

CHESHIRE EAST COUNCIL CHESHIRE WEST & CHESTER COUNCIL

SHARED SERVICE JOINT COMMITTEE

Date of Meeting:	27 th November 2015
Report of:	Head of Professional Services, Cheshire West and Chester Council
Subject/Title:	Occupational Health Unit – Procurement of Occupational Health Services 2016

1.0 Report Summary

- 1.1 At the Joint Committee Meeting on 2nd October 2015 there was a report and discussion about the Occupational Health Unit (OHU) where the Committee were informed of the difficulties that had been encountered over the past 2 years and how these were being addressed.
- 1.2 Members therefore agreed to enter into a joint arrangement between Cheshire East Council, Cheshire West and Chester Council and Warrington Borough Council to procure occupational health services from an external provider and asked for a brief up-date at the November Joint Committee meeting.
- 1.3 It was hoped that this could be implemented by 1st April 2016 which would tie in with Warrington Borough Council's existing contract which is due to end on 31st March 2016 (although they have the option to extend the contract for a further 12 months).
- 1.4 Representatives from the three Councils have met to commence the procurement process and identify the issues relevant to each authority. These include:
 - 1.4.1 The scope of the services required by each authority
 - 1.4.2 The use of premises in Cheshire East / Cheshire West (including lease agreements)
 - 1.4.3 TUPE implications for OHU staff
 - 1.4.4 Pension arrangements for staff who TUPE to the new supplier
 - 1.4.5 Transfer of medical records and merging of software systems
- 1.5 A Procurement Initiation Plan (PIN) is being placed on The Chest on-line procurement system to advise potential suppliers that there is a contract being planned. A 'Supplier Information Day' has been organised for 9th December 2015 in order that potential suppliers can be advised of the scope and nature of the contract before entering into

a formal bidding process. This will also be the opportunity for them to ask questions of a broad nature before the detailed 'Invitation to Tender' document is produced.

- 1.6 However, it has become apparent that with the large amount of work associated with this procurement exercise, the 1st April 2016 deadline will not be achievable, however a start date of 1st September 2016 would be achievable and this would also tie in with the ChESS / SBSA services to schools' contract which follows the academic year.

- 1.7 At the Joint Committee meeting on 2nd October 2015, Members requested clarification on 4 points:

1.7.1 How the quality of the service would be monitored?

The quality of the service would be monitored by a nominated officer from each Authority who would regularly meet the supplier to review service delivery and ensure the KPIs were being met. The KPIs would be outlined in the contract documentation

1.7.2 What would be the working relationship with Warrington Borough Council?

The relationship with Warrington Borough Council would be outlined in a Memorandum of Understanding which would stipulate the role that each Authority would play in both the procurement process and monitoring of the contract

1.7.3 How would the procurement process work?

A project group consisting of the Health and Safety Managers from Cheshire East and Cheshire West; the Senior HR Manager from Warrington and procurement officers from all three Authorities has been established. A Procurement Information Notice (PIN) will be put on The Chest and a supplier information day has been arranged for 9th December 2016.

The tender would be for the provision of occupational health service to Cheshire East and Cheshire West from 1st September 2016 and to Warrington Borough Council from 1st April 2017.

All three Authorities would agree the tender and agree on the scoring mechanism for evaluating tenders and ultimately awarding the contract.

1.7.4 How would Members monitor the service?

Monitoring of the service would be by Portfolio Holders in each Authority.

2.0 Decision Requested

- 2.1 The Committee are therefore asked to note the updated information and agree to the new start date for the contract as highlighted in 1.6

3.0 Reasons for Recommendations

- 3.1 If the 1st April 2016 start date was used, this would not give time for all the issues highlighted in 1.4 of this report to be completed.

4.0 Wards Affected

- 4.1 None

5.0 Local Ward Members

- 5.1 None

6.0 Policy Implications

- 6.1 There are no policy implications in terms of climate change.

7.0 Financial Implications

- 7.1 The occupational health budgets for Cheshire East and Cheshire West and Chester for 2016 / 17 would be proportioned accordingly to pay for the in-house provision for 1st April 2016 – 31st August 2016 and the external provision from 1st September 2016 – 31st August 2017.

8.0 Legal Implications

- 8.1 Cheshire East Council and Cheshire West and Chester Council will have to make arrangements for Occupational Health staff to transfer their employment to the new supplier under TUPE arrangements.
- 8.2 In terms of health and safety legislation, there are no legal implications as long as both councils continue to provide occupational health for employees including statutory medicals and health surveillance.

9.0 Risk Management

- 9.1 If the 2 authorities fail to provide timely occupational health support for employees this could increase the amount of time that employees are off sick.

10.0 Background and Options

10.1 The options are highlighted in section 3 of the main body of the report

11.0 Access to Information

11.1 The background papers relating to this report can be inspected by contacting the report writer:

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