

CABINET MEMBER SIGNING

Thursday, 28th July, 2022, 2.00 pm

Members: Councillors Lucia das Neves – Cabinet Member for Health, Social Care, and Wellbeing

Quorum: 3

1. APOLOGIES FOR ABSENCE

To receive any apologies for absence.

2. DECLARATIONS OF INTEREST

A member with a disclosable pecuniary interest or a prejudicial interest in a matter who attends a meeting of the authority at which the matter is considered:

- (i) must disclose the interest at the start of the meeting or when the interest becomes apparent, and
- (ii) may not participate in any discussion or vote on the matter and must withdraw from the meeting room.

A member who discloses at a meeting a disclosable pecuniary interest which is not registered in the Register of Members' Interests or the subject of a pending notification must notify the Monitoring Officer of the interest within 28 days of the disclosure.

Disclosable pecuniary interests, personal interests and prejudicial interests are defined at Paragraphs 5-7 and Appendix A of the Members' Code of Conduct

- 3. APPROVAL TO EXTEND THE INTER AUTHORITY AGREEMENT (IAA) TO ACCESS THE PAN-LONDON ONLINE SEXUAL HEALTH SERVICE WITH PREVENTX LIMITED (PAGES 1 - 8)**
- 4. EXTENSION OF A DYNAMIC PURCHASING SYSTEM FOR SEMI INDEPENDENT, SUPPORTING LIVING AND HOMECARE CATEGORIES (PAGES 9 - 16)**
- 5. CONTRACT EXTENSION AND VARIATION FOR NURSING AND RESIDENTIAL BEDS WITH MAGICARE AT PRISCILLA WAKEFIELD HOUSE (PAGES 17 - 22)**

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Head of Legal & Governance (Monitoring Officer)

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Wednesday, 20 July 2022

Report for: Cabinet Member Signing – 28 July 2022

Title: Approval to extend the Inter Authority Agreement (IAA) to access the Pan-London Online Sexual Health Service with Preventx Limited

Report authorised by: Dr Will Maimaris – Director of Public Health

Lead Officer: Akeem Ogunyemi – Public Health Commissioner
Tel: 020 8489 2961 email: akeem.ogunyemi@haringey.gov.uk

Ward(s) affected: All

Report for Key/

Non Key Decision: Key Decision

1. Describe the issue under consideration

- 1.1. This report recommends 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.
- 1.2. 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 have been accessing the online service since it was procured in 2017.
- 1.3. 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. This report requests 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.
- 1.4. 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).

2. Cabinet Member introduction

N/A

3. Recommendations

- 3.1 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
- 3.2 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 LB Haringey.
- 3.3 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.

4 Reasons for decision

- 4.1. 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).
- 4.2. 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).

5 Alternative options considered

- 5.1 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

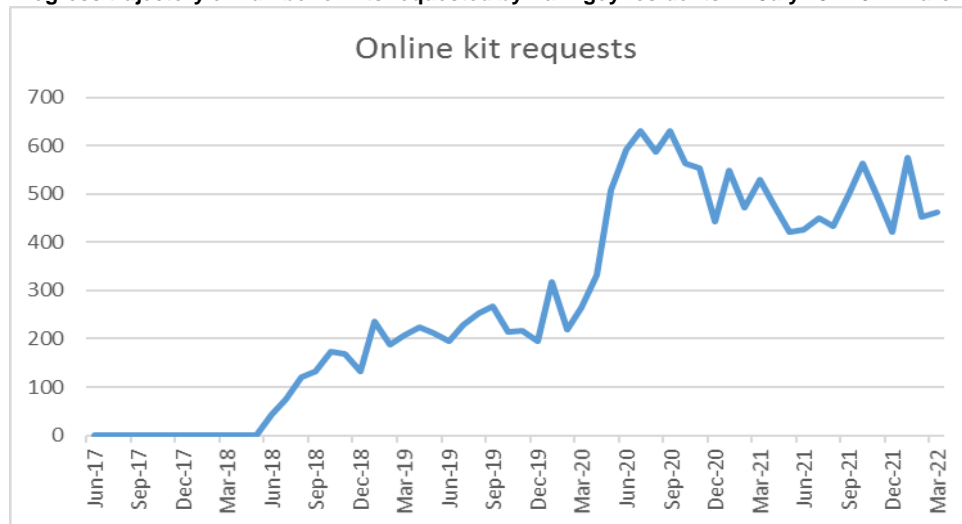
could only be obtained by commissioning at scale. For this reason, Haringey gained agreement from Cabinet in December 2015 to become a participating member of the pan-London online sexual health service and to procure clinic-based services as part of the North Central London (NCL) sub regional partnership.

