

Report for Leader of the Council

Title: Procurement of Contingency PPE

Report authorised by Beverley Tarka, Director of Adults and Health

Lead Officer: Will Maimaris, Director of Public Health
Joe McBride, Transformation Manager

Ward(s) affected: n/a

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

1. Describe the issue under consideration

- 1.1 As we face the current global pandemic of Covid-19 the demand for Personal Protective Equipment (PPE) has never been greater. There is a clear need to ensure that those on the frontline in responding to Covid-19 are provided with the critical PPE they need to do their job safely.
- 1.2 To date, the Council has been procuring stocks of PPE through our existing suppliers as well as a range of new suppliers to meet the additional demand. With high demand globally, and the expectation of a prolonged crisis, it is essential that we seek additional procurement methods.
- 1.3 Boroughs across London have been working closely together to respond to the current crisis. Through these existing relationships, we want to take advantage of our shared buying power to procure a significant volume off contingency PPE directly from suppliers to ensure our frontline staff are protected in the short-to-medium term.
- 1.4 The London Borough of Ealing (LBE) has established a framework for PPE supplies that can be accessed by all London Boroughs, including Haringey Council, through signing a Memorandum of Agreement (MoA). The Council's Contract Standing Orders (CSO) 7.01 b) make provision for the Council to procure goods, works or services via a framework.
- 1.5 The LBE framework requires PPE orders to be processed via a sub-regional 'hub' borough. The hub borough in North Central London (NCL) is London Borough of Camden (LBC) for Haringey related orders. LBC will process payments on behalf of the Haringey, which the Council will reimburse back to LBC.

2. Recommendations

- 2.1 For the Council to enter into the pan-London MoA (a draft of which is attached as Appendix 1) with the London Borough of Ealing and other London Boroughs to access and procure contingency supplies of PPE through a supply framework.
- 2.2 For delegated authority to be granted to the Director of Adults and Health to implement the arrangement for the pan-London MoA including approving any further amendments and entering into and signing off the MoA and any other agreement between the Council and the participating London Boroughs.
- 2.3 For the allocation of £350,000 from the General Fund Emergency Response Contingency to cover the estimated costs of procuring contingency PPE for the period to end of June 2020.

3. Reasons for decision

- 3.1 We have a responsibility to ensure that staff who need PPE have access to the right equipment to enable them to do their jobs safely. It is imperative that we continue to prioritise those who are most in need of PPE supply, particularly our partners across the community care system and our own staff who require PPE to carry out their critical activities.
- 3.2 Our existing supply lines, however strained, supported by emergency deliveries of PPE from central government, have thus far been sufficient to cope with our levels of demand. The emergency stock is limited and intended for use by all London Resilience Forum (LRF) partners including local authorities, social care and primary care providers. The list of organisations able to access the emergency continues to grow.
- 3.3 The following steps are set out for ordering of PPE based on the latest guidance we have received from government:
 1. Please continue to try and secure PPE supplies through your usual supply routes. We know stocks are being delivered through everyday orders and this should continue in the first instance.
 2. Make contact with other Borough or partner colleagues and support each other through mutual aid if this is possible
 3. Only order through the emergency supply route if you determine that your need is urgent (less than 3-days PPE supply remaining) and having exhausted all other options.
 4. If there is no emergency supply available then each of the five Sustainability and Transformation Partnerships (STP) across London have an escalation process for emergency supplies of PPE and have been distributing stock to local authorities and care providers over the past few weeks. There is a sub-regional local authority representative working in partnership with each STP; please make contact with them if you have not already done so.

- 3.4 The pan-London approach offers us an additional route to secure the vital PPE we need for ourselves and for our social care providers.
- 3.5 As boroughs, our role has changed during this crisis and we find ourselves sourcing, distributing, and using our own stock of PPE to support care providers. It is essential we continue to source PPE ourselves as resourcefully as possible until the national supply of PPE is able to meet demand.
- 3.5 By ordering together with other London Boroughs, we stand to benefit from significant economies of scale by purchasing stock in bulk. This stock is intended to act as a contingency for local authorities and providers who cannot access stock through business as usual supply chains.
- 3.6 The need to progress this alternative route of pan-London PPE stock is clear and growing daily. The first order of stock is due for submission to the supplier on 29th April 2020 and is intended to provide sufficient resilience for a six-week period. The procurement route would remain open to boroughs for future orders should there be an ongoing shortfall and emergency need.
- 3.7 West London Alliance (WLA) has previously been successful in utilising this model on a sub-regional basis and have taken delivery of quality and cost-effective PPE from the supplier. Our intention now is to scale this existing model up to a regional level.
- 3.8 The MoA has been drafted by Haringey and our legal advisers and circulated to all London boroughs. It provides confidence to LBE, who will be acting as the commissioning organisation, that they bear no financial risk or liability for orders placed by other London boroughs. The agreement also confirms that all orders and payment will be coordinated on a sub-regional basis using existing partnerships with one borough, or 'hub', allocated as a PPE lead for that area.
- 3.9 There is a clear need to take an evidence-based approach to the responsible procurement of PPE at this time of critical need. We are tracking our daily PPE usage and to provide sufficient contingency of equipment, and reassurance to our providers, we have scaled this usage to a six-week level.
- 3.10 Current daily stock usage is listed below with numbers scaled up for future emergency provision over six weeks (42 days):

