

MINUTES OF CABINET MEMBER SIGNING MEETING HELD ON THURSDAY, 28 JULY, 2022, 2.00PM - 2.15PM.

PRESENT: Councillor Lucia das Neves, Cabinet Member for Health, Social Care and Wellbeing

In attendance: Akeem Ogunyemi, Public Health Commissioner, Pauline Simpson Children's Social Care Commissioner, Susan Otit, Assistant Director, Public Health Rebecca Crib, Commissioning Officer and Nazyer Choudhury, Principal Committee Co-Ordinator.

1. APOLOGIES FOR ABSENCE

There were no apologies for absence.

2. DECLARATIONS OF INTEREST

There were no declarations of interest.

3. APPROVAL TO EXTEND THE INTER AUTHORITY AGREEMENT (IAA) TO ACCESS THE PAN-LONDON ONLINE SEXUAL HEALTH SERVICE WITH PREVENTX LIMITED

The report recommended that the Cabinet member for Health, Social Care and Wellbeing extend the Inter Authority Agreement (IAA) to access the pan-London online sexual health service contract procured by the City of London as part of the London Sexual Health Transformation Programme (LSHTP). The pan- London online sexual health service is an integral part of the LSHTP's development of a comprehensive sexual health service for Haringey and London-wide.

The contract for the pan-London Online service was procured through an EU tender by the City of London. The Council was included in the OJEU notice advertising the tender for the online service along with City of London and 30 other London councils (Related Authorities) that had been accessing the online service since it was procured in 2017.

Following the conclusion of the tender process the City of London, as the lead authority approved the award of the contract for the online service to Preventx Limited The inter authority agreement to access the contract with Preventx via the City of London was approved for an initial 5 year term commencing from 1st June 2017 till 31st May 2022 with an option to extend for 4 further one year periods. The report requested approval from the Cabinet member for Health, Social Care and Wellbeing to extend the contract for the additional 4-year extension period (to run concurrently), commencing from 1st June 2022 till 31st May 2026.

Forecasted Council's spend over the proposed 4 year extension period is estimated at £1,527,888 (depending on uptake of the service) with a total estimated spend of £2,984,281 over the maximum 9-year lifetime of the contract (depending on uptake of the service).

The Cabinet Member RESOLVED

That the Cabinet member for Health, Social Care and Wellbeing agrees to the Council extending the Inter-Authority Agreement (IAA) with the City of London and other London authorities to continue to access the pan-London online sexual health service under a contract awarded by the City of London to Preventx Limited as permitted under Contract Standing Orders 10.02.1.b and 16.02.

That the Council commits, in accordance with the terms of the IAA, to accessing the online service under the City of London-Preventx Ltd contract, post the initial 5-year term (ending 31st May 2022) and extend for the additional 4 years (as set out in the original award report but to run concurrently) at an estimated service cost of £1,527,888 resulting in a maximum estimated spend of £2,984,281 over the maximum 9-year contract duration for the London Borough of Haringey.

Additionally, subject to paragraph 6.7 below, the Council commits, in accordance with the terms of the IAA to making a financial contribution to the City of London for its contract management role at an estimated maximum amount of £122,412 over the maximum 9-year contract duration.

Reasons for decision

In December 2016, Cabinet agreed to the Council's participation in a London wide procurement for an expansive sexual health service that would be a web- based system to include a 'front-end' portal joined up partner notification and home/self-sampling. It was also agreed that the procurement would be led by one council on behalf of the councils in the London Sexual Health Transformation Programme (LSHTP).

This led to City of London awarding a contract for the online service to Preventx LTD. To access the online service under the contract, Haringey was required to enter into an IAA with City of London and the other participating LSHTP authorities governing the access arrangements. To continue with this agreement, which will ensure Haringey residents are able to access the online service, approval is needed from the Cabinet member for Health, Social Care and Wellbeing to extend the IAA to continue to access the online service from the provider that was procured by City of London (Preventx LTD).

Alternative options considered

The Public Health team could have acted outside of the LSHTP and procured as a single local authority. However, it chose to be part of the LSHTP, which is a partnership between 30 London boroughs, with the purpose of creating a collaborative approach to commissioning sexual health services. The LSHTP business case for change demonstrated that the level of improvement in quality and cost reduction that all London clinics needed could only be obtained by commissioning at scale. For this reason, Haringey gained agreement from Cabinet in December 2015 to become a participating member of the pan-London online sexual health service and to procure clinic- based services as part of the North Central London (NCL) sub regional partnership.

Continued participation within the pan-London online sexual health service offered the benefits of savings via economies of scale and greater choice of access to online services across London for local residents.

