



ORIGINATOR: GARY CUMMINS, SUPPLIER RELATIONSHIP MANAGER, 7
FORCE COMMERCIAL SERVICES

DECISION NO. 05 /2023

REASON FOR SUBMISSION: FOR DECISION

SUBMITTED TO: POLICE AND CRIME COMMISSIONER

SUBJECT: CONTRACT EXTENSION FOR THE PROVISION OF CUSTODY
HEALTHCARE IN NORFOLK & SUFFOLK

SUMMARY:

1. This paper seeks approval from the Police and Crime Commissioner for the extension of the Custody Healthcare Contract in Norfolk & Suffolk for a period of 1 year at £2,054,898 (£1,168,446 funded by Norfolk)
2. This contract commenced in April 2019 for a period of 4 years with the option to extend for 3 x 1-year periods
3. CFO DCC and Custody Operational approval has been given by both Norfolk & Suffolk

RECOMMENDATION:

1. It is recommended that the Police and Crime Commissioner grants approval to extend the contract with CRG Medical Ltd for a period of 1 year, as outlined in this report

OUTCOME/APPROVAL BY: PCC/~~CHIEF EXECUTIVE/CHIEF FINANCE~~
~~OFFICER~~ (Delete as appropriate)

The recommendations as outlined above are approved.

R. Am-Sonelli

Signature

Date: 28/02/2023

DETAIL OF THE SUBMISSION

1. OBJECTIVE:

- 1.1 Forces have the responsibility of meeting the healthcare needs of people in Police Custody including carrying out healthcare assessments and/or forensic examinations on suspects where required. The provision of this service is critical to underpinning Operational delivery.

2. BACKGROUND:

- 2.1 The Custody Healthcare contract for Norfolk and Suffolk was originally let in April 2019 for a period of 4 years.
- 2.2 The initial contract included a fixed schedule of rates with an assumption of c.2% uplift per annum. External market costs have risen considerably in the intervening period.
- 2.3 The contract has provision for 3 x 1 year extension period.
- 2.4 The Custody Force leads, Lou Provard and Harry Croome, have given their approval for the 1-year extension option. DCC approval has also been given.
- 2.5 The extension proposal has been agreed by the Suffolk CFO, Kenneth Kilpatrick
- 2.6 The extension includes a simplification of the credit mechanism – this sets a 95% target by calls type. Where less than 95% is achieved, credits will be on 100% of failed calls. Where 95% or above is achieved, credits will not be due.
- 2.7 Execution of this extension includes a revised credit calculation mechanism for a period of 3 months from Jan 2023 – March 2023. This will apply retrospectively to credits due in the period to support recruitment investment prior to renewal.
- 2.8 HCRG also deliver the Custody Healthcare contracts in Bedfordshire, Cambridgeshire, and Hertfordshire. These contracts will be extended on the same basis of this brief.

3. AREAS FOR CONSIDERATION:

- 3.1 This report recommends that a 1-year period is executed:
 - a) To provide continuity of care in what is a critical Force service;
 - b) To support the long-term strategy for Custody Healthcare and SARC contract renewal for which market engagement is currently underway to explore alternative models.
- 3.2 The cost of the 1-year extension is £2,054,898.00 – of which £1,168,446.00 is funded by Norfolk

4. OTHER OPTIONS CONSIDERED:

- 4.1 Market benchmarking was undertaken to ensure validity and alignment of costs in comparison to competitors.
- 4.2 No alternatives to the incumbent model have been proposed by the Force

5. STRATEGIC AIMS/OBJECTIVE SUPPORTED:

- 5.1 Contract renewal for 1 year supports the 7F Commercial and 5 Force strategy to take Custody Healthcare requirement to formal Procurement in FY 23/24. Market engagement is already in progress via an RFI which will shape the revised specification for formal activity shortly.

6. FINANCIAL AND OTHER RESOURCE IMPLICATIONS:

- 6.1 The original 4-year contract value for Norfolk & Suffolk was £7,383,070 – of which £4,176,970 was funded by Norfolk. The cost of the 1 yr. extension period will be £2,054,898 – of which £1,168,446 will be funded by Norfolk. The below price comparison is based on the most years current cost – FY 22/23 to show the requested annual increase in cost.

FORCE	FY 22/23 ANNUAL SPEND	PROPOSED ANNUAL SPEND	VARIANCE (£)	VARIANCE (%)
NORFOLK	£1,043,255.00	£1,168,446.00	£125,191.00	12.0%
SUFFOLK	£791,475.00	£886,452.00	£94,977.00	12.0%
TOTAL	£1,834,730.00	£2,054,898.00	£220,168.00	12.0%

- 6.2 The requested increases are in line with market expectations. The request for a 12% increase aligns with the market engagement activity undertaken by 7F Commercial in August 2022. This increase also aligns with the extension pricing for BCH.
- 6.3 The primary cost pressure for the requested increase is increasing salaries within the NHS which has driven challenges in private sector recruitment. Alignment to the NHS bands is required to remain competitive and HCRG have increase salaries by 10%+ in 2022. Inflationary pressures on non-pay costs have also contributed to the price increase.
- 6.4 A temporary cap on credits will be applied to support investment in a recruitment ramp-up period. This will limit credits to a combined £20,000 across the 5 Forces, though a ceiling is applied where credit in excess of £45,000 will be payable.

7. OTHER IMPLICATIONS AND RISKS:

- 7.1 The primary risk to not extending this contract is the criticality of ongoing service delivery with no viable alternatives. Consultation with both Forces has been undertaken with no additional risks raised. 7F Commercial are currently undertaking market engagement to identify alternative routes to market before the next renewal period. The output of this work will be shared with Force stakeholders in February 2023.

ORIGINATOR CHECKLIST (MUST BE COMPLETED)

**PLEASE
STATE 'YES'
OR 'NO'**

Has legal advice been sought on this submission?

NO

Has the PCC's Chief Finance Officer been consulted?

**Force CFO
engaged**

Have equality, diversity and human rights implications been considered including equality analysis, as appropriate?

YES

Have human resource implications been considered?

N/A

Is the recommendation consistent with the objectives in the Police and Crime Plan?

YES

Has consultation been undertaken with people or agencies likely to be affected by the recommendation?

YES

Has communications advice been sought on areas of likely media interest and how they might be managed?

N/A

In relation to the above, have all relevant issues been highlighted in the 'other implications and risks' section of the submission?

YES

Is this report a Confidential Decision?

NO

If Yes, please state reasons below having referred to the [PCC Decision Making Policy](#)

APPROVAL TO SUBMIT TO THE DECISION-MAKER (this approval is required only for submissions to the PCC).

Chief Executive

I am satisfied that relevant advice has been taken into account in the preparation of the report, that the recommendations have been reviewed and that this is an appropriate request to be submitted to the PCC.

Signature: 

Date: 28/02/2023

Chief Finance Officer (Section 151 Officer)

I certify that:

- a) there are no financial consequences as a result of this decision,
OR
- b) the costs identified in this report can be met from existing revenue or capital budgets,
OR
- c) the costs identified in this report can be financed from reserves
AND
- d) the decision can be taken on the basis of my assurance that Financial Regulations have been complied with.

Signature: 

Date: 28/02/2023

PUBLIC ACCESS TO INFORMATION: *Information contained within this submission is subject to the Freedom of Information Act 2000 and wherever possible will be made available on the OPCC website. Submissions should be labelled as 'Not Protectively Marked' unless any of the material is 'restricted' or 'confidential'. Where information contained within the submission is 'restricted' or 'confidential' it should be highlighted, along with the reason why.*