Service Type	Client Numbers	Estimated Number of PPE item per day per clients	Usage per day	10%	20%	35%
Residential care	503	8	4024	402.4	804.8	1408.4

Nursing home	188	8	1504	150.4	300.8	526.4
Extra care	122	3	366	36.6	73.2	128.1
Home care	1021	3	3063	306.3	612.6	1072.05
Supported living	485	1	485	48.5	97	169.75
DP	587	1	587	58.7	117.4	205.45
Total numbers	2906		10029	1002.9	2005.8	3510.15
42 days				42121.8	84243.6	147426.3
Surgical masks						147426.3
FFP3 masks						6000
Aprons						147426.3
Gloves						147426.3
Goggles						6000
Full gowns						691
Hand sanitiser (small)						6000
Waste sacks						6000

3.11 Funding of £350k will be sufficient to meet the immediate six-week contingency need for PPE and will allow us to draw down on any future pan-London orders should there be disruption to our existing supply routes.

3.12 The PPE is for is for high need organisations outside of the NHS supply chain who have the highest need clinically, including:

- Those who currently have close, unavoidable contact with confirmed or suspected Covid-19 cases, including highly vulnerable groups. For example, adult social care (including care homes and home care), hospices and local authority adult social care services for Covid-19 vulnerable groups.
- Other services that would have a high priority need for PPE include General Practitioners, children's homes, secure children's homes, children's social care services in local authorities, prison officers, police and funeral directors.

3.13 Boroughs across London will be required to support their social care providers in the current climate of unprecedented demand for PPE. By securing this pan-London contingency stock we are making a clear commitment to our social care staff and residents that we are committed to ensuring the safest provision of care to all our providers during this period of uncertainty.

4. Alternative options considered

4.1 Not to take part in the pan-London procurement scheme. This was not considered, as our current supply lines are under increasing strain and a contingency baseline is needed to provide ongoing support to partners.

4.2 Continue with business as usual supply chains. With the global demand for PPE resulting in acute shortages of equipment it was considered prudent to take part in the pan-London scheme via LBE and their existing supply chain who have a more robust and cost-effective route to market.

5. Background information

5.1 On 31 December 2019, the World Health Organization (WHO) was informed of a cluster of cases of pneumonia of unknown cause detected in Wuhan City, Hubei Province, China.

5.2 On 12 January 2020 it was announced that a novel coronavirus had been identified in samples obtained from cases and that initial analysis of virus genetic sequences suggested that this was the cause of the outbreak. This virus is referred to as SARS-CoV-2, and the associated disease as COVID-19.

5.3 As of 19 April 2020, more than 2 million cases have been diagnosed globally, with over 159,000 fatalities. In the 14 days to 19 April, over 1.1 million cases were reported European Centre for Disease Prevention and Control.

5.4 COVID-19 has presented fast-moving and evolving challenges to the NHS, care providers and Local Authorities throughout the country. As with any new strain of virus, the guidance for healthcare workers and health and social care services is being developed and updated frequently. This reflects the need to take a view of the global situation as well as the situation across the UK.

5.5 The supply and quality of PPE for healthcare workers has been the focus of national media attention. It is essential that we seek to protect all our frontline workers so that they can provide the best care possible to anyone suffering from, or showing symptoms of, the disease.

5.6 To address our urgent needs, we have been working to secure an interim provision of PPE, on a pan-London basis, to provide boroughs with contingency supplies of equipment for a six-week period while Government's e-commerce system 'Clipper' is mobilised.

5.7 West London Alliance (WLA) has been successful in the procurement of cost efficient and effective PPE for their sub-regional hub. Their supply chain has additional capacity that can be utilised by can accommodate the PPE requirements of all London Boroughs for the six-week period agreed. London Borough of Ealing (LBE) as the lead supplier has offered to act as a conduit to facilitate the PPE supply for all London Boroughs.

5.8 A Memorandum of Agreement (MOA) has been drafted for all participating boroughs setting out the terms to secure PPE via this new supply route. Boroughs are asked to submit requests for PPE via LBE on a sub-regional basis in accordance with their existing Strategic Transformation Partnership (STP) relationships. Designated PPE leads or 'hubs' within each sub-region (Camden, Sutton, Hammersmith & Fulham, Ealing and Southwark) will coordinate requests for their sub-regional partners, arrange payment and the collection or delivery of stock based on existing local relationships.

