

## Report to CABINET

# Awarding of Occupational Health contract following re-tender exercise

### **Portfolio Holder:**

Cllr A Jabbar, Cabinet Member for Finance and Corporate Resources

**Officer Contact:** Shelley Kipling, Assistant Chief Executive

**Report Author:** Rebecca Tyrer, Head of Organisational Development

**Ext.** N/A

**22 January 2024**

---

### **Reason for Decision**

This report seeks approval for the Council's re-contracting of Occupational Health and associated services from 1 April 2024 for 4 years as part of a Greater Manchester (GM), Human Resources collaboration (a group of Northwest Local Authorities working together on key workforce programmes and contracts) for the reasons outlined below.

### **Executive Summary**

The Council currently use Occupational Health and Physiotherapy services to support employees, meet our statutory obligations and to help reduce sickness absence. These services are presently delivered, through contract, by a procured Occupational Health provider.

The current contract commenced on 1 April 2020 and the current arrangement terminates on the 31 March 2024. This Cabinet report sets out how the Greater Manchester collaboration have retendered the contract and selected a preferred supplier.

### **Recommendation**

It is recommended that Cabinet endorse to continue with the Greater Manchester collaboration and contract the services of the preferred provider following the tender process for the full contract term of 2 years with the possibility of extension for a further 2 years.

---

**Cabinet** 22 January 2024

## **Awarding of Occupational Health contract following re-tender exercise**

### **1 Background**

1.1 The provision of Occupational Health services within Local Authorities is a key requirement and satisfies the Council's following statutory obligations:

- Discharging its duty of care towards employees under Health and Safety legislation by ensuring employees are physically and mentally fit to undertake their duties.
- 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.
- The provision of reasonable adjustments, as required under Equalities legislation, where an employee has a disability impacting on their ability to undertake their duties, and
- Undertaking Ill Health Retirement assessments as required under Pension Fund Regulations

1.3 A retender process took place in readiness for the contract end date. In consultation with the Oldham Procurement team it was agreed that the group would utilise the existing Crown Commercial Services Occupational Health Services Framework.

1.4 Collaborating with other Local Authorities provides Oldham Council with the following advantages:

- A more cost-effective Occupational Health Service delivered through greater economies of scale achieved by the successful supplier, and
- A forum through which benchmarking, the sharing of practice and contract management continued to be made more effective

### **2 Current Position**

2.1 The re-tender focused on the following provision:

- A modern and efficient service which exploits technology to improve accessibility, improve turnaround times and reduce costs.
- A service better aligned with wellbeing and absence management agenda.
- A cost-effective service with transparent pricing, and

- 
- Robust performance management provided by stated service standards and challenging Key Performance Indicators

### 3 Options/Alternatives

#### **Option 1 Do nothing.**

This is not practically an option and would result in the expiration of the Council's current service provision and lead to the loss of essential services to the Council and those receiving the service under service level agreement (Schools).

#### **Option 2 Run a separate procurement process independently.**

This would likely result in more costly services and negate the benefits outlined in paragraph 1.4. This will also result in a period of service withdrawal given the timescales in which a new provider is required.

#### **Option 3 Award the contract to the preferred suppliers as outlined above.**

Continue with the Greater Manchester collaboration and contract the services of the preferred provider following the tender process for the full contract term of 2 years with the possibility of extension for a further 2 years.

### 4 Preferred Option

4.1 The preferred and only realistic option is **Option 3**. This is recommended on the following basis:

- The procurement process, led by an Oldham Procurement Manager, on behalf of the Greater Manchester Collaboration, has been robust, inclusive of all collaborating bodies and has identified an effective service for all collaborating bodies, including Oldham.
- The Council has had significant input into the specification of the service and been represented at all stages of selection. The service being procured is fully reflective of the Council's aims and objectives in respect of the service.

### 5 Consultation

5.1 As set out in Part B.

6 **Financial Implications** - As set out in Part B.

7 **Legal Implications** - As set out in Part B.

8 **Co-operative Implications** - As set out in Part B.

9 **Human Resource Implications** - As set out in Part B.

- 
- 10 **Risk Assessments** - As set out in Part B.
  - 11 **IT Implications** – As set out in Part B.
  - 12 **Property Implications** - As set out in Part B.
  - 13 **Procurement Implications** – As set out in Part B.
  - 14 **Environmental and Health & Safety Implications** - As set out in Part B.
  - 15 **Community cohesion, including crime and disorder implications in accordance with Section 17 of the Crime and Disorder Act 1998**
    - As set out in Part B.
  - 16 **Oldham Equality Impact Assessment including implications for Children and Young People** - As set out in Part B.
  - 17 **Key Decision**
    - 17.1 Yes
  - 18 **Key Decision Reference**
    - 18.1 FCR-04-23
  - 19 **Background Papers**
    - 19.1 Occupational Health Service Provision for the Greater Manchester Authorities Collaboration – Statement of Requirement contained within Part B – Cabinet Report Awarding of Occupational Health contract following re-tender exercise.