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

6. Background information

- 6.1 The pan-London online sexual health service forms part of the transformation of sexual health services across London. As mentioned above, this transformation has focussed on service redesign and innovation, improving sexual health outcomes whilst driving efficiency to deal with increased demand for services amidst the backdrop of reduced funding. New technologies, including access to online services, alongside GUM services, offer different, more efficient, options for sexual health service delivery. The service provides high quality advice and information in respect of sexual health services and online access to order self-sampling/self-testing kits for Sexually Transmitted Infections (STIs) and HIV for people who are asymptomatic which is accompanied by professional health advice.
- 6.2 Access to self-sampling kits offer the opportunity to move a proportion of attendances out of clinics to convenient online alternatives. The online service also offers the option of remote / postal treatment for uncomplicated genital Chlamydia infection to service users aged 16 and older and includes partner notification, STI home sampling kit delivery and supply of appropriate antibiotics as necessary. This has been particularly pertinent considering the covid pandemic which significantly disrupted clinic operations and patient access through closures and staff capacity (staff re-deployed to manage the pandemic). The sexual health online service offered an effective alternative that ensured residents were able to continue to have access to routine non-complex sexual health screening, treatment, and contraception provision, which without this service, would have contributed to increased numbers of residents experiencing sexual ill health and contraceptive barriers without appropriate diagnosis, treatment and intervention.

Progress trajectory of number of kits requested by Haringey residents 1st July 2017-31st March 2022



Total number of kits ordered (all sti screens)	52,359
Total diagnosed test (all sti's)	4,463
Positivity rate (average across all sti's)	9.94%
Total number of screens ordered by gender	Male: 23548 Female: 28811

- 6.3 In addition to good uptake in kit orders, sample returns and importantly diagnosis of STIs, the online service has also proven to be a viable and effective channel for encouraging people from BaME communities to access sexual health testing. Between July 2017-March 2022, people from BaME groups accounted for a combined total of 11,631 tests, people of mix heritage accounted for 4,416 with 8922 identifying as White other and 17,954 identifying as White British.
- 6.4 New technologies, including access to online services alongside integrated sexual health services (ISHS), Healthy Living Pharmacies (HLP's), Sexual Health in Practice (SHIP)-trained General Practices (GP's) and a proactive targeted community outreach service have and continue to offer different, more efficient and convenient options for sexual health service delivery in Haringey. The online service works effectively with our local dedicated young people sexual health and women's contraception clinic in Haringey (awarded to Central North London NHS Trust (CNWL) in April 2017, the NCL sub-regional integrated sexual health service (awarded to CNWL in May 2017) and across other London sexual health clinics in order to deliver optimal, end to end, sexual health services.

Strategic procurement of service.

- 6.5 In settling the strategy for the procurement of the online sexual health service, it was agreed by the pan-London authorities participating in the LSHTP that the on-line services should be procured as a London-wide service for which the City of London should be the sole authority contracting with the provider of the

online service. All other participating London authorities would access the online service, available through the contract placed with Preventx Ltd by City of London, via an IAA between the City of London and the other participating authorities. As part of this collaborative procurement effort, the procurement services were undertaken by Camden Council on behalf of the City of London.

- 6.6 The IAA provides the means for councils to access the pan-London online sexual health service under the contract between the City of London and Preventx. The IAA sets out the governance and contract management arrangements between the City of London and the participating councils that define how the online service will be delivered within a wider governance arrangement for sexual health services in London. This includes an online services management board, which will bring together the online service provider (Preventx), the online services contract management team and sub-regional clinic-based services and commissioner representatives to monitor and guide the service.
- 6.7 Under the IAA, a financial contribution is to be made by each of the other participating authorities to City of London's sexual health programme team, which will support governance and provide contract management for the online sexual health service. For Haringey, this contribution is expected to be a maximum over 9 years of £122,412. However, the value may be considerably less as administration costs decrease as the service embeds. The level of each participating authority's contribution is based on projected levels of use of the online sexual health service. The request for approval to enter into a Memorandum of Understanding (MOU), which will enable payment of LB Haringey's management contribution has been delegated to the Director of Public health.

