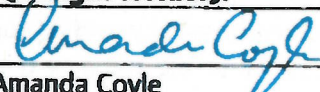
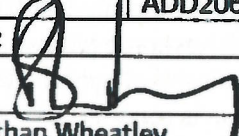



Greater London Authority

Single Source Request

SUBJECT	Analysis of the five London Sustainability and Transformation Plans	Date:	17 January 2017
Originating Department: Health and Communities		Cost Centre / WBS code No:	ADD2067
Submitted By (Budget Holder):		Prepared By:	
Signature		Signature	
Print	Amanda Coyle	Print	Ethan Wheatley
The Budget Holder accepts that in submitting this single source request it may be subject to challenge as "anti competitive" by an external third party under the EC Treaty of Rome.			

Consultees/Procurement Comments		
Add details as appropriate e.g. Legal Specialist, Sponsor, other staff etc. Consultees may indicate agreement or dissent or make other comments if appropriate.		
Procurement signature (only if approved)		
Signature		Date 15/3/17
Print	P A QUINN	Shopping Cart No.
Single Source Request Value £45,987.75		PO No.

1 Purpose of Goods / Services

This work will provide the basis for the GLA/Mayoral response to the NHS's Sustainability and Transformation Plan (STP) process. This is vitally important as the STPs will reshape the way health services are delivered in London – something we know to be of major importance to Londoners who will expect the GLA to hold a view on this and to "champion and challenge" the NHS about its plan accordingly. This is in line with the Mayor's election manifesto which said:

Londoners need a Mayor who will stand up for the city's health services. I'm determined to be that Mayor, using City Hall to argue for the resources the NHS needs, defending it against Tory attacks, and campaigning alongside patients, health workers and all NHS supporters against any service closures or reconfigurations without proper consultation.

Failure to act in this area may expose the Mayor/GLA to criticism on a strategically significant issue to Londoners.

2 Background

The NHS faces significant challenges to become a "sustainable system". The NHS CEO Simon Stevens said (the Five year Forward View – 2014) that the NHS across England will have a "do nothing" funding gap of £30 billion by 2021 – i.e. the gap between funding allocated by central government and the amount the NHS is expected to spend on delivering NHS services.

There are significant NHS service; workforce and estates issues in need of attention and social care services have experienced considerable funding restraints in the years since 2010.

Demographic changes also need to be considered. The population is getting older and many elderly citizens manage one or more long-term health condition requiring the help and support of healthcare professionals – it is these groups that traditionally use the NHS most. A report from the Institute for Fiscal Studies¹ said that the amount of healthcare resources the average person consumes rises significantly around the age of 50 and rises particularly sharply beyond age 70. Furthermore, average hospital spending for an 89 year-old man is roughly three times the average for a 70 year-old and nine times the average figure for a 50 year-old.

The NHS therefore needs to take urgent decisions about reorganising hospital and GP care. Sustainability and Transformation Plans (STPs) are the vehicle by which the NHS is seeking to do this and it is expected that these STPs will recommend significant changes to the way NHS services are delivered.

An analysis is required of these proposals, to support the GLA and Mayor in understanding the changes being proposed in the STPs and in order to respond effectively to matters arising from the process – be they via the media or more directly from patients and members of the public.

There are just two organisations we believe have the necessary reputation and skills needed to provide an authoritative report, both of which are think tanks and they both have the external credibility and independence required:

- Kings Fund
- Nuffield Trust

We identified the two from our understanding of the market i.e. from experience working in the health sector. These are the two think tank organisations the NHS/central government/wider health sector uses for these type of purposes. There are other think tanks operating in this space but they either:

- Have a slightly different skill set (e.g. the Health Foundation which is strong on finance related advice)
- Do not have a specific health purpose (i.e. are more generalist), or
- Do not have the reputation/gravitas needed to give this work the profile it deserves.

In short these are the two market leaders. We intended that they compete for the contract but they said they would prefer to work together on it. This is the best result for us as we are getting two leading experts for the price of one.

We have informally sought views from these organisations who have advised us that if they successful in receiving a commission from the GLA, they would collaborate rather than compete. Both organisations have been involved in the STP process already and the

collaborative approach is one they have successfully adopted for other work they have been tasked with in regard to this specific issue.

We are therefore proceeding with a single source to procure this expertise. The Kings Fund would be the contract holder.

3 Alternatives

None.

4 Reason Request has been raised after commitment (if applicable)

n/a.

5 Impact on Funds

£45,987.75.

6 Recommendation(s)

That the GLA commission the Kings Fund, who in turn will work with the Nuffield Trust to carry out this work

7 Disclaimer (for Budget Holder)

I, the client, am fully aware of the requirements of the Transport for London Business Ethics policy.

I, and any other persons involved in the selection of this supplier, declare that I/we have no existing financial or other interests in the recommended supplier for this transaction and I/we am/are not aware that any close relative or friend has any such interests.

I, and any other persons involved in the selection of this supplier, declare that I/we have not received in the last 12 months any offer of gifts or hospitality from the recommended supplier for this transaction other than those I/we have already disclosed.

I understand that nothing I have signed seeks to circumvent the provisions of the Public Interest Disclosure Act 1998.

