

## Notice of Non-Key Executive Decision

<b>Subject Heading:</b>	Occupational Therapy Assessment Contract - Permission to Tender
<b>Decision Maker:</b>	Barbara Nicholls, Strategic Director of People
<b>Cabinet Member:</b>	Cllr Gillian Ford, Cabinet Member for Adults and Health
<b>ELT Lead:</b>	Barbara Nicholls, Strategic Director of People
<b>Report Author and contact details:</b>	Michelle Purcell – Commissioner <a href="mailto:Michelle.purcell@havering.gov.uk">Michelle.purcell@havering.gov.uk</a>
<b>Policy context:</b>	<p>The Adult Social Care and Support Planning Policy states that Havering's vision is:</p> <p>'Supporting excellent outcomes for the people of Havering by helping communities to help themselves and targeting resources and interventions to encourage independence'</p>
<b>Financial summary:</b>	<p>The cost of the contract will be £90,000 per year. The contract will be for 1 year, with a 4 x1year extension option, which makes the total contract value £450,000.</p> <p>The Occupational Therapy Assessments is funded by the Havering Occupational Therapy team budget and is budgeted for annually.</p>
<b>Relevant Overview &amp; Scrutiny Sub Committee:</b>	People's Overview and Scrutiny Sub Committee

**Non-key Executive Decision**

<b>Is this decision exempt from being called-in?</b>	<i>The decision will be exempt from call in as it is a Non key Decision</i>
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### **Non-key Executive Decision**

#### **The subject matter of this report deals with the following Council Objectives**

People - Supporting our residents to stay safe and well    X

Place - A great place to live, work and enjoy

Resources - Enabling a resident-focused and resilient Council

### **Part A – Report seeking decision**

## **Non-key Executive Decision**

### **DETAIL OF THE DECISION REQUESTED AND RECOMMENDED ACTION**

This report is seeking approval from the Strategic Director of People to:

1. commence a tender for an Occupational Therapy Assessment contract for a period of 1 year, with a 4 x1 year extension option at a maximum value of £90,000 per annum (up to £450,000 over 5 years) as set out in this report.

### **AUTHORITY UNDER WHICH DECISION IS MADE**

The Havering Constitution:

Part 3 of the Council's Constitution

Scheme 3.3.3 Powers common to all Strategic Directors

#### **1. General**

1.1 To take any steps, and take any decisions, necessary for the proper management and administration of their allocated directorate, in accordance with applicable Council policies and procedures.

#### **2. Expenditure**

2.1 To incur expenditure for their allocated directorate within the revenue and capital budgets as approved by the Council, or as otherwise approved, subject to any variation permitted by the Council's contract and financial procedure rules.

#### **4. Contracts**

4.1 To approve commencement of a tendering process for all contracts below a total contract value £1,000,000.00

### **STATEMENT OF THE REASONS FOR THE DECISION**

The current Occupational Therapy Assessments contract ends on 31<sup>st</sup> March 2025. A replacement contract is required. The contract will be paid from Havering Occupational Therapy team budget and is budgeted for annually at a cost of £90,000 per year and will be paid quarterly against a purchase order. The existing contract will be extended for 6 months, until 30<sup>th</sup> September 2025, to prevent a gap in service.

#### **Background**

Prior to outsourcing the occupational therapy service, the Council operated an in-house Occupational Therapy Service, but had difficulty filling some of the vacant posts within the team. Any assessments above the maximum permanent staff capacity were carried out by locum workers at a cost of £34 per hour when the locum workers were available. This was deemed to be unreliable and not financially cost effective. To meet the demands of the service and to ensure that there was no waiting list for assessments/review the Council completed a

## Non-key Executive Decision

procurement exercise in 2020 and All Therapy Solutions were successful in their bid and the contract commenced on 01/04/20.

### **The Service**

The main purpose of this service is to supplement the existing in-house Occupational Therapy team as and when required therefore the provider will be made aware that by agreeing to submit a tender response and enter into a contract with the Council they are not guaranteed any minimum level of work/ activity as this is demand led service and subject to the Council's own in house capacity to undertake assessments.

As part of their tender submission bidders will need to show they can provide the following types of assessments:

### **The Requirement**

A '**Basic**' case involves: An Occupational Therapy Assistant Assessment with an adult in their home, where minor adaptations and standard equipment are required and where the established need is straightforward and easy to identify. The provider completes an assessment and recommendations are recorded on the Council's Adult Social Care database and orders equipment via our online equipment provider and adapts via admin support.

