 Legal Implications

There is delegated authority under the Council's Constitution for approval of the extension and any modifications/variation to the contracts to give effect to the same and given the above statements, there is no breach of the European Procurement Legislation.

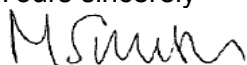
WAY FORWARD

Please confirm in writing in the approval box below whether or not:

- (a) You approve the extension to the five contracts referred to above.
- (b) The negotiation and agreement of modification/variation to the terms of the contracts applicable in the extension period within the parameters noted in this report above.

If you have any questions or would like further information to be provided, please do not hesitate to contact me.

Yours sincerely



Melanie Smith
Director Public Health

I do approve the extension and modification of the contracts for the period of up to four months on the terms as mentioned in the report above.

Signed:



Phil Porter

Position: Strategic Director, Community Wellbeing

Date: 2nd March 2017