

**Report for:** Cabinet Member Signing

**Title:** Approve award of Call Off Contract for the Community Equipment Service.

**Report authorised by:** Vicky Murphy – Service Director of Adults, Health & Communities

**Lead Officer:** Paul Lewis, [paul.lewis@haringey.gov.uk](mailto:paul.lewis@haringey.gov.uk), 07976 457356

**Ward(s) affected:** All

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

## **1. Background to the issue under consideration**

- 1.1 Community Equipment importantly supports vulnerable people to remain independent for longer reducing the need for more formal and costly care.
- 1.2 Examples of community equipment provided include: electric profiling beds, air mattresses and cushions funded by the NHS, to hoists, slings and bathlifts funded by Adult Social Care.
- 1.3 The Council joined the London Consortium for the provision of Community Equipment in November 2012. This followed a procurement process which was compliant with European procurement legislation (the Public Contracts Regulations 2006).
- 1.4 The Framework Agreement ran until March 31<sup>st</sup> 2015, the consortium then agreed to invoke the option to extend for a further two years until March 31<sup>st</sup>, 2017.
- 1.5 Following a tender process, the Consortium awarded a new 4-year Framework with the successful contractor being Medequip that started on April 1<sup>st</sup> 2017. The Framework was subsequently extended by two years and is due to finish March 31<sup>st</sup> 2023.
- 1.6 On May 9<sup>th</sup> 2022 the London Consortium lead borough RBK&C invited suitable contractors to tender for the Community Equipment Services Framework which was subsequently awarded to NRS Healthcare on September 5<sup>th</sup>.
- 1.7 On September 23<sup>rd</sup> 2022 a claim was issued against the award decision which placed a suspension on the new Framework. This was subsequently lifted in a court ruling on December 21<sup>st</sup> 2022 allowing the Framework Agreement to be finally signed on February 7<sup>th</sup> 2023 between Consortium lead borough RBK&C and NRS Healthcare.

## **2. Cabinet Member Introduction - N/A**

### 3. **Recommendations;**

#### 3.1 For the Cabinet Member for Health, Social Care and Wellbeing to:

- (a) Approve the award of a Contract to **NRS Healthcare (Company registration number 01948041)** for the sum of £17,500,000 in accordance with Contract Standing Order (CSO) 16.02 (Decisions reserved to members under these Contract Standing Orders will ordinarily be taken at a Cabinet meeting, and the Leader may also allocate any such decision whether urgent or not to the Cabinet Member having the relevant portfolio responsibilities).
- b) Note that the contract is awarded following a call off from the London Community Equipment Consortium in accordance with CSO 7.01 b) ( selecting one or more contractors from a Framework). The contract will be for a period of 5 years with a 2-year extension period option (that applies if the Framework Agreement is extended). The contract will start on April 1<sup>st</sup> 2023.

### 4. **Reasons for decision;**

- 4.1 The decision for Haringey to remain a member of the Consortium was made on 22/11/21. **Appendix 2** highlights the background and rationale for that decision.
- 4.2 In May 2022 RBK&C the lead borough of the Community Equipment Consortium put the contract out to tender. This was subsequently awarded to NRS Healthcare on September 5th. The estimated contract value including the two year extension period across all consortium members is **£360,000,000**.
- 4.3 Value for money has been achieved through the competitive tender process, ensuring the contractors quality and pricing was competitively submitted and evaluated to allow RBK&C to identify a suitable supplier from the two bids received.
- 4.4 The framework is for an initial term of 5 years, with the option to extend for a further period of 2 years (maximum term of 7 years). This exceeds the usual 4 year rule as described in Regulation 33 (3) of the Public Contracts Regulations 2015 in order to maximise the opportunities to further develop the contract for its customers during the lifetime of the arrangement and to deliver value for money.

### 5. **Benefits of the new contract;**

- 5.1 The new contract will run a 6 day service Mon-Sat (8am-8pm), with the potential to move to a 7 day service if required. This will further help plan and facilitate hospital discharges and give enhanced support to the residents of Haringey at weekends. The previous contract was a 5 day service (8am-5pm).
- 5.2 NRS will operate 3 London depots: North, South & West. The North London depot will service 8 of the 19 consortium boroughs and it is important to note that it will be situated locally in **Tottenham**, potentially providing added employment opportunities for local residents.