7 Contribution to strategic outcomes

- 7.1 This service is linked to the Borough Plan, in particular under 'People';

Outcome 7: 'All adults are able to live healthy and fulfilling lives, with dignity, staying active and connected in their communities;

- *Objective (A) 'Healthy life expectancy will increase across the borough, improving outcomes for all communities'.*
- *Objective (c) Adults will feel physically and mentally healthy and well.*

8 Statutory Officers comments

8.1 Finance

- 8.1.1 The proposed contract extension will result in costs of £395,573. Funds have been allocated in 2022-23 to cover these costs.

		Expected Annual cost 22-23
Contract Mgmt Fee over 9 years	122,412	13,601
Spend over 4year contract extension	1,527,888	381,972
		395,573
Budget - D00323 - D00325		399,600
Potential Underspend		-4,027

8.2 Procurement

- 8.2.1 The services referred to above are within remit of Schedule 3 of the Public Contracts Regulation 2015 and as such was duly advertised in Ojeu. The procurement was led by the Corporation of London for itself and 30 other London Boroughs.
- 8.2.2 The provision for extension was included in the original tender albeit as 4 consecutive annual extensions, rather than a concurrent period as requested above. However, given the review clause was included at tender a further tender is not required to extend the contract in line with Regulations 72 (1) and is permitted under Contract Standing Orders 10.02.1.b and 16.02.
- 8.2.3 The online provision has proved to be invaluable in combatting health inequalities, uptake and accessibility of provision particularly during the disruptive Covid pandemic and notably for BAME communities as outlined by 6.2 and 6.3 above.

8.3 Legal

- 8.3.1 The Head of Legal and Governance (Monitoring Officer) has been consulted in the preparation of the report.
- 8.3.2 Pursuant to Contract Standing Order 10.02.1.b and Contract Standing Order 16.02 the Cabinet Member having the relevant portfolio responsibilities has authority to approve the recommendations in the report.
- 8.3.2 The Head of Legal and Governance (Monitoring Officer) sees no legal reasons preventing the Cabinet member for Health, Social Care and Wellbeing from approving the recommendations in the report.

8.4. Equality

- 8.4.1 The Council has a public sector equality duty under the Equalities Act (2010) to have due regard to:

- Tackle discrimination and victimisation of persons that share the characteristics protected under S4 of the Act. These include the characteristics of age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex (formerly gender) and sexual orientation.
- Advance equality of opportunity between people who share those protected characteristics and people who do not.
- Foster good relations between people who share those characteristics and people who do not.

8.4.2 In recognition of its public sector equality duty, the Council is committed to using commissioning as a strategic tool to help promote equality of opportunity.

8.4.3 It seeks to do this in two ways: firstly, by ensuring that chosen providers deliver for all sections of Haringey community, especially those who are most vulnerable and in most need of the services.

8.4.5 Secondly, by ensuring that commissioning is transparent, and that relevant equalities issues are identified and considered at key stages in the whole process. In respect of both service provision and the selection process used, this commissioning exercise supports the Council's performance on its public sector equality duty.

8.4.6 The contract specifications clearly set out the supplier's responsibilities under equalities legislation, including a requirement to have in place up to date equalities policies and to ensure that the service is accessible to young people, young adults, people with protected characteristics, women and BaME groups from all sections of the community.

8.4.7 These contracts have been developed to address health inequalities as identified through the Council's sexual health Joint Strategic Needs Assessment (JSNA) and sexual health strategy.

9. Use of Appendices
N/A

10. Local Government (Access to Information) Act 1985
N/A

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Report for: Cabinet Member Signing – 28 July 2022

Title: Extension of a Dynamic Purchasing System for Semi Independent, Supporting Living and Homecare Categories

Report

authorised by: Beverley Tarka Director of Adults, Health & Communities

Lead Officer: Pauline Simpson
Pauline.simpson@haringey.gov.uk

Ward(s) affected: All

Report for Key/

Non Key Decision: Key Decision

1. Describe the issue under consideration

- 1.1. 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.
- 1.2. 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
- 1.3. 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 will expire on the 28th July 2022.
- 1.4. The proposal is 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.
- 1.5. The Council will 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 will enhance the sustainability and resilience in these sectors.
- 1.6. The Council currently spends 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.

- 1.7. The DPSs provides 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.
- 1.8. The extension of these DPSs will support the policy position of the Council to implement measures to pay LLW across all suppliers, including social care.

