



London Borough of Enfield

Report Title:	Provision of occupational health service
Report to:	Director of HR & OD, Tinu Olowe
Cabinet Member:	Cabinet Member for Health & Social Care, Cllr Alev Cazimoglu Leader of the Council, Cllr Nesil Caliskan
Directors:	Director of HR & OD, Tinu Olowe Chief Executive, Ian Davis
Report Author:	Flora Stevens
Ward(s) affected:	All
Key Decision Number	5714
Classification:	Part 1 & 2 (Para 3)
Reason for exemption:	Information relating to the financial or business affairs of any particular person (including the authority holding that information)

Purpose of Report

1. The current contract to provide an occupational health service (OHS) and confidential employee counselling service (Employee Assistance Programme- EAP) is due to expire on 30 June 2024.
2. An options paper was presented to EMT on 13 February 2024 who approved the council proceeding with a mini-tender exercise via the ESPO framework to procure a new contract to commence on 1 July 2024.
3. Following a procurement process, this report seeks authority to approve the contract award of an occupational health service.
4. The contract excludes schools who will have the option to purchase services from the provider under separate contracts.

Recommendation

1. To appoint the winning bidder named in the Part 2 Report (Confidential) for the supply of occupational health services. The proposed call-off contract will be for a period of three years from 1 July 2024 to 30 June 2027, with the option to extend for a further two years.

Background and Options

5. The provision of an occupational health service is an essential tool to enable employers to meet their statutory obligations with regards to health and wellbeing and health & safety issues in the workplace and identify preventative measure that can be considered to minimise the risk of sickness absence and an employees' capability to perform the duties required of their post.
6. Occupational health is a key tool for employers particularly in relation to:
 - a. Ensuring the employer meets its statutory obligations in respect of employee health and well-being.
 - b. Protecting the employees from harm and providing guidance and expert advice to creating healthy workplaces.
 - c. Conducting pre-employment health assessments to ensure the employer employs people who are fit to undertake the duties of the role being offered to them.
 - d. Supporting the employer to reduce sickness absence by supporting early intervention and provision of relevant supporting advice to managers.
 - e. Ensuring effective rehabilitation and return to work strategies are in place.
 - f. Ensuring the employer are working towards preventing ill health and improving employee health.
 - g. Ensuring early intervention is provided in respect of ill health, reducing the need for sickness absence.
 - h. Identifying the right reasonable adjustments for disabled people at work.
 - i. Providing independent medical assessment relating to Ill-Health Retirement.
7. The Council's current contract to supply occupational health services with Medigold is due to expire on 30 June 2024. The contract spend is approximately £197,000 per annum and was last procured in 2018 for a term of 3 years with the option to extend for a further 1+1 years.
8. The principal requirement of this contract is to provide Occupational Health Services (OHS) and an Employee Assistance Programme (EAP). The OHS supports the reduction and/or prevention of ill health at work and assists with the effective management of health problems to enable managers to effectively manage and control sickness absence. It assists the Council to meet workplace healthcare legislation whilst simultaneously promoting aspects of good health and safety to employees. The EAP service provides confidential counselling and advice to employees.

9. The OHS provides the following core elements:
 - a. Pre-employment health assessments
 - b. In-service referrals and assessments
 - c. Pre-retirement referral (including ill-health medical retirement)
 - d. In-service referrals because of accident/injury at work
 - e. Disability Discrimination Act adjustments/DSE assessments
 - f. Sickness absence case support and advice
 - g. Physiotherapy support
 - h. Critical incident support

10. In addition, the service will provide health surveillance, trend analysis at a corporate and service level.

11. The service can also provide employee lifestyle/health checks, and proactive health promotion at an agreed additional cost as and when required.

