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To: All Members of the Adults & Health Scrutiny Panel

Dear Member,

Adults & Health Scrutiny Panel - Tuesday, 16th December, 2025

I attach a copy of the following reports for the above-mentioned meeting which were not available at the time of collation of the agenda:

**8. COMMUNITY EQUIPMENT - LEARNING FROM PROVIDER FAILURE
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To consider an update and lessons learned from the liquidation of NRS Healthcare which was a provider of community equipment in Haringey.

Yours sincerely

Dominic O'Brien,
Principal Scrutiny Officer

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Community Equipment Provider Failure: Update and Lessons Learned

Adults & Health Scrutiny Panel

Adult Social Care Commissioning, Procurement and
Emergency Planning and Resilience

December 2025

NRS Healthcare Limited (formerly known as Nottingham Rehab Supplies) provided community equipment services in Haringey under a framework call-off arrangement, as part of a 21-borough London Consortium. They took over from Medequip in 2023 following a re-tender process. NRS provided services to over 40 Local Authorities and NHS partners.

- The Community Equipment Service helps people live independently at home
- Supports timely hospital discharge and reduced pressure on health and social care
- Provides items such as hospital beds, hoists and mobility aids
- Any disruption risks patient safety and system flow.

Impact in Haringey

- Around 2,500 residents use the service each month
- This includes deliveries, collections, repairs and maintenance
- Approximately 17,000 individual transactions are processed monthly

Timeline of Events

18 July 2025	Formal notification received that NRS was likely to cease trading.
Immediate Actions	Urgent contingency planning was activating across London to maintain service continuity for critical and urgent services. Supported by ADASS and LGA.
1 August 20025	NRS Healthcare went into compulsory liquidation; services continued to be delivered under PriceWaterhouseCoopers (PWC), appointed as Special Manager.
Summer/ Autumn 2025	New Consortium formation, new provider appointed under Direct Award, asset purchase.
23 September to Present	Contract signed with Provide Care Solutions and contract mobilisation commenced.

Why the Market Couldn't Absorb the Contract Quickly?

- Very limited number of large-scale community equipment providers who provide all services
- Most providers already contracted with other regions
- Short notice meant limited capacity to mobilise safely
- High cost and complexity of logistics, staffing, and asset management

- Formation of the North London Equipment Partnership (NLEP)
 - Formed with 8 North London boroughs to secure market influence
 - Hosted by Camden Council
 - Joint decision-making and shared commissioning resource
 - Worked with organisation to establish an arrangement with a medium-term provider and manage transition
 - Influenced the purchase of key NRS assets to ensure continuity and avoid supply gaps
- Governance and Oversight
 - A shared Programme Board established across councils
 - Regular risk and mobilisation updates to senior leadership
 - Clear escalation routes for service and operational risks
 - Coordinated communication with residents, staff, and partners

Local Emergency Response Overview

- The Council activated an emergency response and Silver and Gold command structures were activated
- Workstreams set up across key areas: commissioning, contractual resilience, stockpiling, finance, communications
- Borough Emergency Control Centre-Lite operated between 4–16 August to coordinate local efforts
- Significant liaison with regional, sub-regional and NHS partners
- Emergency equipment stockpile organised from 40 Cumberland Road
- Short-term contracts and interim arrangements secured while a medium-term solution was identified (PWC appointed Special Manager upon NRS liquidation)
- Regular communications issued to residents, partners, councillors, and staff
- Entered into the NLEP consortia arrangement and direct award to Provide Care Solitons CIC in September 2025
- Council Silver stood down in October 2025 – transition to business as usual with weekly coordination and regular NLEP meetings

Good Practice & Positives:

- Timely and coordinated officer response. Effective Silver and Gold operations with clear escalation and communication
- Strong collaboration across local authorities and services
- Asset purchase enabled continuity and avoided higher emergency costs
- NLEP model expected to create better long-term value for money and reduce risk for larger consortia arrangement including future cost controls through shared procurement and stock management
- Excellent communications support maintained consistent messaging
- Improved connection between Adult Social Care and corporate emergency functions
- Very few resident complaints – mainly due to delays

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Issues & Challenges:

- Fast pace made decision-making difficult across regional, sub-regional and local structures
- Multiple meetings across agencies (e.g. ADASS, consortia) strained resources and capacity
- Challenges managing large shared contracts and associated risks. Early risk assessment and business continuity planning could have been more robust
- Data management issues affected planning and resource allocation
- Clarification of emergency roles and responsibilities
- Financial pressures delayed contract negotiations and mitigations
- Specialist teams could have been utilised more

- The procurement model underpinning the contract placed heavy reliance on a single provider serving a large, 21-borough consortium. Combined with tight margins and a constrained funding model, requiring “high service levels at low margins” leaving little room for resilience in the face of rising costs and inflation
- Need earlier financial insight into provider health
- Greater investment in provider resilience and contingency planning
- Consortia arrangements should include more robust testing, resilience planning and scenario plan provider failure
- Faster regional coordination improves response to provider failure

How We Are Embedding the Learning

- Strengthening market oversight across health and social care and consortia arrangements
- Enhancing contract monitoring with early warning indicators for financial health
- Enhance resilience and contingency planning
- Working with regional partners to build a more resilient market

Provide Care Solutions appointed under Direct Award (2+1 years) and mobilisation continues to progress well

- New workforce recruitment and staff transfer complexities (TUPE did not apply).
- Warehouse reorganisation
- New (IT) equipment ordering systems live, with full roll-out to 3,000 prescribers
- Current position:
 - Over 2,000 items and around 480 deliveries/visits daily (across NLEP)
 - Dedicated Minor Adaptations Team active
 - FAQ's for prescribers available and updated regularly
 - Over 650 items in stock, with automated stock monitoring
 - Call handling: 370 inbound and 650 outbound calls daily (across NLEP)
 - Temporary arrangements with other providers phased out
 - Current Performance (High level)
 - Urgent deliveries: Improving and usually met on time.
 - Repairs and maintenance: Stabilising
 - Collections and recycling: Improving after initial backlog
 - Customer service: Strengthening with new staffing model

Next Steps

- Continue to support Provide Care Solutions CIC through to full mobilisation
- Post-Incident Review will summarise lessons learned and findings to be shared with the Resilience and Emergency Planning Board (REPB) and Council Leadership Team (CLT)
- Action Plan to be developed from lesson learnt with named leads assigned for each action and REPB will oversee and monitor progress
- Report back on performance once service reaches stability
- Ensure long-term resilience through partnership working
- Develop options for future commissioning strategy and delivery model