2. Cabinet Member Introduction

N/A

3. Recommendations

That Cabinet Member for Health, Social Care and Well being approves:

- 3.1. 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.
- 3.2. 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.

4. Reasons for decision

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

- 4.3. The DPS provides a compliant route to market for care provision, which ensures transparency in the procurement process, equal treatment of suppliers and ensures 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'.
- 4.4. 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 we 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 does not allow for suppliers to join at any time and prevents new start-ups and entrants from accessing Council contracts during the term of the framework.
- 4.5. A DPS is beneficial in that; it enables supply chain expansion as suppliers can join at any time during its lifetime, unlike a traditional framework where only suppliers at inception remain within it until expiry. This means that the supply chain can be renewed and replenished throughout its term, which lends itself to more competition and therefore better value for the Council and its users.
- 4.6. The DPS is an efficient route to market for both the Council and the supply chain; importantly it enables 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 can apply for multiple contract opportunities and do not need to undertake separate tender processes for services accredited for. This is particularly important, as resource intensive tender processes may duplicate effort and are often barriers to entry for small and medium sized enterprises.
- 4.7. A DPS enables the Council, to undertake time efficient tender processes, which facilitates speed of award and service delivery. We currently undertake around 2,200 individual procurements each year in these categories. The DPS streamlines the Councils procurement/commissioning, contract management and finance processes, which can be undertaken under the one system.
- 4.8. Importantly, extending the DPS will have minimal impact on the existing supply chain as suppliers will only need to confirm there is no change in their qualification status except for their financial standing, which will be reviewed again. This will 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

- 4.9. Moreover, extending these DPSs aligns with agreed procurement & commissioning strategies, including payment of LLW, establishing block contracts, as well as contract and market management.
- 4.10. Extending for an initial 17 month period, will 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.
- 4.11. Strategic Procurement will 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.
- 4.12. Enabling other authorities to join the DPS in these categories will bring additional benefits:
 - 4.12.1. Suppliers will 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.
 - 4.12.2. This approach will assist in attaining parity of prices across the sectors.
 - 4.12.3. It will potentially provide access to additional suppliers in hard to source sectors.
 - 4.12.4. Market intelligence around costs, capability and capacity in the market will be significantly increased.
 - 4.12.5. May provide an opportunity for the Council to generate some income to offset the operating costs of the DPS.

5. Alternative options considered

- 5.1. 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 will then need to be evaluated.
- 5.2. 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

enables an unlimited number of suppliers to join at any time; provided they meet the accreditation and enrolment criteria. The call off process from a framework is much more administratively intensive than that of a DPS.

6. Background Information

- 6.1. Haringey operates the largest portfolio of DPS within local government with an estimated spend of circa £100,000,000 p.a. and has a dedicated DPS team that is well placed to support the Council, maximising the potential of a DPS.
- 6.2. The DPS has been designed to be “SME friendly” and promote local community wealth building. Suppliers can join the DPS at any time during its term, provided they meet the accreditation and enrolment criteria.
- 6.3. Each supplier must maintain their accreditation status throughout the duration of the DPS. This is monitored by the DPS team, where a supplier fails to maintain the accreditation (i.e. insurances, health, and safety certificates etc.) they are suspended until such time they have rectified the failures.
- 6.4. The day to day contract management of the suppliers and the services they provide are managed within the relevant service area.
- 6.5. Significant efficiencies are achieved through the use of the DPS each year (based on statistics supplied by adam, our DPS service provider), these are estimated to be:
 - Procurement: 50%= saving of 286 hrs
 - Finance: 85% (presuming all functionality within SProc.net is used) = saving of 1455 hrs
 - Contract Management: 70% = saving of 330 hrs
 - Hours Per Annum Saved = 2071
- 6.6. There is no additional license costs for renewing these DPSs.
- 6.7. Strategic Procurement has developed a commercial offering for other Local Authority's to access the Council's DPS should they wish to.
- 6.8. The renewal of these schemes in March 2020 enabled the introduction of London Living Wage (LLW) for home support as a requirement within all new Contracts let through the DPS for home support. For the other categories, Supported living and Semi-independent the introduction of London Living wage for all new contracts was a requirement from July 2020.

7. Contribution to strategic outcomes

- 7.1. The extension of the DPS will support a number of Corporate Priorities:
 - Creating a suite of procurement tools to support development, growth, and regeneration in the borough.