12. The EAP service provides access to 24/7 confidential counselling support that includes:
 - a. Mental health crisis and trauma
 - b. Additional
 - c. Anxiety
 - d. Bereavement
 - e. Career/job related stress/performance related problems
 - f. Debt advice
 - g. Domestic violence
 - h. Eating disorders
 - i. Gender reassignment
 - j. Health problems
 - k. Legal information
 - l. Matrimonial/domestic settlement problems
 - m. Stress

13. The table below shows usage during the twelve-month period from January to December 2023:

Core Contract	
Pre-employment assessments	602
Pre-employment medicals	12
Management referral – doctor appointment	522
Management referral – nurse appointment	26
GP reports – request and review	7
Ill-health assessments	22
EAP – Counselling & advice sessions	508

Additional Services (charged separately)	
Workstation assessments	24
Night worker assessments	3
Staff wellbeing days	6
Physiotherapy sessions	43

14. The current contract includes an on-site OH Physician now based at Carnegie Building, Enfield Highway since October 2023 (previously located at St Andrews Court). The on-site provision provides an assessable local service. If this is not provided, staff will need to travel to the closest clinic provided by the OH provider which is currently located in central London or Harrow. The additional travel can cause obstacles for some staff, particularly those with mobility issues and increases the number of 'did not attend' (DNA) appointments that are chargeable. During 2023 an on-site clinic was not available until October and the total number of DNA's was 107.
15. The on-site provision provides a OH Physician dedicated to the Council's account. Up to 7 appointments are booked each day and this facility is fully utilised. The day rate for this provision is included in the Part 2 report and is more cost effective when compared to the rate for seven individual appointments. Therefore, this option is cost effective, provides consistency and is more convenient for staff.
16. Human Resources and Procurement Services reviewed various options for procuring a replacement contract and obtained the requisite approval for its procurement strategy (13 February 2024). As a result, the Council undertook a mini competition with pre-qualified suppliers via an established Framework Agreement – Eastern Shires Purchasing Organisation (ESPO) for Occupational Health Services (985B-23). This is a national framework accessible to local authorities and public sector bodies (amongst others).
17. By utilising the ESPO for Occupational Health Services (985B-23) Framework, it offered an efficient and compliant route to market which enables the Council to procure a centralised contract.
18. The mini-tender process was released on Monday, 18 March 2024 and closed on 12 April 2024. The assessment of tender bids was based on 30% quality and 70% price.
19. 15 bidders (under the ESPO Framework 985B_23) were approached prior to the tender being published. One provider submitted a bid.
20. Following an independent scoring process a moderation meeting took place on Thursday 18 April 2024. The moderation process was chaired by a member of the procurement team. The overall moderation score was 22.5 out of 24.
21. Further details supporting the above considerations have also been provided within the Part 2 Report (Confidential) accordingly.

Preferred Option and Reasons For Preferred Option

22. To appoint the winning bidder named in the Part 2 Report (Confidential) for the supply of occupational health services as this supplier meets the Council's requirements and offers the best value for money.

Relevance to Council Plans and Strategies

23. Enfield Council is a large and diverse organisation providing a range of statutory and other services to a local community with a population of c327,000. It is responsible for managing an annual revenue budget of £1.3bn and a 10-year capital budget of £1.8bn. To ensure such a large and complex organisation is effectively led and efficiently managed, the Council needs to be able to attract and retain a range of high calibre and skilled managers and leaders. The Occupational Health services provides support to ensure the Council's workforce is fit to perform the tasks of their role and supports the management and reduction of sickness absence as well as the health and wellbeing of staff, which in turn, have a significant impact on the lives of local residents.

Financial Implications

24. There is revenue budget of £197,000 pa to fund the existing and new Occupational Health contract. This is adequate based on current usage levels.

