

Forward Plan reference number: Not applicable

Report title: Essex Cares Limited – Essex County Council Reablement at Home Contract	
Report to: Councillor David Finch – Leader	
Report author: Claire Shuter, Corporate Development Director, ECL	
Date: 18/03/2021	For: Decision
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County Divisions affected: All Essex	

1. Purpose of Report

- 1.1 Essex Cares Limited (ECL) is a company wholly owned by Essex County Council. On the 16th March 2021 Essex County Council took a cabinet decision to award ECL a contract for Reablement at Home Services (the Contract). This report asks Essex County Council, in its role as sole shareholder, to agree that ECL may enter into the Contract.

2. Recommendations

- 2.1 Agree in its role as shareholder that ECL enter into the contract with Essex County Council to provide Reablement at Home Services in Essex from 4th May 2021 for a period of 2 years with the option to extend by up to a further one year. The contract value will be a minimum of £18.3m per year for the 3-year term, plus up to 10% variable operational capacity at a marginal rate worth a maximum of £1.5m per year.

3. Summary of issue

- 3.1 ECL's Articles of Association provide under Article 3A(i) where ECL is proposing to enter into a contract under which the total consideration is greater than £500,000, this is to be approved by ordinary resolution.
- 3.2 ECL's board passed a resolution on 20 January 2021 recommending that ECL enter into a contract for Reablement at Home Services from 4th May 2021 for a maximum period of 3 years.
- 3.3 ECL has been delivering ECC's Reablement and Short-Term Care in the Community services since taking over from Allied Health in December 2018, when Allied became financially unviable and were unable to deliver the contract as per specified terms and conditions. The current contract with ECL expires on 3rd May 2021.

- 3.4 Commissioners are satisfied they are getting best value from ECL compared with other local authority rates and, in addition, ECL investment into the Connect programme will drive an improved return on investment via achievement of volumes and effective targets. Essex County Council has deemed ECL capable to deliver the service

4. Options

- 4.1 Option 1 – To approve the recommendations as set out in this report. ECL as the incumbent service provider for Reablement at Home has the resources and capability to provide the service.

- 4.2 Option 2 – Do nothing.

If the contract is not entered into ECL this would have an immediate financial impact on ECL and would be contrary to the decision undertaken by Essex County Council Cabinet on 16th March 2021.

5. Next steps

- 5.1 Subject to approval of this decision, ECL to enter into the agreement with Essex County Council. No further decisions are required.

6. Issues for consideration

6.1 Financial implications

- 6.1.1 The contract value will be a minimum of £18.3m per year for the 3-year term, plus up to 10% variable operational capacity at a marginal rate worth a maximum of £1.5m per year.

6.2 Legal implications

- 6.2.1 Pursuant to Regulation 12 of the Public Contracts Regulations 2015 (“the Regulations”), ECL is a company that is controlled by Essex County Council; ECL provides at least 80% of its activities for and on behalf of Essex County Council; and there is no private participation in ECL. In accordance with the Regulations, ECL can provide up to 20% of its activities for and on behalf of third parties that are not its controlling authority. This contract would ensure that the proportion of activity provided for and behalf of Essex County Council remains above the 80% threshold.

- 6.2.2 The decision of the shareholder is required prior to ECL entering into a contract with a value over £500,000, pursuant to Article 3A(i). The decision by the Leader on behalf of the shareholder will be received in this report and is as effective as an ordinary resolution taken at a shareholder meeting of ECL.

7. Equality and Diversity implications

- 7.1 The Public Sector Equality Duty applies to the Council when it makes decisions. The duty requires us to have regard to the need to:
- (a) Eliminate unlawful discrimination, harassment and victimisation and other behaviour prohibited by the Act. In summary, the Act makes discrimination etc on the grounds of a protected characteristic unlawful
 - (b) Advance equality of opportunity between people who share a protected characteristic and those who do not.
 - (c) Foster good relations between people who share a protected characteristic and those who do not including tackling prejudice and promoting understanding.
- 7.2 The protected characteristics are age, disability, gender reassignment, pregnancy and maternity, marriage and civil partnership, race, religion or belief, gender, and sexual orientation. The Act states that 'marriage and civil partnership' is not a relevant protected characteristic for (b) or (c) although it is relevant for (a).
- 7.3 The equality impact assessment indicates that the proposals in this report will not have a disproportionately adverse impact on any people with a particular characteristic.

8. List of appendices

Equality Impact Assessment.

9. List of Background papers

None

I approve the above recommendations set out above for the reasons set out in the report.	Date 23.04.21
Councillor David Finch – Leader	

In consultation with:

Role	Date
Executive Director for Finance and Technology (S151 Officer) Stephanie Mitchener	23.04.21
Director, Legal and Assurance (Monitoring Officer) Laura Edwards on behalf of Paul Turner	23.03.21