



## Action Taken Under Delegated Powers

<b>Title</b>	Integrated Community Equipment – Request to direct award service provision to the London Consortium via a waiver of the contract procedure rules
<b>Date of Decision</b>	15 <sup>th</sup> June 2023
<b>Report of</b>	Dawn Wakeling, Executive Director – Adults and Health
<b>Wards</b>	All
<b>Status</b>	Public
<b>Urgent</b>	Yes – Community Equipment is a statutory service, and the current provider has served notice to end their contract on 31 <sup>st</sup> July 2023
<b>Appendices</b>	None
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### Summary

Barnet and Brent Councils along with North Central London (NCL) and North West London (NWL) Integrated Care Boards (ICBs) commission the current integrated community equipment service from Millbrook Healthcare via a framework managed by the London Borough of Barnet. The total contract value is circa £16.1m with an annual contract value £3.2m, variable, dependant on activity.

Millbrook Healthcare were awarded the current contract on 1<sup>st</sup> September 2021 for four years following a competitive tender process. The COVID pandemic adversely affected the providers ability to source equipment resulting in the development of a backlog of referrals for service deliverables to residents.

On 1<sup>st</sup> March 2023 Millbrook Healthcare formally confirmed their intentions to exit the current contract; a contract end date of 31<sup>st</sup> July 2023 was agreed by all parties.

Commissioners subsequently liaised with procurement, legal and carried out detailed market research regarding alterative service providers; the recommendation is that the Council, via waiver of contract

procedure rules, join the London Consortium integrated equipment service framework; the equipment provider is NRS Healthcare.

## Decisions

- 1. To approve a waiver of the Contract Procedure Rules pursuant to Contract Procedure Rules 12.2 to authorise the direct award of the Integrated Community Equipment contract to the London Consortium framework at an annual contract value of £3.2m, effective 1<sup>st</sup> August 2023**

### 1. Reasons for the Recommendations

- 1.1 LBB has a statutory duty to meet the care needs of vulnerable adults and children, within the borough, who have special health and social care needs in relation to equipment supply. This provision is based on assessment of need. Adults Social Care is required, in partnership with NCL ICB (where necessary), to provide this equipment.
- 1.2 Community equipment is a key enabler for both the council and the North Central London Integrated Care Board (NCL ICB), supporting the delivery of both statutory requirements and services as well as key outcomes.
- 1.3 Brent and Barnet Councils along with NCL/NWL ICBs commission the current integrated community service from Millbrook Healthcare via a framework managed by the London Borough of Barnet.
- 1.4 Millbrook Healthcare were initially awarded a contract on 1st August 2017 and subsequently awarded a new contract on 1st September 2021 for a further four (4) years through a competitive tender process.
- 1.5 Following a series of meetings to discuss contract compliance due to delays in delivering orders and ongoing supply and stock issues, the council issued an amber default notice to Millbrook Healthcare on 11th May 2022. This was followed by a red default notice on 22nd August 2022 and subsequent financial penalties, as per the terms of the contract.
- 1.6 On 25th January 2023 Millbrook Healthcare informed all parties that they could no longer deliver the service as agreed at the outset of the contract and indicated their intention to exit the contract at the conclusion of a six-month transition period.
- 1.7 On 1st March 2023 Millbrook Healthcare confirmed their intentions to exit in writing and proposed a contract end date of 31st July 2023 which was agreed by all parties.
- 1.8 The six-months' notice provided by Millbrook Healthcare did not allow for sufficient time to complete a compliant competitive procurement process to tender the service.
- 1.9 Commissioners conducted market research to identify possible alternative community equipment providers who could mobilise and deliver the service in time to ensure service continuity from 1st August 2023 and the conclusion of the current contract. Prospective service providers were asked to:
  - complete a pricing schedule to provide indicative costs for their service; information required was based on actual activity levels from the previous contractual year.

- Confirm their property requirements and depot locations, as well as their ability to help the Council address the growing backlog of outstanding equipment orders.

1.10 An options appraisal was presented to the Adult Social Care senior management team and the recommendation was made to join the London Consortium integrated community equipment framework.

## **2. Alternative Options Considered and Not Recommended**

2.1 Do nothing - This option is not recommended as the current contract is ending following Millbrook's notice to exit the contract early (by 31st July 2023) and provision of the Community Equipment service enables the council to fulfil its statutory obligations.

2.2 Complete a full competitive procurement exercise to award a contract for integrated community equipment services. This option is not recommended as the timescales afforded by Millbrook Healthcare's intentions to exit the current contract within six months do not allow for a competitive procurement exercise to take place.

## **3. Post Decision Implementation**

3.1 Following approval to award this contract Commissioners and the Care Quality team will oversee the Mobilisation of the new service which will commence on the 1<sup>st</sup> August 2023.

3.2 Due to the framework nature of the Consortium, overall service delivery is managed centrally by the Consortium commissioning team in the Royal Borough of Kensington and Chelsea however local performance of the service will be monitored continuously through the Care Quality Team monitoring process.

3.3 The Council's Care Quality Team will continue to work closely with the service provider to ensure that it consistently delivers a high- quality service to the residents in Barnet. This will include regular service reviews as part of proactive performance management.