- 5.3 NRS Healthcare will run a fully electric fleet of vehicles
- 5.4 Service users will be offered an am/pm delivery slot, something that was not available with the previous contract
- 5.5 **The exempt Appendix 1** contains a breakdown for the potential recharges to the 5 services using the contract.
- 5.6 Potential savings in the first year from lower activity fees are estimated at **£2,800,000** spread across the 19 consortium members. Additionally, 85% of the equipment catalogue will remain the same, which includes most high value and complex items. This has resulted in a consortium wide saving of £850,000.
- 5.7. 15% of the products will be new, but similar if not identical in function and dimensions, mostly for items like bathboards, perching stools and shower chairs.
- 5.8 Further details of NRS's bid are set out in the exempt **Appendix 1**.

## **6. Alternative options considered**

- 6.1 Do nothing was not an option as the council has a statutory duty to provide the service to residents.
- 6.2 Undertake a Haringey only procurement. This was dismissed on the grounds of economies of scale would provide better value for money.
- 6.3 There is now the option to remain with Medequip via one of their existing frameworks namely The Redbridge Framework or Kent Services Framework. Further rationale for the Council's decision not to consider this option is contained in the exempt **Appendix 1**

## **7. Contribution to the Corporate Delivery Plan 2022-2024 High level Strategic outcomes'?**

- 7.1 This links into the 'People' section of the Borough Plan (2019-2023), which states the following:  
"Our vision is a Haringey where strong families, strong networks and strong communities nurture all residents to live well and achieve their potential"

- 7.2 **The fully electric fleet contributes towards the Haringey goals to;** Promote Ultra Low emissions vehicles such as electric cars and where required work with partners to install electric charging points.

## **8. Statutory Officers comments**

### **8.1 Finance:**

- 8.1.1 The cost of provision of community equipment is funded in part through the Disabled Facilities Grant, at around 40% of the contract cost. The remaining 60% of the cost is contributed by NCL ICB (approx. 50%), Whittington

Therapies, Connected Care Service (formerly the Community Alarm Service) and Special Educational Needs and Disabilities.

8.1.2 It is anticipated that sufficient funding will be available to fund the potential contract cost over the proposed contract period.

## **8.2 Procurement:**

8.2.1 Strategic procurement confirms the council can access the Community Equipment Framework and award a contract in accordance with CSO 7.01 b (selecting a supplier from a Framework)

8.2.2 RBK&C led the procurement to put in place a Medical Services Equipment Framework for use by a consortium of London Boroughs.

8.2.3 Strategic Procurement confirms the services commencement date of the Framework is 01 April 2023, which is the earliest date whereby the Council can enter into an Agreement with NRS.

## **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 contract is above the threshold where the procurement rules set out in the Public Contracts Regulations 2015 (the Regulations) apply.

8.3.3 The Council's Procurement Team has confirmed that the process followed by the Royal Borough of Kensington and Chelsea for procurement of a supplier is compliant with the rules on Framework Agreements as set out in the Regulations and that the Council is a Contracting Authority which is eligible to use the Community Equipment Framework Agreement.

8.3.4 The award of the contract is a Key Decision and, as such, must comply with the Council's governance procedures as set out in Contract Standing Orders, including publication in the Forward Plan.

8.3.5 The award of this contract would normally fall to Cabinet as it is over £500,000 in value (CSO 9.07.1 d). Inbetween meetings of the Cabinet, the Leader may take any such decision or allocate any such decision to the Cabinet Member with the relevant portfolio (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 recommendations in this report.

## **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.

8.4.2 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 applies to the first part of the duty. Although it is not enforced in legislation as a protected characteristic, Haringey treats socioeconomic status as a locally protected characteristic.

8.4.3 The proposed decision is to approve the award of the community equipment contract to NRS Healthcare. Those most affected by the decision will be Haringey residents with disabilities and/or health conditions that limit their abilities to undertake day-to-day tasks. The new contract represents a means of ensuring that the differential needs of these residents can be met, and therefore represents a measure to advance equality of opportunity. The new contractor will be required to have due regard for the three aims of the public sector equality duty, stated above, in its capacity as an organisation undertaking a function on behalf of a public body.

## **9. Use of Appendices**

Exempt Appendix 1 and Appendix 2

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