

Notice of Non-Key Executive Decision

Subject Heading:	Occupational Therapy Assessment Contract Variation
Decision Maker:	Patrick Odling-Smee, Director of Living Well
Cabinet Member:	Cllr Gillian Ford, Cabinet Member for Adults and Health
ELT Lead:	Barbara Nicholls, Strategic Director of People
Report Author and contact details:	Michelle Purcell, Commissioner Michelle.purcell@havering.gov.uk
Policy context:	<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>
Financial summary:	<p>The variation will be funded through a vacant Occupational Therapy Housing post (10005677).</p> <p>Occupational Therapy assessments will be called off from a PO by Housing up to the value of £31,000.00 per annum.</p> <p>Funding for the service will cease upon the vacant post being filled.</p> <p>The Occupational Therapy Assessments Contract is commissioned for a maximum of 5 years dependant on posts remaining vacant for the full term.</p> <p>The maximum cost for this variation over the 5 years would be £155,000.00.</p>

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Relevant Overview & Scrutiny Sub Committee:	People's Overview and Scrutiny Sub Committee.
Is this decision exempt from being called-in?	The decision will be exempt from call in as it is a Non key 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

DETAIL OF THE DECISION REQUESTED AND RECOMMENDED ACTION

This report seeks approval of the Strategic Director of People to approve the variation of the Occupational Therapy Assessments Contract held by SHA Disability Ltd to include an additional provision for Housing to send SHA Disability Limited occupational assessment referrals, from 1st October 2025 to 30th September 2026, with an optional four year extension period at an estimated total value of £155,000 (£31,000 per annum).

The current contract has a value of £90,000 per annum. This variation will bring the total cost of the contract to £605,000 including the extension period.

AUTHORITY UNDER WHICH DECISION IS MADE

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.

4. Contracts

4.2. To award all contracts with a total contract value of below £1,000,000 other than contracts covered by Contract Procedure Rule 16.3. This delegation shall include the ability to extend or vary a contract up to and including a value of £1,000,000 (provided that the extension is in line with the existing contractual provisions).

As recorded in the Sub Delegation lodged with the Monitoring Officer on 3 April 2024

STATEMENT OF THE REASONS FOR THE DECISION

Background

Adult Social Care currently hold an Occupational Therapy (OT) Assessments contract with SHA Disability Ltd. The contract started on 1st October 2025 and ends on 31st September 2026, with a 4 year extension period. The contract is funded by a vacant Housing Occupational Therapist post (post number 10005677), and allows SHA Disability to carry out occupational therapy assessments on behalf of the London Borough of Havering.

Clients are referred through the Adults Services Occupational Therapist team. They are residents of Havering, or, if living elsewhere, have been identified by Housing as being under the Council's responsibility. A senior Occupational Therapist within Housing will assess and screen clients who require OT services before making a referral to the provider.

The contract delivers the below elements:

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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 LBH's Adult Social Care database and order equipment via the Council's online equipment provider and adaptations via admin support.

A **'Moderate'** case involves: A fully functional OT assessment conducted in an adult's home, particularly in cases involving major adaptations such as level access showers, stair lifts, or ramps. This may include a visit from a company representative or surveyor to assess feasibility, the provision of specialist equipment, or situations where needs are complex and harder to identify. Coordination with other social and healthcare professionals may also be necessary. The provider will provide an assessment and recommendations as prescribed by Havering and loaded directly on to the Council's systems with a remote access laptop. Relevant follow up and review included as necessary.

Housing Requirement

This arrangement has become necessary due to persistent recruitment challenges for the Occupational Therapist post, which have created a backlog of clients awaiting assessment. Without sufficient occupational therapy input, clients may experience delays in accessing necessary adaptations or support, potentially impacting their quality of life and independence. By permitting Housing to commission Occupational Therapy Assessments from SHA Disability Ltd, the service can maintain continuity and responsiveness, ensuring that urgent and routine assessments are completed in a timely manner.

The proposed variation, with an annual cap of £31,000.00, will provide essential flexibility to manage fluctuating demand and address immediate service gaps. This approach supports the ongoing objective to deliver high-quality, person-centred care and mitigates risks associated with prolonged waiting times for assessments, such as deteriorating health outcomes or increased pressure on other social care services. Regular review and monitoring of this arrangement will ensure value for money and alignment with service delivery goals.