A '**Moderate**' case involves: Full functional OT Assessment with an adult in their home where major adaptations such as level access showers; stair lifts & ramps etc. are required or where a visit with a company rep or surveyor may be required to establish feasibility or where specialist equipment is needed and or where the established needs are more difficult to identify / liaison with other social and health care professionals are required. The provider will provide an assessment and recommendations as prescribed by Havering and loaded directly on to the Council's systems with remote access laptop. Relevant follow up and review included as necessary.

The Professional Practice Lead for Occupational Therapy reviews all assessments completed and then confirms that assessments have met the expected quality criteria or feedback on where improvements need to be made.

The service will be run in line with the following:

- Arrange a date for the initial assessment within five working days of receipt of referral
- Provide confirmation of the initial assessment date to the Client or their representative.
- Follow a clear written process for 'unable to contact' situations.
- Undertake holistic but proportionate OT assessments that are Care Act compliant.
- Identify any unpaid /family carers and document the offer of a carers assessment. Where this is accepted the provider will make a referral to the Havering Access Team (HAT) or to the Social Worker where the Client is already allocated.
- Undertake as identified via an initial assessment or as requested one or more of the following elements; specific activity /equipment risk assessments, including but not limited to bed falls, Assisting and Moving (A&M) assessments with A&M (handling) plans, recommendations for adaptations, plus clinical reasoning for equipment, etc.
- Complete the initial assessment, upload any related documents
- Provide a copy of the assessment and summary of proposed interventions / recommendations for adaptations to the Client or their representative
- Leave copies of accessible, picture based Assisting and Moving plans (bespoke as necessary to the Client) in Client homes and, when relevant, to the care provider.
- Follow a clear written governance process for authorisation of the OT recommendations for equipment / minor adaptations
- Following the authorised assessment, the provider should arrange and undertake the recommended actions as identified by the assessing OT, including but not limited to;

## **Non-key Executive Decision**

onward referrals, liaison with other internal and external services /stakeholders, arranging equipment provision or the Council's equipment Service (Medequip Community Equipment), adjustment and demonstration of equipment, quotes for non-stock equipment/work and follow-up visits.

- Provide a range of Information, Advice and Guidance (IAG) appropriate to the Client need, and signpost the Client and or carer to appropriate community Services /activities, including where appropriate self-purchase of equipment.
- Produce 'as is' and 'to be' drawings with completed template specifications (level access showers etc.)
- Follow a clear written closure process, including evidence of case audit and, if required, joint visits with supervisors as part of quality assurance.
- Provide a closure summary letter /support plan that reflects the identified needs, interventions completed and any recommendations provided.
- To work in line with our Better Living Model

### **Clients**

Clients are residents of Havering or if living outside of Havering, have been identified by Adult Social Care (ASC) as being the responsibility of the Council. Clients requiring an OT Service will have been identified and screened by a senior OT in Adult Social Care, before referral to the provider.

A senior practitioner reviews the cases each week and then allocates them out accordingly. All cases that are referred into the North Team are given to ATS as that's the area that holds the vacant posts. All the cases referred into the Access Team and South Team are completed by the in house OT's.

### **Service Outcomes**

**An OT assessment or Review:** That identifies Clients ability and areas of functional difficulty (needs) and how these will be met, including the views and wishes of the Clients and carer in relation to these needs. OT intervention to identify the most cost effective option to identify the needs

**Provision of Services:** That reflects appropriate advice, intervention and /or support in facilitating the provision of Services, i.e. Activities of Daily Living (ADL) equipment, supplier quotes, minor adaptations, recommendation for Major Adaptations with specifications, referrals to other Services and as necessary other social care service in order to manage risk, maximise independence and or improve safety;

Follow-up activity: Face-to-face or by telephone as appropriate to reflect the Clients /carer's needs and intervention type;

A closure letter /support plan: That reflects the identified needs from the assessment /review and interventions completed, plus any recommendations given;

A copy of the assessment: is provided to the client in an accessible format.

### **Service Activity**

Last year 769 assessments were completed under the OT contract, 619 from adults social care and 150 from the review team. However a new in-house OT has been recruited so it is expect there will be a decrease in demand to outsource assessments.