- Alignment with the Council's Procurement Strategy.
- Promotion of Social Value Act through the suite of contracts contained within the procurements.
- Promotion of SME engagement across London.
- Promoting localism and community wealth building across the borough and London.
- Payment of London Living Wage, use of local labour and promotion of apprenticeships.
- Efficiency gains through the use of collaborative procurement with other local authorities and public sector organisations.

8. Statutory Officers Comments

8.1 Finance

- 8.1.1 The proposal is to extend the DPS for Home Support, Supposed 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. Listed below is the allocation for Home Support, Supposed Living and Semi-Independent that could potentially be sourced from the DPS system:

Revenue Expenditure

Home Support, Semi-independent and Supported Living	2022/23 £m	2023/24 £m	Total £m
Gross Budget	21.1	21.1	42.2
Allocated Expenditure on DPS system	21.1	21.1	42.2

- 8.1.2 There is sufficient annual budget to meet the allocated expenditure of £21.1m For Home Support, Supposed Living and Semi-Independent care through the DPS over financial years 2022 - 2024.

8.2 Strategic Procurement

- 8.2.1 The services to which this report relates are schedule 3 services under the Public Contracts Regulations (PCR) 2015. At the time the DPS was established it was undertaken in line with the requirements of Reg 34; duly advertised and set up
- 8.2.2 The requested extension period is permitted under Contract Standing Order 10.02 and the terms of the DPS contracts and will enable commissioning and strategic procurement to explore emergent need , identify gaps in provision as well as devise suitable procurement strategies to manage the developing need landscape
- 8.2.3 During the extension period suppliers will be monitored to ensure they continue to meet DPS accreditation requirements and service delivery outcomes

8.3 Legal

- 8.3.1 The Head of Legal and Governance (Monitoring Officer) has been consulted in the preparation of this report.
- 8.3.2 The use of a dynamic purchasing system (DPS) is an approved procurement route under the Public Contracts Regulations 2015 (Reg 34) (the Regulations) and is also provided for in the Council's Contract Standing Orders (CSO 9.04).
- 8.3.3 The Head of Legal and Governance (Monitoring Officer) has been advised that the extension to the Council DPSs and the proposed increase in access to other Contracting Authorities are in accordance with both the Regulations and also the procedures set out in the Council DPSs governing access and usage.
- 8.3.4 The extension of the DPSs will be a Key Decision as the value is in excess of £500,000. The Council must therefore comply with its governance requirements in respect of Key Decisions including publication in the Forward Plan.
- 8.3.5 The extension would normally be approved by Cabinet as it is a Key Decision. However, in-between meetings of the Cabinet, the Leader may take any such decision or allocate to the Cabinet Member with the relevant portfolio (CSO 16.02). The Cabinet Member for Health, Social Care and Wellbeing has power to approve the extension of the DPS under CSO 16.02.
- 8.3.6 The Head of Legal and Governance (Monitoring Officer) confirms that there are no legal reasons preventing the Cabinet Member for Health, Social Care and Wellbeing from approving the extension.

8.4 Equality

- 8.4.1 The Council has a Public Sector Equality Duty under the Equality Act (2010) to have due regard to the need to:
- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act
 - Advance equality of opportunity between people who share those protected characteristics and people who do not
 - Foster good relations between people who share those characteristics and people who do not.

The three parts of the duty applies to the following protected characteristics: age, disability, gender reassignment, pregnancy/maternity, race, religion/faith, sex and sexual orientation. Marriage and civil partnership status applies to the first part of the duty.

Although it is not enforced in legislation as a protected characteristic, Haringey Council treats socioeconomic status as a local protected characteristic.

The proposed decision is to renew the Dynamic Purchasing Systems procurement sourcing tools for the provision of the Council's semi-independent, supported living, and home support requirements. An outcome of this decision will be to enhance the sustainability and resilience of these sectors. This is likely to have a positive effect on those residents accessing these services, a significant proportion of whom are likely to be older people and people with disabilities. The proposed decision is therefore a measure to better care for vulnerable people with specialised needs resulting from a protected characteristic, and in this way, it advances equality of opportunity.