Budget Available

The proposed variation will be funded from the budget allocated to a vacant Occupational Therapy Housing post (10005677). Occupational Therapy assessments will be commissioned by Housing, with services called off from a purchase order up to a value of £31,000.00 per annum. It is important to note that funding for this service will cease once the vacant post is filled. The Occupational Therapy Assessments Contract is commissioned for a maximum of five years, subject to the relevant posts remaining vacant for the full term. Over the five-year period, the maximum cost associated with this variation would total £155,000.00.

OTHER OPTIONS CONSIDERED AND REJECTED

Option 1: Do Nothing.

This means Housing will no longer be able to outsource occupational therapy assessments. This will result in a delay for clients needing assessments and therefore this option was rejected.

Option 2: Commission an Occupational Therapy Assessments contract for Housing.

Commissioning a contract for Housing will take time and will leave a significant gap in service. The Adult Social Care service has just been through a full and competitive tendering process to award a contract to SHA Disability that would be suitable for Housing's occupational therapy needs and therefore this option was rejected.

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<p style="text-align: center;">PRE-DECISION CONSULTATION</p> <p>None</p>

<p>NAME AND JOB TITLE OF STAFF MEMBER ADVISING THE DECISION-MAKER</p> <p>Name: Michelle Purcell</p> <p>Designation: Commissioner</p> <p>Signature: M.Purcell</p> <p style="text-align: right;">Date: 07.10.25</p>
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Part B - Assessment of implications and risks

LEGAL IMPLICATIONS AND RISKS

The Council has the power to vary the contract under s111 of the Local Government Act 1972, which permits the Council to do anything which is calculated to facilitate, or is conducive or incidental to, the discharge of any of its functions.

The Council also 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 recommendation sought within this report is in accordance with this power.

The original value of the contract was £450,000, which is above the threshold for services under the Procurement Act 2023 (PA 2023). As such, the contract is subject to the full implications of the PA 2023.

Paragraph 8 of Schedule 8 of the PA 2023 permits modifications under section 74 of the Act where additional goods, services or works are required beyond those originally provided for in the contract. This ground applies where using a different supplier would result in the provision of goods, services or works that are either different from or incompatible with those already being delivered. Officers must be satisfied that such differences or incompatibilities would lead to disproportionate technical difficulties in operation or maintenance, or other significant inconvenience, and would result in substantial duplication of costs. Importantly, the modification must not increase the estimated value of the contract by more than 50 per cent, which it does not here.

Clause 31.1 of the contract permits variations to the contract if agreed in writing and signed by both parties.

The variation additionally complies with paragraph 19.1(ii) of the Council's Contracts Procedure Rules, as a change in contractor would cause significant inconvenience or duplication of costs for the Council, and the increase in cost does not exceed 50% of the original contract value.

In light of the above, the Council may vary the contract.

FINANCIAL IMPLICATIONS AND RISKS

This decision paper is to request a variation to the Occupational Therapy Assessment contract held by SHA Disability Ltd to include additional provision for Housing.

The cost of the variation would be £31,000 per annum. This will be funded from a vacant Housing Occupational Therapist post within the Housing Choice and Applications team.

The current contract runs from 1st October 2025 until 30th September 2026 with the option to extend on a year by year basis for a further 4 year extension period.

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The total annual contract cost including the variation will be £121,000 per annum and the total cost of the contract over the life of the contract will be £605,000 per annum.

SHA Disability carry out Occupational Therapy basic and moderate assessments. This is on an as needed case by case basis up to the maximum contract value. The cost per assessment are basic £112.95 and moderate £195.00.

Due to the nature of the contract, spend against it can stop or be reduced, this means there is little risk to the council as budgets are available but spend is flexible.

If the post is recruited to then there will be an additional pressure to the Housing Demand service area of £31,000, however, to mitigate this risk, if the post is recruited to the contract can be reduced or ceased.

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

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:

I. the need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;

II. the need to advance equality of opportunity between persons who share protected characteristics and those who do not, and;

III. 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.

There are not equalities and social inclusion implications and risks associated with this decision.

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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

None

Appendices

None

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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: Patrick Odling-Smee

Cabinet Portfolio held:

CMT Member title:

Head of Service title Director of Living Well

Other manager title:

Date: 6 January 2026

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 _____