### **Procurement Approach**

Under the Provider Selection Regime (PSR) the Council is required to consider whether PSR direct award process A or B must be used. Market engagement has been held to acquire

### Non-key Executive Decision

knowledge of 'provider landscape' in that regard. A PIN was published on 19<sup>th</sup> November 2024 requesting a provider who will supplement the existing in-house occupational therapy service, provided by London Borough of Havering, to deliver occupational therapy and occupational therapy assessments as and when required. The provider is not guaranteed to be offered any work by the Authority, but if offered the Provider shall undertake to perform that work in accordance with the service specification.

- There were 15 viable responses to the PIN. On that basis, direct award process A (only one capable provider) is not available.
- The Council is not required to offer unrestricted patient choice of provider for the services. Direct award process B is not required.

As the Council is not required to follow PSR direct award processes A or B, it may choose direct award process C (most suitable provider) of the PSR competitive process. It has been decided to do a competitive tender under PSR because the incumbent provider is not the only provider in this field and therefore direct award would not be appropriate. We know this information from our market engagement (PIN).

Under PSR Regulation 5, there are five key criteria that must be considered when assessing providers under the competitive process. These are:

1. Quality & Innovation
2. Value
3. Integration, Collaboration & Service Sustainability
4. Improving access, reducing health inequalities & facilitating choice
5. Social Value

The Service will decide on relevant key criteria which both adheres to these requirements under PSR and provides for relevant criteria for service requirements under Occupational Therapy.

Social value	15%
Improving access, reducing health inequalities, and facilitating choice	15%
Value	25%
Integration, collaboration, and service sustainability	20%

## **Non-key Executive Decision**

Quality and innovation	25%
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**Finance**

This paper is seeking approval to go out to tender for the Occupational Therapy Assessment contract for a 1 year contract, with a 4 x1 year extension option.

The current contract ends on 31<sup>st</sup> March 2025, however we are in the process of extending this to 30<sup>th</sup> September 2025. The total cost of the 5 year contract is £450,000. This is £90,000 per annum and is paid from the Havering Occupational Therapy team budget and there is sufficient budget available to fund this.

The budget is reviewed annually. The contract is funded from a vacant Occupational Therapist role (£55,000) and partly funded through a vacant Occupational Therapist role in the adult's review team (£35,000). Both roles are hard to recruit to and spot purchasing OT assessments can cost up to £500 per assessment.

The contract does not guarantee any work for the provider and is demand led. The successful provider will cost against a PO so they cannot exceed the £90,000 and monthly spend will be monitored every 6 weeks with the service, finance and lead commissioner to ensure there is even spend throughout the year.

If the service were to spend £90,000 before the end of the year, a waiting list for OT Assessments would ensue. It will be mainly basic or moderate assessments sent to the successful provider as moderate and complex assessments will be done in-house. The average cost of a basic or moderate assessment is £180, which allows for 500 assessments to be completed over the course of a year. This amount will be less if it is required for substantial and complex assessments, but this will be managed and monitored through the referral process.

The rates are based on the complexity of the case, the number of visits, liaising with other professionals and family dynamics. There was benchmarking completed in 2020, when the previous tender was undertaken for the current contract and there has been a 20% uplift to the current provider mid-contract, therefore the rates are in line with the market and should cover the next 5 year period.

This contract is to supplement the already existing OT service we run in-house as the OT posts are difficult to fill.

Both vacant posts are that of OTs which are on a grade 8.

### **OTHER OPTIONS CONSIDERED AND REJECTED**

1. Do nothing – The current contract ends on 30<sup>th</sup> September 2025. If we were to do nothing, the service would end and there would be less capacity within the team to



### **Non-key Executive Decision**

complete occupational therapy assessments resulting in a waiting list for assessment. Therefore this option was rejected.

2. Direct award to current supplier – after publishing a market test form, 15 viable providers responded therefore direct award was not appropriate. This option was rejected.
3. Bring the service fully in-house - The market suggests that recruiting to these posts would be challenging and this would take time which would have a negative impact on clients and cause waiting lists to develop, this option has therefore been rejected.

### **PRE-DECISION CONSULTATION**

None.

### **NAME AND JOB TITLE OF STAFF MEMBER ADVISING THE DECISION-MAKER**

Name: Michelle Purcell

Designation: Commissioner, Age Well

Signature: M.Purcell

Date: 24.03.25

## **Part B - Assessment of implications and risks**

### **LEGAL IMPLICATIONS AND RISKS**

The Council has a general power of competence under section 1 of the Localism Act 2011 to do anything an individual may generally do subject to any statutory limitations. The proposed procurement is in accordance with these powers.