9. Use of Appendices

N/A

10. Local Government (Access to Information) Act 1985

N/A

Report for: Cabinet Member Signing - 28 July 2022

Title: Contract Extension and Variation for Nursing and Residential Beds with Magicare at Priscilla Wakefield House

Report authorised by: Farzad Fazilat, Head of Brokerage and Quality Assurance

Lead Officer: Rebecca Cribb, Commissioning Manager

Ward(s) affected: All

**Report for Key/
Non Key Decision:** Key Decision

1. Describe the issue under consideration

- 1.1. This report seeks 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 is for up to two years, and the variations requested are; 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.
- 1.2. Both the extension and the variation are allowed under CSO10.02.1(b) (variations and extensions valued at £500,000 and above to be taken by Cabinet) and CSO16.02, which provides 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.
- 1.3. 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.
- 1.4. Extending and varying this contract will 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

2. Cabinet Member Introduction

- 2.1. N/A

3. Recommendations

- 3.1. Cabinet Member for Health, Social Care and Wellbeing is asked to approve:
 - 3.1.1 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,

- 3.1.2 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

- 3.1.3 And 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) as and when required.

3. Reasons for decision

- 3.1. The market for nursing care is largely a sub-regional one and the Council commissions nursing care for its residents across North Central London (Barnet, Camden, Enfield, Haringey and Islington). As with neighbouring authorities, Haringey commissions across this area in order to meet demand and to respond to any specialist needs.
- 3.2. Local demand for nursing beds remains high, and although the number of Haringey residents in nursing beds decreased significantly during the Pandemic, demand is once again increasing and our local modelling indicates a return to pre-covid levels of demand over the next few years.
- 3.3. In order to ensure both capacity and flexibility, the Council is keen to have a mixed economy of spot and block purchase arrangements in place for nursing beds. Many placements are commissioned on a spot purchase basis, but the proposal set out here – to continue an existing block contract – reflects 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
- 3.4. There is a very limited market in nursing beds in the local area. Priscilla Wakefield House (PWH), run by Magicare Ltd, is currently the only Care Quality Commission (CQC) registered nursing care home in the borough, and therefore considered fully local. It has 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 is 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.

- 3.5. 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 will expire on 31st October 2022 if not extended.
- 3.6. 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 includes the NHS uplift to FNC for 2022/23. This uplift is given in recognition of the inflationary pressures experienced by this provider which are similar to those experienced by the rest of the care home sector. The temporary uplift is based in the potential uplift for 2023/24 and should sustain the provider whilst the government's fair cost of care exercise is completed, and we know our funding levels for the next 2-3 years.
- 3.7. The performance of the provider has been evaluated as good throughout the contract period. The contract and service provision will continue to be monitored quarterly over the next two years.
- 3.8. 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 wishes 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.
- 3.9. It should be noted that currently we have not used all 61 beds, 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.
- 3.10. The agreed unit price for new residential placements within the block contract is £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.
- 3.11. 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 has a need to achieve savings against commissioning placement costs. As part of the approach to achieving these savings, the intention here is 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.

4. Alternative options considered

- 4.1. One alternative option is for the Council to 'do nothing' i.e. not extend the contract, which will 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 are not known, but are likely to be significantly increased and in provision which has not yet been identified. Extending the existing contract will also ensure that residents currently living in this home will not have to be moved to alternative accommodation.
- 4.2. A second option would be to tender for an equivalent scale block contract for the provision of a local nursing home. There is no other nursing home in the sub-region or close enough to the Haringey borders to be considered fully local. In addition, there are 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.

5. Background information

- 5.1. The Care Act 2014 places a duty on local authorities to facilitate and shape their market for adult care and support as a whole, so that it meets the needs of all people in their area who need care and support, whether arranged or funded by the state, by the individual themselves, or in other ways.
- 5.2. Extending the block contract with Magicare Limited is an important means of securing local beds for differing levels of nursing care and to ensure access to local nursing is protected for Haringey residents. Because of their consistently Good CQC rating, and the only nursing provision with a Good rating in Haringey, the Council is actively using this provider.
- 5.3. The Council has been working closely with the provider over a number of years, including throughout the Pandemic, to sustain improvements in the quality of care provided and will continue to monitor the contract closely to ensure high quality standards and the achievement of outcomes for residents.
- 5.4. Officers have been working with colleagues across North Central London to secure capacity and to ensure standards remain at Good or Outstanding across nursing and residential care. Should at any point in the future the Council not be able to fill all block contracted beds for Haringey residents, the relationship with colleagues across North Central London is such that arrangements to share access to the provision could be arranged, and at pace reducing the risk of bed voids.
- 5.5. There continues to be generally high demand and limited capacity for nursing placements in the sub-region. The ability to block purchase nursing care placements is one way in which the Council can maintain a fair price for care and ensure local capacity in these areas. The Council is also developing additional capacity in-borough for nursing care through a major redevelopment at Osborne Grove Nursing Home which is currently planned to open in Autumn/Winter 2024. It is expected that this development will include 70 Nursing home beds alongside other services.