3.4 A direct award to the recommended provider will provide commissioners with additional time to identify and evaluate alternative options for the future of the community equipment service in Barnet.

## **4. Corporate Priorities, Performance and Other Considerations**

### **Corporate Plan**

4.1 This decision supports the following Council's corporate priorities as expressed through the Corporate Plan for 2023-2026, which sets out the vision and strategy for the next five years based on the core principles of fairness, responsibility and opportunity, to make sure Barnet is a place:

- Of opportunity, where people can further their quality of life;
- Where people are helped to help themselves, recognising that prevention is better than cure;
- Where responsibility is shared, fairly; and
- Where services are delivered efficiently to get value for money for the taxpayer.

## **Corporate Performance / Outcome Measures**

4.2 N/A

## **Sustainability**

4.3 N/A

## **Corporate Parenting**

4.4 In line with the Children and Social Work Act 2017, the council has a duty to consider Corporate Parenting Principles in decision-making across the council. This decision has no implications for the council's corporate parenting obligations.

## **Risk Management**

4.5 The risks of not implementing this decision include:

- Failure to approve the waiver will require a full procurement, which will not be completed in time for a new provider is able to deliver the service before the current contract ends. This will see people placed at risk as their equipment orders will not be fulfilled.
- Reputational damage – allowing the current contract to expire without a new contract in place to continue delivering a services result in reputational damage to the Council and the ICB.

## **Insight**

4.6 The provision of Community Equipment is consistent with the council's strategic objectives. The recommended waiver will ensure the service continues to meet the needs of Barnet residents by supporting them to regain and maintain their independence, thereby enabling them to live fuller lives within the community.

## **Social Value**

4.7 The Public Services (Social Value) Act 2012 requires that consideration is given for above threshold (currently £213,477) service contracts to secure benefits for the community, environment and value for money for the London Borough of Barnet as follows:

- How what is proposed to be procured might improve the economic, social and environmental well-being of the relevant area; and
- How, in conducting the process of procurement, it might act with a view to securing that improvement.

4.8 Integrated community equipment services are of direct benefit to the community by improving the wellbeing and independence of residents

## **5. Resource Implications (Finance and Value for Money, Procurement, Staffing, IT and Property)**

- 5.1 The costs of this service will be met from the existing integrated community equipment budget, estimated to be £3.2m gross per annum, dependent on demand and the share of equipment recharged to NCL ICB.
- 5.2 There are additional costs associated with joining the London Consortium. These include a one-off joining fee of £37,000 and an annual membership fee which for 2022/23 was £9,450. *(The annual membership fee is currently being reviewed and will change if the review recommendations are accepted, until then the membership fees will attract an annual inflationary uplift).* The membership fee funds the activity of the central Consortium commissioning team.
- 5.3 The London Consortium have confirmed that there are no additional management fees associated with joining the consortium. There may be additional costs associated with tackling the backlog as a priority in the first 30 days of the new service being in place. These costs are dependent on the size of the backlog at the time of transition from Millbrook to the Consortium.

## **6. Legal Implications and Constitution References**

- 6.1 In accordance with 5.4 of the Contract Procedural Rules, where the Council accesses an existing Framework Agreement, the Framework Agreement terms and conditions of contract will be used, amended as appropriate as permitted by the Framework Agreement. Before entering into a Framework Agreement, due diligence check must be carried out to demonstrate that the Council can lawfully access the Framework Agreement.
- 6.2 The London Consortium framework ('the Framework') is a compliantly procured framework which has been established in compliance with the Public Contract Regulations 2015. The Framework is available for the local authorities who are existing or may become future members of the London Community Equipment Consortium. As a consortium member, the Council will be entitled to call-off from the Framework.
- 6.3 As per 12.2 of the Contract Procedure Rules, Approved Officers may take decisions on emergency matters (i.e., an unexpected occurrence requiring immediate action) in consultation with the Leader providing they report to the next available Cabinet meeting.
- 6.4 As required under the Contract Procedure Rules, a copy of this decision will be reported to the next meeting of cabinet. A copy of this report will also be provided to Procurement and stored on the Council's contract repository.
- 6.5 The authority sought by this report complies with the Council's Contract Procedure Rules and the Public Contract Regulations 2015.

## **7. Consultation**

- 7.1 Not applicable

## **8. Equalities and Diversity**

- 8.1 The Equality Act 2010 outlines the provisions of the Public Sector Equalities Duty which requires Public Bodies to have due regard to the need to:

- eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010.
- advance equality of opportunity between people from different groups.
- foster good relations between people from different groups.

8.2 Council officers will utilise the available contractual levers to ensure that providers and suppliers abide by the statutory requirements of the Equality Act 2010 by integrating considerations of equality into day business and keeping them under review in decision-making, the design of policies and the delivery of services.

8.3 The London Consortium service provider was required to demonstrate their compliance with the Equality Act 2010 as part of the tender process.

8.4 An Equalities Impact Assessment is not required.

## **9. Background Papers**

9.1 [Decision - Authorisation for Award of Integrated Community Equipment Service \(ICES\) Single Supplier Framework and a call-off contract \(modern.gov.co.uk\)](#)