5.9 This new route is entirely voluntary and if the designated sub-regional leads choose not to participate in the scheme, another Borough can act as the lead sub-regional partner to secure PPE via this pan-London route. The need for boroughs to take part on a partnership basis, sub-regional or otherwise, is based on the reduce the burden on the supply chain of payments with all individual boroughs. WLA have used this model previously and are keen to do so for future supplies.

6. Contribution to strategic outcomes

6.1 The Borough Plan sets out overarching priorities and advocates for the development of strong communities where people look out and care for one another. As such, this report aligns most closely to the 'People' theme.

6.2 The proposal also specifically assists our stated aim to ensure that carers are supported and valued. The sourcing of appropriate PPE to allow carers to fulfil their duties is a fundamental process of support.

7. Statutory Officers comments (Chief Finance Officer, Head of Procurement), Assistant Director of Corporate Governance, Equalities)

7.1 Finance

7.1.1 The Government's Budget of 11 March 2020 announced £1.6bn un-ringfenced emergency funding to Local Authorities. This was followed by an announcement of a further £1.6bn on 18 April 2020. To date the government has notified the Council that it will receive £8.094m of this funding and the COVID-19 Financial Intervention and Measures Report of 6th April 2020 agreed that this be placed in an Emergency Response Contingency in the Council's General Fund budget.

7.1.2 It is recommended that £350,000 cost of the PPE set out in this report be met from this contingency. Any further requirements above this value will need to be subject to a further report.

7.1.3 It was also noted in the COVID-19 Financial Intervention and Measures Report of 6th April 2020 that, based on our forecasts, this grant funded contingency will not as it stands be adequate to cover all the Covid19 funding implications on the

Council. The report described the expectations of this Council and the local authority sector regarding further grant awards.

7.2 Procurement

7.2.1. The Head of Procurement has been consulted in drafting the LB Ealing Pan-London PPE Memorandum of Agreement (MoA).

7.2.2. Strategic Procurement can confirm procuring PPE via the LB Ealing Framework will be in accordance with CSO 7.01 b).

7.2.3. LB Ealing have established a PPE framework under Regulation 32 of the Public Contract Regulations. Entering the MoA provides the relevant authority for LB Ealing to place orders on behalf of the Hub Boroughs and their subsequent individual boroughs within the region (i.e. Haringey).

7.2.4. Strategic Procurement confirms the procurement of these goods straddles several of the Public Contract Regulations:

- The use of Regulation 33 where LB Ealing have established a framework that Haringey can commission PPE from in accordance with the 'call off' terms; in this case, the call off terms are stated within the MoA.
- The use of Regulation 32(2)c allowing the use of negotiated procedure without publication for matters of extreme urgency and in compliance with Procurement Policy Note (PPN) 01_20.
- The use of Regulation 12.7 allowing two or more contracts to be established or co-operation between two or more contracting authorities.

The initial order being placed by the Council does not exceed the current regulatory procurement threshold of goods (circa £189k); therefore, the Council is not required under the Regulations to follow one of the defined procurement processes; however, should subsequent orders take the aggregated value above the goods threshold, the above provisions in the Regulations can be relied upon to ensure the Council has undertaken a compliant process.

7.2.5 Strategic Procurement can confirm the terms of the MoA require orders and payment of orders, to be processed via a hub borough (being Camden),

7.3 Legal

7.3.1 The Assistant Director of Corporate Governance has been consulted in the drafting of the MoA and in the preparation of this report.

7.3.2 Pursuant to the general power of competence under section 1 of the Localism Act 2011 the Council has the power to enter into the MoA.

7.3.3 As stated in section 8.2.4 above the initial order being placed by the Council does not exceed the relevant procurement threshold for the supply of goods (currently £189,330). Therefore, the Council is not required to follow one of the procurement procedures set out in the Public Contract Regulations 2015 (as amended) (the “Regulations”). Should the value of subsequent orders exceed the procurement threshold the Council can rely on Regulation 33 and Regulation 32(2)(c) of the Regulations as described in section 8.2.4 above.

7.3.4 The Assistant Director of Corporate Governance sees no legal reasons preventing the Leader from approving the recommendations in the report.

7.4 Equality

7.4.1 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.

7.4.2 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 apply to the first part of the duty

7.4.3 The proposed decision is to approve the funding for the procurement and provision of PPE to front-line workers and social care staff. Those affected by this decision will be Haringey Council staff, care workers and care home residents. A disproportionate number of care workers are women and there are significant number of individuals – both patients and care home residents - of older age, those who have underlying health conditions or disabilities.

8. Use of Appendices

Appendix 1

9. Local Government (Access to Information) Act 1985

Not Applicable.