Legal Implications

25. The provision of Occupational Health (OH) services within Local Authorities is a key requirement and satisfies the Council's following statutory obligations:

- a. Discharging its duty of care towards employees under Health and Safety legislation by ensuring employees are physically and mentally fit to undertake their duties.
- b. Undertaking essential Health Screening as required under Health and Safety legislation and Guidance for Hand Arm Vibration (HAVS), Audiometry and other such screening dictated by the employee's role.
- c. The provision of reasonable adjustments, as required under Equality legislation, where an employee has a disability impacting on their ability to undertake their duties, and
- d. Undertaking Ill Health Retirement assessments under the Local Government Pension Scheme (Amendment) Regulations 2008.

26. The value of the contract being procured exceeds the relevant EU threshold, which means that the Public Contracts Regulations 2015 apply to the procurement. The use of a framework is a compliant route to award, provided that the Council can legitimately use the framework and the award process complies with the terms of the framework.

27. The terms of the call-off contract must be consistent with the framework, and in a form approved by Legal Services on behalf of the Director of Law and Governance.

28. The Council's Contract Procedure Rules require that for contracts with a value of £500,000 to £1 million, 'sufficient security' (e.g. a performance bond or parent company guarantee) from the supplier should be considered at this value to manage risk. Evidence of the form of security

required, or why no security was required, must be stored and retained on the E-Tendering Portal for audit purposes. In this procurement, the Council has reserved the right at its discretion, either before the execution of or during the term of the contract, to require the supplier to provide a parent company guarantee.

29. Due to the nature of the service, and the processing of sensitive personal data involved, there must be suitable provisions in the contract to ensure compliance with the Data Protection Act 2018 and UK GDPR.

Procurement Implications

30. Any procurement must be undertaken in accordance with the Councils Contract Procedure Rules (CPR's) and the Public Contracts Regulations (2015), along with the Council's Sustainable and Ethical Procurement Policy.
31. The proposed direct award via the Eastern Shires Purchasing Group Framework will go through the Procurement Services Assurance process and the necessary Gate Report has been prepared for endorsement. The lead officer within the Service Area must keep records of approvals to proceed with the proposed award to evidence compliance with the rules.
32. The procurement is taking place via the Council's e-Tendering portal under the reference DN676911 and will be promoted to the Council's Contract Register and Contracts Finder following award and commencement to comply with the government's transparency requirements.
33. The Service Area shall be responsible for uploading the executed contract/agreement at the end of the procurement project (contact procurement@enfield.gov.uk for any support). As this contract will be over £500,000 the CPR's state that the contract must have a nominated contract manager in the Council's e-Tendering portal. The Contract Manager for this project is linked to the project on the Council's e-Tendering System. The contract will be managed in line with the Contract Management Framework and evidence of robust contract management, including, operations, commercial, financial checks (supplier resilience) and regular risk assessment shall be uploaded into the Council's e-Tendering portal.
34. Due diligence has been carried out on the Eastern Shire Purchasing Organisation Framework. This is legally compliant, ensuring the Council is in adherence with the CPR's and Public Contracts Regulations
35. The Service Area has completed the Contract Management Tiering tool and the project has been classified as Gold. The lead officer will meet with the Contract and Supplier Relationship Manager within Procurement Services, who will go through the contract management requirements for the management of the Contract prior to its commencement.

Equalities Implications

36. An Equality Impact Assessment Initial screening assessment has been completed. This contract is informed by policy documents such as the Recruitment & Selection policy and the Absence & Attendance policy that are supported by an EqlA.

HR and Workforce Implications

37. The provision of an occupational health service is an essential tool to enable employers to meet their statutory obligations with regards to health and health & safety issues in the workplace and identify preventative measure that can be considered to minimise the risk of sickness absence and an employees' capability to perform the duties required of their post.

Property Implications

38. A room has been made available at Carnegie Building, Enfield Highway, for the provision of the on-site service. This room is available one day each week and is shared with the Integrated Learning Disability Service.

Report Author: Flora Stevens
HR Business Partner Manager
Flora.stevens@enfield.gov.uk

Appendices

Part 2 Report

Background Papers

Provision of Occupational Health Service - Tender Report
[Provision of Occupational Health Service - Tender Report](#)