

AGENDA ITEM: 12

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Meeting	Cabinet Resources Committee
Date	27 July 2006
Subject	British Red Cross extension for the Joint Contract for Equipment and Minor adaptations - LBB/PCT
Report of	Cabinet Member for Social Care and Housing
Summary	On 26 th September 2005, Cabinet Resources Committee approved the extension of the equipment and minor adaptations contract for two years from 1 st July, 2006. There have been some changes in the contractor's organisation and this report seeks to reduce the extension on the contract to one year with an option of a further year extension.

Officer Contributors	Glynnis Joffe – Assistant Director Health Partnerships
Status (public or exempt)	Public
Wards affected	All
Enclosures	None
For decision by	Cabinet Resources Committee
Function of	Executive
Reason for urgency / exemption from call-in (if appropriate)	Not applicable

Contact for further information: Glynnis Joffe – Assistant Director Health Partnerships 7

1. RECOMMENDATIONS

- 1.1 **In variance to the earlier decision of the Cabinet Resources Committee, the current Integrated Equipment provider, the British Red Cross, have their contract to deliver, collect, service and store community and nursing equipment extended by one year from 1 July 2006 and that the option to extend the contract for a second period of up to twelve months subject to satisfactory performance be agreed.**
- 1.2 **That the Agreement with the Primary Care Trust (PCT) under section 31 of the Health Act be extended to cover the period of the contract.**

2. RELEVANT PREVIOUS DECISIONS

- 2.1 On 20th February 2003, the Cabinet Resources Committee agreed that British Red Cross should be awarded the contract to supply community equipment.
- 2.2 On 26th September 2005 Cabinet Resources Committee agreed that the British Red Cross have their contract extended by a further two years from the 1st July 2006.
- 2.3 On 26th September 2005 Cabinet Resources Committee agreed that upon approval of extension, the Legal Department will be instructed to produce a formal Deed of Variation to effect the changes that have been recommended by the London Borough of Barnet and the Primary Care Trust and agreed in principle by the British Red Cross.

3. CORPORATE PRIORITIES AND POLICY CONSIDERATIONS

- 3.1 Supporting the vulnerable in our community. Equipment can be an effective way of helping people with some risk to their safety to minimise risks and increase their independence.
- 3.2 Promoting independence of vulnerable adults. Equipment and minor adaptations support people with their activities of daily living so that they may live as independently as possible within their abilities to do so.

4. RISK MANAGEMENT ISSUES

- 4.1 At the time of recommending the extension of the contract for two years, officers reported satisfactory performance.
- 4.2 Since that report, two factors have impinged on the management of the contract. The British Red Cross were awarded a contract by the London Borough of Camden and they also lost key staff at the beginning of 2006.
- 4.3 On this basis it would be prudent for the Council only to extend the contract for one year initially, and to review performance over the coming months. A review process has been set up to take place between July and September 2006.

- 4.4 A number of discussions about the performance of the contractor have taken place with senior management of the British Red Cross to ensure good quality service is maintained for Barnet residents during the contractor's organisational changes.

5. FINANCIAL, STAFFING, ICT AND PROPERTY IMPLICATIONS

- 5.1 There are no special financial, staffing, ICT and property implications related to the above recommendation.

6. LEGAL ISSUES

- 6.1 None.

7. CONSTITUTIONAL POWERS

- 7.1 Constitution Part 3. - Responsibility for Functions - Section 3. Responsibility of the Executive; Paragraph 6 responsibility of the Cabinet Resource Committee.
- 7.2 Contract procedure rules section 5.6 provision for extension of contracts.

8. BACKGROUND INFORMATION

- 8.1 The contract for provision of equipment and minor adaptations is a critical service as equipment promotes safety of individuals. Equipment enables people to maintain their independence in their own homes.
- 8.2 Officers will review the contract over the next 3 months in order to take a view on whether an extension of the contract beyond one year would be appropriate.
- 8.3 The re-tendering process for a contract of this nature is estimated to take from nine months to a year. It is important that a service is in place to meet the equipment and minor adaptations needs of Barnet residents.
- 8.4 Equipment and minor adaptations are financed through a pooled budget under Section 31 of the Health Act 1999. Local Authorities and Health Authorities are required to provide the integrated equipment schemes under pooled budgets. It is therefore necessary for the pooled arrangement to continue for the duration of the extended contract.

9. LIST OF BACKGROUND PAPERS

- 9.1 None.

Legal: DVP
CFO: HG