4. EXTENSION OF A DYNAMIC PURCHASING SYSTEM FOR SEMI INDEPENDENT, SUPPORTING LIVING AND HOMECARE CATEGORIES

To extend the Dynamic Purchasing System (DPS) procurement sourcing tools for the provision of the Council's Semi Independent, Supporting Living and Home Support requirements.

The current DPSs for these categories were renewed in 2020 for a period of two years with the provision to extend for two years at a total estimated combined value of £110,000,000

The Semi-independent and Supported Living categories expired on 1st July 2022 therefore an interim extension was agreed for 4 weeks in the short term to provide sufficient time to enable the completion of a Cabinet report to consider longer term DPS extensions period. The Home Support category would expire on the 28th July 2022.

The proposal was to extend the DPSs, for Home Support, Supported Living and Semi-Independent categories for a period of 17 months to 29th December 2024 with the provision to extend for up to a further 6 months subject to utilisation value.

The Council would open the DPSs for other contracting authorities to access, to support the wider strategic approach to collaboration and obtaining parity in prices across these sectors. This would enhance the sustainability and resilience in these sectors.

The Council currently spent around £21m (net) per year (£42,000,00 over two years) on these services, the intention will be to allow scope London Living Wage increases and for other authorities to access the DPS and increase the annual spend provision by 75% through the DPSs to £63, 000.000 p.a.

The DPSs provided significant access to Council contracts for SMEs both locally and regionally, with around 33% of the spend going to Haringey located business and a further 51% p.a. going to other London based SMEs.

The extension of these DPSs would support the policy position of the Council to implement measures to pay LLW across all suppliers, including social care.

The Cabinet Member RESOLVED

An extension to the DPSs for Home Support, Semi Independent, and Supporting Living to include access for other Local Authorities for an initial 17 month period commencing on 29th July 2022 with an option to extend for a further 6 months.

An extension to the DPS for the following care provision with additional capacity of 75% for LLW and use by other local authorities in the values outlined below:

| Care Category | 2 – Year initial term £m | Full value over life of the DPS £m |
|-------------------------|-----------------------------|------------------------------------|
| Home Support | £23 | £46 |
| Semi Independent Living | £9 | £18 |
| Supported Living | £9.1 | £18.2 |
| Total | £42.1m | £82.2 |

Note: The above values consider the provision for both the Council and other authorities accessing the DPS and does not represent the actual expenditure of the Council in these categories.

Reasons for decision

The Dynamic Purchasing System (DPS) was a supplier e-sourcing tool and a compliant route to market under the Public Contract Regulations, which enabled suppliers to enrol, accredit and be approved to bid for Council contracts.

The Council's overall spend for home support, supported living and semi- independent over the past financial year 2021/2022 was in the region of £11,000,000, £4,300,000 and £4,200,000, respectively. Renewing these DPSs will not incur any additional licence fees.

The DPS provided a compliant route to market for care provision, which ensured transparency in the procurement process, equal treatment of suppliers and ensured that the requirements of both the Public Contract Regulations 2015 (the Regulations) and the Council's Contract Standing Orders (CSO) can be met, particularly as much of care provision is purchased on an individual basis and the tendering requirements in the Regulations do not apply to 'spot contracts'.

Purchasing outside of a DPS would require either an extremely resource intensive approach, whereby each requirement would be commissioned separately and would require suppliers to go through the accreditation checks for each opportunity. This would likely prevent suppliers bidding for the services and place the provision of these services at risk; or the Council would need to establish a framework, which would likely exclude many local SMEs from meeting the criteria to qualify under a framework. In addition, a framework did not allow for suppliers to join at any time and prevented new start-ups and entrants from accessing Council contracts during the term of the framework.

A DPS was beneficial in that; it enabled supply chain expansion as suppliers could join at any time during its lifetime, unlike a traditional framework where only suppliers at inception remained within it until expiry. This meant that the supply chain could be renewed and replenished throughout its term, which lends itself to more competition and therefore better value for the Council and its users.

The DPS was an efficient route to market for both the Council and the supply chain; importantly it enabled access to Council opportunities for SMEs. A fact borne out by the

figures; of the circa £45m of expenditure across these 3 categories, whereby, in the last year 88% was spent with SMEs, 33% of which was in borough. Once accredited, suppliers could apply for multiple contract opportunities and did not need to undertake separate tender processes for services accredited for. This was particularly important, as resource intensive tender processes may duplicate effort and were often barriers to entry for small and medium sized enterprises.

A DPS enabled the Council, to undertake time efficient tender processes, which facilitated speed of award and service delivery. The Council currently undertook around 2,200 individual procurements each year in these categories. The DPS streamlined the Council's procurement/commissioning, contract management and finance processes, which could be undertaken under the one system.

