

Exempt Appendix A – Provider Details

- Essex Cares Ltd. for the provision of Community Equipment from 15 September 2025 to 14 September 2026 with the option to extend for one year and further one year.

Exempt Appendix B – Financial Implications

The contract spend in 2024/25 with NRS was £2.108m

Essex Cares Ltd.

The following costs will be split as per the 2024/25 spend on equipment, for H&F that is 8% of the total.

The total estimated costs for the 8 London Borough's proposed for the contacts are:

Operating costs including 5% uplift £13.344m
Equipment £ 23.225m
Refunds assumed at 30% of volume (£ -6.967.5m)
Total £29.601.5m

H&F share at 8% - £2.368m

Mobilisation costs will be split equally between the 8 boroughs. Essex Cares Ltd. Will refund to the boroughs any mobilisation costs not utilised for the stand up of the contract.

Mobilisation - £0.500m

H&F share - £0.062m

Year 1 £2.430m
Year 2 £2.368m
Year 3 £2.368m
Total £7.166m

Harrow IT Costs

The Harrow IT costs will be split equally across the 8 boroughs.

The 3 year total costs for the IT are **£0.140m**. This includes a £0.033m contingency for any development work requested post implementation which can be refunded across boroughs if not required.

H&F share - £0.017.5m

Camden Costs

Camden Council will host the partnership arrangements for the contract monitoring, finance and governance. Camden will take responsibility for management of staff resource dedicated to the contract, they will also provide back-office functions through their IT, finance, HR and Legal teams. The costs will be shared equally across the 8 boroughs. Due to the amount of upfront costs required to mobilise and transition to the new provider it is expected that these costs may be reduced over years 2 and 3 if the contract is extended. The costs will be reviewed under the partnership Deed and in partnership governance meetings, which H&F will attend.

H&F annual share of costs £0.075m

Other service delivery costs in year 1&2.

It is anticipated that minor adaptations will be fulfilled once fully operational by the new community equipment provider. In the interim an alternative provider was identified to fulfil the supply and installation for urgent and critical equipment, minor adaptations and telecare services. This is estimated to cost in year 1 £0.243m and year 2 for telecare £0.76m.

Summary financial implications

Community Equipment service estimated costs

	01/04/25 - 15/09/25 £'000	15/09/25 - 31/03/26 £'000	Total for 2025/26 £'000	01/04/26 - 14/09/26 £'000	15/09/26 - 31/03/27 £'000	Total for 2026/27 £'000	01/04/27 - 14/09/27 £'000	15/09/27 - 31/03/28 £'000	Total for 2027/28 £'000	01/04/28 - 14/09/28 £'000	Total for 2028/29 £'000
Essex Care Ltd											
Contract Price		1,285	1,285	1,083	1,285	2,368	1,083	1,285	2,368	1,083	1,083
Mobilisation costs		63	63			-			-		
Essex care Ltd Sub total		1,348	1,348	1,083	1,285	2,368	1,083	1,285	2,368	1,083	1,083
IT Costs		13	13		2	2		2	2		
Consortium Lead Costs (Camden)		38	38	38	38	75	38	38	75	38	38
Previous provider (NRS)	1,075		1,075								
Emergency Care Providers	120	123	243	76		76					
Total	1,195	1,521	2,716	1,197	1,325	2,521	1,121	1,325	2,445	1,121	1,121
Budget			2,078			2,078			2,078		951
Variance			637			443			367		170
Share of variance:											
LBHF 40%			255			177			147		68
ICB 60%			382			266			220		102

The estimated overspend in year one is £0.637m. 60% of this is £0.382m is proposed to be funded by the ICB Health partner in line with the S75 BCF agreement.

The local authority forecasted 40% share of the overspend is £0.255m and is proposed to be funded from corporate contingencies given the emerging continuity of care required.

Year 2 and Year 3 projections are based on current costings and therefore we have not accounted for inflation.

The new provider is committed to increasing recycling and delivery rates to reduce the ongoing equipment and contract costs wherever possible and it is anticipated the overall amounts for year one will be reduced in years two and three.