

Report of: Occupational Health Manager, Human Resources, Resources & Housing

Report to: Andy Dodman, Chief Officer Human Resources.

Date: 12th September 2019

Subject: To approve the use of the Yorkshire Purchasing Organisation and London Borough of Islington Occupational Health and Employee Assistant Framework to conduct a further competition for the provision of Physician Services in accordance with Contract Procedure Rule 3.1.6.

Are specific electoral wards affected? If yes, name(s) of ward(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is the decision eligible for call-in?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, access to information procedure rule number: Appendix number:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

Summary of main issues

1. In 2015 the Occupational Health Service procured a contract with OH Assist Limited for the provision of an Occupational Health Physician (OHP) service and additional occupational health advisors.
2. This contract is due to expire on 30th November 2019 and therefore a new contract is required, as there is an ongoing need for an OHP service within the Council.
3. Yorkshire Purchasing Organisation in partnership with the London Borough of Islington Council have procured a framework agreement which is suitable for Leeds City Council's requirements. The framework is open for use by other local authorities.
4. Accessing this framework agreement would enable the council to seek further competition through the framework to achieve value for money without the costs or resources needed to conduct a full procurement exercise for these requirements.
5. This report seeks approval to conduct a further call for competition under the framework to enable the Council to procure an Occupational Health Physician (OHP) service.

Recommendations

1. The Chief Officer Human Resources is recommended to approve the use of the framework agreement, as set up by the YPO and the London Borough of Islington Council, for the purposes of conducting and further competition to procure a contract for the provision of an Occupational Health Physician to work alongside our internal 'Employee Occupational Health Service' within Leeds City Council.

The contract is to commence on the 1st December 2019 with a proposal to cover a period of 2 years, (plus 2 x 12 month extensions) to the value of £320,000 (£80,000 per annum) and therefore a Significant Operational Decision.

1. Purpose of this report

- 1.1 The purpose of this report is to provide information and to request the authority to procure a contract for the provision of an Occupational Health Physician by conducting a further competition under the YPO and Islington Framework.

The contract is to commence on the 1st December 2019 for a period of 2 years, (plus 2 x 12 month extensions), hence maximum of 4 years.

2. Background information

- 2.1 The successful provider will be managed within the 'Employee Occupational Health Service'.
- 2.2 Leeds City Council has an ongoing requirement for an Occupational Health Physician service, to supplement the in-house provision.
- 2.3 The Council undertook a tender exercise for this service in 2014/15 following which the contract was awarded to OH Assist Limited subject to a 4 year long term agreement. The Occupational Health Physician typically works on site one day per week with additional days secured if there is a significant pressure on the service.
- 2.4 A new contract is required for the period of insurance commencing 1st December 2019.
- 2.5 The Council's Occupational Health Service will undertake the tender exercise in accordance with EU procurement rules with assistance from officers within the Procurement Section and Resources & Housing Directorate.

3. Main issues

- 3.1 The availability of an Occupational Health Physician (OHP) is vital to the Occupational Health Service to supplement the team of Occupational Health Nurse Advisors (OHA's). The OHP is required to:
- Provide clinical input for very complex referral cases.
 - Undertake health surveillance assessments for diagnosing or otherwise some medical conditions such as 'hand arm vibration syndrome'.
 - To process ill health retirement cases both face to face, and/or as a paper assessments.
- 3.2 The requirement is for an OHP to work collaboratively within the Occupational Health Service.
- 3.3 A review of two potential frameworks has been undertaken: YPO Islington (Framework Ref: 000899) and Crown Commercial Service (Framework Ref: RM3759) from which YPO Islington looks most suitable. The terms and conditions will be reviewed by the Procurement Legal team in advance of a further competition being held.
- 3.4 The YPO Islington framework has two lots - the further competition for this framework will be run under Lot 1 Occupational Health. There were three providers appointed to Lot 1 of the framework, and in accordance with the framework terms and conditions, or three providers will be invited to the further competition.
- 3.5 A secondary call for competition will generate efficiencies through an additional stage of competition and through a reduction of resource time for both procurement

and the representatives from the Occupational Health Service, as there will be a reduced process to issue tender documentation and evaluate tender bids.

- 3.6 We are satisfied that the framework contract awarded by YPO and Islington has been procured in full compliance with the Public Contracts Regulations 2015, and further checks will be made in advance of further competition being undertaken.
- 3.7 If the contract is not awarded, there will be a gap in providing this higher level of expertise within the service, a physician who has the clinical authority to diagnose medical conditions and make recommendations.
- 3.8 There is no alternative 'in house' provider.

4. Corporate considerations

4.1 Consultation and engagement

- 4.1.1 The contract is to be used by the Occupational Health Service only. Consultation took place across the Council during the planning stages for the 'in-house' service and is not deemed necessary for further consultation. Support on the procurement process will be provided by Procurement and Commercial services.

4.2 Equality and diversity / cohesion and integration

- 4.2.1 The proposed action has no specific or new implications for equality and diversity, cohesion and integration – although it does, of course, help the council meet its general duties under the Equality Act and to treat people fairly.

4.3 Council policies and best council plan

- 4.3.1 The provision of a physician to supplement the 'in-house' Occupational Health Service is allied to the Council values and also the wider Council and City Health and Wellbeing Strategies as it has the potential to impact on the health and wellbeing of Leeds City Council and as part of this, has a city wide effect.

4.4 Resources and value for money

- 4.4.1 YPO and Islington have undertaken a full OJEU procurement to create this framework, allowing Leeds City Council to benefit without incurring the costs of progressing a full OJEU procurement.

4.5 Legal implications, access to information, and call-in

- 4.5.1 In accordance with the Contract Procure Rule 3.1.8 the Delegated Decision to undertake a procurement (including a decision on what is been procured, the procurement route, the programme, the scope and the budget, will be taken at the point that the procurement route is chosen and, subject to any project specific issues, this will normally be the main decision that all subsequent decisions flow from.
- 4.5.2 The value of this contract is expected to be approximately £80,000 per annum, therefore a total value in the region of £320,000 should the extension be taken up. The decision is therefore classed as a Significant Operational Decision and is not subject to call in.

4.6 Risk management

- 4.6.1 There are no significant risks to this procurement as the procurement process will be conducted in accordance with the Council's Contract Procedure Rules in order to ensure that a fair, open and transparent process is undertaken.
- 4.6.2 The contract will be managed and monitored regularly to ensure the benefits of the service are maximised. The Contractors performance will be measured over the life of the contract.

5. Conclusions

- 5.1 Procuring a contract on the basis of a 2 year, (plus 2 x 12 month extensions) agreement represents the best option for the continued provision of Physician services.
- 5.2 The YPO and Islington framework agreement is a compliant contract under the requirements of the Public Contracts Regulations 2015 and is suitable for the council's requirements for the provision of an Occupational Health Physician Service.

6. Recommendations

- 6.1 The Chief Officer Human Resources is recommended to approve the use of the framework agreement, as set up by the YPO and the London Borough of Islington Council, for the purposes of conducting and further competition to procure a contract for the provision of an Occupational Health Physician to work alongside our internal 'Employee Occupational Health Service' within Leeds City Council.
- 6.2 The contract is to commence on the 1st December 2019 with a proposal to cover a period of 2 years, (plus 2 x 12 month extensions) to the value of £320,000 (£80,000 per annum) and therefore a Significant Operational Decision.

7. Background documents

- 7.1 None.