Importantly, extending the DPS would have minimal impact on the existing supply chain as suppliers would only need to confirm there is no change in their qualification status except for their financial standing, which would be reviewed again. This would provide Commissioners an opportunity to devise any additional questions and amend the category structure to further support emergent commissioning strategies over the next two to four years.

Moreover, extending these DPSs aligned with agreed procurement and commissioning strategies, including payment of LLW, establishing block contracts, as well as contract and market management.

Extending for an initial 17 month period, would give Care Commissioning and Strategic Procurement time to review their commissioning and procurement strategies going forward, factoring in any potential categories that could be insourced or and updating category documentation to account for current circumstances, emergent need, or identified gaps in provision e.g. to meet specialisms like positive behaviour provision for high need learning, disabled residents or perhaps provision that may be better delivered through alternative procurement routes or longer-term measures like property acquisition or remodelling to meet need.

Strategic Procurement would support the replenishment of the care supply chain by stimulating the market conducting suitable market engagements to identify, enrol and accredit suitable economic operators or indeed deploying management market tools like: price caps for continued efficient and effective delivery of the Council Semi Independent, Supported Living and Homecare requirements.

Enabling other authorities to join the DPS in these categories would bring additional benefits:

Suppliers would only need to be accredited once to access all contract opportunities across the authorities, opening up opportunities to local suppliers to provide services outside of Haringey.

This approach would assist in attaining parity of prices across the sectors.

It would potentially provide access to additional suppliers in hard to source sectors.

Market intelligence around costs, capability and capacity in the market would be significantly increased.

May provide an opportunity for the Council to generate some income to offset the operating costs of the DPS.

Alternative options considered

Do Nothing - This option would require the Council to seek alternate procurement arrangements incurring significant additional costs and resource effort to facilitate procuring over 2,200 requirements per year, each needing the supplier to re-present accreditation requirements that would then need to be evaluated.

Establish a framework for semi-independent, supporting living and home care – this option was discounted in preference to the use of a DPS for commissioning these services. This is primarily due to the restrictions applied to the duration of a framework and the limitation of suppliers only being able to be admitted at the point of establishment of the framework. In comparison to a framework, a DPS enabled an unlimited number of suppliers to join at any time; provided they met the accreditation and enrolment criteria. The call off process from a framework was much more administratively intensive than that of a DPS.

5. CONTRACT EXTENSION AND VARIATION FOR NURSING AND RESIDENTIAL BEDS WITH MAGICARE AT PRISCILLA WAKEFIELD HOUSE

The report sought agreement by Cabinet Member for Health, Social Care and Wellbeing to extend and vary the Council's existing block contract with Magicare for the provision of 61 Nursing Beds at Priscilla Wakefield House. The extension requested was for up to two years, and the variations requested were; to allow the beds to be utilised as residential beds as required and an increase in the nursing bed price to £1,010 per week, with a temporary uplift for 2022/23 only to £1,034 per week to allow for inflation pressures.

Both the extension and the variation were allowed under CSO10.02.1(b) (variations and extensions valued at £500,000 and above to be taken by Cabinet) and CSO16.02, which provided that in-between meetings of the Cabinet, the Leader take any such decision that would normally be taken by Cabinet or may allocate this to the Cabinet Member with the relevant portfolio.

The contract was awarded by Cabinet in 2019 for an initial period of three years, to October 2022, with an option to extend for a further 2 years in 12-month intervals.

Extending and varying this contract would maintain access to local provision for older people and maintain much needed nursing and residential care capacity within the sub-region. It will also maintain certainty over price, securing sustainable prices for placements for Haringey residents.

The Cabinet Member RESOLVED

Pursuant to CSO 10.02.1b and CSO 16.02, the extension of the existing block contract awarded to Magicare Limited for the provision of 61 nursing beds at Priscilla Wakefield House, for a further period of up to two years from 1st November 2022 subject to satisfactory outcomes of monitoring,

To increase the nursing bed price from £969.10 to £1034 per week from the 1 April 2022. The maximum contract value over the two-year extension period would be £6,693,339, bringing the total value over the five-year life of the contract to £15,757,878.

| Year | Start date | Max. Weekly Cost per bed | Number of beds | Max. Extension Value |
|-------------|---------------------------------------|------------------------------------|-----------------------|-----------------------------|
| 1 | 1 November 2022 | 1,034 | 61 | £3,287,597 |
| 2 | 1 November 2023 | 1,034 | 61 | £3,287,597 |
| | Uplifts for period 1/4/22 to 31/10/22 | Additional £64.56 per bed per week | 61 | £118,145 |
| | | | | £6,693,339 |

To approve the variation of the existing contract to enable beds to be utilised as residential beds (at the costs set out in para 3.8 of the report) as and when required.