The proposed procurement complies with Regulation 11 of The Health Care Services (Provider Selection Regime) Regulations 2023.

### **FINANCIAL IMPLICATIONS AND RISKS**

The report is requesting to send out to tender the Occupational Therapy Assessment contract for Adult Social Care. The contract value would be £90,000 per year with the option to extend for 1 year, four times. The maximum value of the contract, if all extensions are carried out, would be £450,000.

With this contract starting on the 1/10/25, the contract will cost £45,000 in financial year 25/26 and £90,000 per financial year after.

This contract is being put in place to cover vacant OT posts which are proving hard to fill and to reduce the resulting waiting list of clients.

Both the current and proposed re-tendered contracts are demand led. We pay per assessment, until the value of the contract is met. The expectation currently is that demand will be close to meeting full contract cost of £90,000. If the contract value is met then any additional assessments would need to be met in house or go onto a waiting list.

The current contract is worth £110,000 per year and is funded by 2 vacant Occupational Therapist posts in the North Social Care Team. Though, there was additional spend by the Review team within Adult social care. This additional spend of £31,330 in 23/24, and similar costs are forecast for 24/25, was funded by a vacant OT post in the Review team.

The proposed re-tender has been reduced to £90,000 as one of the vacant OT posts in the North team has been filled. This leaves two vacant budgeted OT posts (1 from the North Team and 1 in the Review Team) that cost £60,667 per annum. Budget is therefore available to cover the contract value.

However, if either of the posts are recruited to then the usage of the contract will need to be reduced, as the budget will no longer be available. Also, the spend profile will need to be monitored in case of recruitment to ensure that there doesn't become a pressure in year.

Any inflationary pressure against the contract will need to be monitored to ensure that value for money continues to be achieved and would potentially mean a reduced amount of assessments could be completed.

### **HUMAN RESOURCES IMPLICATIONS AND RISKS (AND ACCOMMODATION IMPLICATIONS WHERE RELEVANT)**

## **Non-key Executive Decision**

The recommendations made in this report do not give rise to any identifiable Human Resources implications or risks.

### **EQUALITIES AND SOCIAL INCLUSION IMPLICATIONS AND RISKS**

Havering has a diverse community made up of many different groups and individuals. The council values diversity and believes it essential to understand and include the different contributions, perspectives and experience that people from different backgrounds bring.

The Public Sector Equality Duty (PSED) under section 149 of the Equality Act 2010 requires the council, when exercising its functions, to have due regard to:

1. the need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;
1. the need to advance equality of opportunity between persons who share protected characteristics and those who do not, and;
1. Foster good relations between those who have protected characteristics and those who do not.

Note: 'protected characteristics' are: age, gender, race and disability, sexual orientation, marriage and civil partnerships, religion or belief, pregnancy and maternity and gender reassignment.

The Council demonstrates its commitment to the Equality Act in its decision-making processes, the provision, procurement and commissioning of its services, and employment practices concerning its workforce. In addition, the Council is also committed to improving the quality of life and wellbeing of all Havering residents in respect of socio-economics and health determinants.

An EqHIA (Equality and Health Impact Assessment) is usually carried out and on this occasion this isn't required.

The Council seeks to ensure equality, inclusion, and dignity for all in all situations.

### **ENVIRONMENTAL AND CLIMATE CHANGE IMPLICATIONS AND RISKS**

The recommendations made in this report do not give rise to any identifiable environmental implications or risks.

### **BACKGROUND PAPERS**

**Non-key Executive Decision**

<b>APPENDICES</b>	
None	

**Non-key Executive Decision**

**Part C – Record of decision**

I have made this executive decision in accordance with authority delegated to me by the Leader of the Council and in compliance with the requirements of the Constitution.

**Decision**

Proposal agreed

**Details of decision maker**

Signed



Name: Barbara Nicholls, Strategic Director of People

Cabinet Portfolio held:

CMT Member title:

Head of Service title

Other manager title:

Date: 03.04.25

**Lodging this notice**

The signed decision notice must be delivered to Committee Services, in the Town Hall.

**For use by Committee Administration**

This notice was lodged with me on \_\_\_\_\_

Signed \_\_\_\_\_

## **Non-key Executive Decision**