6. Contribution to strategic outcomes

- 6.1. The Borough Plan sets out the Council and partners' approach to ensuring that strong families, strong networks and strong communities nurture people to live well and achieve their potential through a range of partnership approaches, focused on meeting the specific needs of residents. The proposals here align with that approach by maintaining a focus on local, quality provision for older people as they become more frail.

7. Statutory Officers comments

7.1. Finance

The proposal is seeking to extend the nursing bed block contract for a period of 24 months from 1 Nov 2022 to 31 Oct 2024 and also to uplift the bed price from £969.10 to £1033.66 per week from the 1 Apr 2022. Listed below is the available budget and expenditure following the proposed changes.

Revenue Expenditure

Magicare at PWH	2022/23 £	2023/24 £	2024/25 £	Total £
Gross Budget	1,357,184	3,150,835	1,837,987	6,346,006
Gross Expenditure	1,484,299	3,278,770	1,912,616	6,675,684
Variance	127,115	127,935	74,629	329,678
Of which FNC	69,337	69,784	40,707	179,828
Pressure	57,778	58,151	33,921	149,850

The maximum contract value is £6,693,339 against a budget of £6,375,478, which creates a potential pressure of £149,850 over the contract period. This is the result of the uplift to £1033.66 exceeding the budgeted uplift of 2.5%.

7.2. Procurement

- 7.2.1 The nursing provision referred to in this report is within remit of the Light Touch Regime of the Public Contracts Regulations 2015. The contract was directly awarded to Magicare Ltd in line with Regulation 32
- 7.2.2 A contract modification will often necessitate a new procurement process. However, under Regulation 72 contract modifications may be permitted without a further tender process providing inter alia, that the modification was included in the initial procurement documents like the proposed extension period (72.(1)a) or that that the modification is minor i.e. that the additional cost is below threshold and less than 10% of the original price as is the additional cost re inflationary pressures (reg 72 (1) (f))
- 7.2.3 The requested variations are permitted under Contract Standing Order 10.02.1b and CSO 16.02 and will enable the Council to continue to deliver

much needed residential and nursing provision with a local provider at sustainable prices

- 7.2.4 During the period of extension commissioning will continue to monitor service provision to ensure resident and service outcomes are met

7.3. Legal

- 7.3.1 The Head of Legal and Governance (Monitoring Officer) has been consulted in the preparation of this report.

- 7.3.2 The Head of Legal and Governance (Monitoring Officer) has been advised that the original contract was awarded under Regulation 32 (negotiated procedure without publication of a notice) of the Public Contracts Regulations 2015 (the Regulations) and that the provision for the two year extension was included within the recommendations which were approved by Cabinet.

- 7.3.3 Regulation 72 sets out a list of safe harbours where a contract may be modified without conducting a further procurement exercise, providing certain criteria are met. In respect of the extension of contract, Regulation 72 (1) (a) allows for a modification where the modifications have been provided for in the initial procurement documents. In respect of the variations in price, Regulation 72 (1) (d) allows for modifications where they are both below the threshold set out in the Regulations for tendering (in this case the threshold for the Light Touch Regime) and they represent less than 10% of the original contract value). The Head of Legal and Governance (Monitoring Officer) has been advised that the criteria set out in the Regulations has been met in respect of the modifications requested.

- 7.3.4 The award of the contract is a Key Decision and, as such, must comply with the Council's governance requirements in respect of Key Decisions including publication in the Forward Plan.

- 7.4.5 The recommendations in this report would normally fall to Cabinet for approval. However, in between meetings of the Cabinet, the Leader may take the decision or allocate the decision to the Cabinet Member with the relevant portfolio (CSO 16.02).

- 7.4.6 The Head of Legal and Governance (Monitoring Officer) confirms that there are no legal reasons preventing the Cabinet Member for Health, Social Care and Wellbeing from approving the recommendations in this report.

7.4. Equality

- 7.4.1 The continuation of this service supports older and disabled people to benefit from a local offer which provides equality of opportunity for local residents to access the services they need.

8. Use of Appendices: N/A

9. Local Government (Access to Information) Act 1985: N/A