Reasons for decision

The market for nursing care was largely a sub-regional one and the Council commissioned nursing care for its residents across North Central London (Barnet, Camden, Enfield, Haringey and Islington). As with neighbouring authorities, Haringey commissioned across this area in order to meet demand and to respond to any specialist needs.

Local demand for nursing beds remained high, and although the number of Haringey residents in nursing beds decreased significantly during the Pandemic, demand was once again increasing and the local modelling indicated a return to pre-covid levels of demand over the next few years.

In order to ensure both capacity and flexibility, the Council was keen to have a mixed economy of spot and block purchase arrangements in place for nursing beds. Many placements were commissioned on a spot purchase basis, but the proposal set out here – to continue an existing block contract – reflected the need to maintain local, quality capacity for older people, and to ensure best value in commissioning this provision. Our commissioning approach is set out in the Commissioning Strategy for Residential and Nursing Care in Haringey: 2022- 2027.

There was a very limited market in nursing beds in the local area. Priscilla Wakefield House (PWH), run by Magicare Ltd, was currently the only Care Quality Commission (CQC) registered nursing care home in the borough, and therefore considered fully local. It had a bed base of 117 Nursing beds and is currently rated 'Good' by the CQC, as it has been throughout this contract, with consistently good levels of quality. Additionally, Priscilla Wakefield House was linked to the Nursing Home, Care Homes Assessment Team (CHAT), working with individuals receiving long-term care, and therefore it is also anticipated that the provision of these beds will improve outcomes for patients.

Due to this unique position in the market the Council awarded a block contract under Reg 32 of the Public Contracts Regulation 2015, to Magicare for a period of 3+1+1 years in November 2019 for nursing beds at a rate of £950 per bed, with an annual uplift of 1%. The initial contract period would expire on 31st October 2022 if not extended.

The agreed unit price for nursing placements within the block agreement from 1st April 2022/23 is £1,010.21, with a temporary uplift for 2022/23 only to £1,033.66. This included the NHS uplift to FNC for 2022/23. This uplift was given in recognition of the inflationary pressures experienced by this provider which were similar to those experienced by the rest of the care home sector. The temporary uplift was based in the potential uplift for 2023/24 and should sustain the provider whilst the government's fair cost of care exercise was completed, and the Council know its funding levels for the next 2-3 years.

The performance of the provider had been evaluated as good throughout the contract period. The contract and service provision would continue to be monitored quarterly over the next two years.

At the inception of the contract, the intention was to use all 61 block beds for nursing only, however, need and demand for these beds is variable and therefore the Council wished to vary the contract to allow the beds to be used flexibly, for general residential, but with the prior notification to the provider. As well as responding to local need, this would also support efficient move on from the Intermediate Care beds also provided by MagiCare at Priscilla Wakefield House.

It should be noted that currently not all 61 beds have been used, and therefore there should be sufficient capacity to respond to residential and nursing needs. Decisions about how to use the beds will be made on a case by case basis, based on the needs and wishes of clients and local availability at the time of placement.

The agreed unit price for new residential placements within the block contract was £888.77 per bed per week, with a temporary uplift for 2022/23 to £914.78. Any use made of the block contract for residential placements will result in a lower value contract.

The extension of this block contract reflects the desire to maintain capacity in Haringey and to ensure best value in commissioning this provision. The Council had a need to achieve savings against commissioning placement costs. As part of the approach to achieving these savings, the intention here was to secure a supply of beds for Haringey residents and protect the potential loss of supply which would result in allowing the prices to be determined solely by supply and demand from other parts of London market and capacity to be lost to other commissioning authorities.

Alternative options considered

One alternative option was for the Council to 'do nothing' i.e. not extend the contract, which would see the continued reliance on spot purchases and the risk of a significant increase in expenditure over the remaining period of this contract. This would result in the Council having to pay either an increased spot rate to the provider or find alternative accommodation for the residents, which would currently be outside of Haringey, at rates which were not known, but were likely to be significantly increased and in provision which had not yet been identified. Extending the existing contract would also ensure that residents currently living in the home would not have to be moved to alternative accommodation.

A second option would be to tender for an equivalent scale block contract for the provision of a local nursing home. There was no other nursing home in the sub-region or close enough to the Haringey borders to be considered fully local. In addition, there were insufficient grounds for the Council to seek to move any resident from the provision currently delivered by Magicare Limited given their level of vulnerability and frailty.

CABINET MEMBER: Cllr Lucia das Neves

Signed by Cabinet Member

Date28 July 2022.....