

CABINET

21 OCTOBER 2025

Delegated decision by Chief Executive to approve consent to direct award a contract for a call-off contract for the supply of the Telecare Monitoring and Response Service

Report by Director of Adult Social Care

RECOMMENDATION

The Cabinet is RECOMMENDED to note the report

Executive Summary

1. An urgent decision has been taken to consent to the direct award of a 3-year Telecare Monitoring and Response [TEC] contract to an alternative provider, Livity Life Limited [Livity] – a subsidiary company of Millbrook Healthcare Limited [Millbrook] who are delivering the new Integrated Community Equipment Service [ICES] contract. This contract was awarded under an Integrated Community Care Equipment and Associated Services Procurement Services Framework Agreement (“the Framework”) commissioned by the Commercial Services Group of Kent County Council, due to the failure of the previous provider Nottingham Rehabilitation Services Healthcare Ltd [NRS].
2. Alongside this, an urgent decision was also taken to delegate to the Director of Adult Services in consultation with Director of Financial and Commercial Services to finalise the contract award and terms and conditions to assure continuity of service
3. The decision was taken urgently to provide continuity of service to vulnerable Oxfordshire residents and assure they can remain independently living at home.

Background

4. The TEC Service supports the wellbeing principle within the Care Act 2014 and helps people to live safely and independently and avoid the need for long-term residential care. It also aims to reduce pressure on health services by providing people and their families with more proactive support at home, rather than by conveyance and/or admission to hospital.
5. The previous contract with NRS commenced on 1 May 2025 via a call off contract from the Buckinghamshire Framework. In this contract, NRS

completed assessments, installed the main telecare base units and pendant alarms in people's own home as well as some other sensors. NRS subcontracted the call monitoring and mobile response elements of the service to two separate providers – Appello Limited [Appello] and BDS Healthcare Limited [BDS].

Reasons for Special Urgency

6. On 13 June the Council were notified by NRS, that it was in serious financial distress and was at imminent risk of business collapse. On 18 July, NRS confirmed that it expected to cease delivery of service on or around 31 July, and so the Council acted swiftly to secure alternative provision by that date.
7. The urgent decision to enter negotiations with an alternative provider was taken to provide continuity of service to vulnerable Oxfordshire residents and assure they can remain independently living at home. It also reduces pressure on health services by providing people and their families with more proactive support at home, rather than by conveyance and/or admission to hospital

Contractual options and development

8. The TEC market is limited, with only a few providers available with the capability to provide an emergency interim and ramped up full TEC service.
9. The complexity and scale of the TEC contract means that an in-house model delivered by the Local Authority is unrealistic in the timeframe. The establishment and delivery of an in-house service would cost significantly more.
10. Livity is uniquely positioned to utilise its existing Oxfordshire warehouses to deliver an emergency TEC service followed by a fully scaled service.
11. The Integrated Community Care Equipment and Associated Services Framework managed by Procurement Services (an organisation owned by Kent County Council) allows for direct award in accordance with Regulation 33(8)(a) of the Public Contracts Regulations 2015 (PCR 2015).
12. There was insufficient time to carry out a competitive tendering process, so the Council directly awarded a contract to Livity as a call off contract under the Procurement Services Integrated Community Care Equipment and Associated Services Framework [the Framework].
13. A call-off contract to Livity can be directly awarded under the Framework on the basis that:
 - Livity can supply the required goods/services within our urgent timescales
 - The continuity of the TEC service being delivered alongside the ICES service by a provider which is part of the Millbrook family; and

- Livity offer best value for our urgent requirement.
14. It is typical to let TEC contracts for a term of three years plus extensions to allow service providers to provide a safe, stable service, recover their upfront costs of transition and receive an appropriate return on the management effort to phase in a new contract. The market does not support short term TEC contracts.
 15. The call-off contract commenced on 1 August.

Corporate Policies and Priorities

16. The Council's Strategic Plan for 2023-2025 focuses on prioritising the health and wellbeing of residents, supporting carers and social care system, and partnership working. Further, the Oxfordshire Way highlights how the Council wants Oxfordshire residents to lead safe, healthy, happy lives.
17. TEC enables people who may be vulnerable to access support. As such the Council should continue to commission services to support people to maintain their independence, provide assurance to people and their families that they can remain safe and secure in their own home, and enable access to support should they need assistance.

Financial Implications

18. The new business as usual Telecare service is projected to cost c. £2.1m per year, £6.3m over the three-year period. This is an increase of £0.6m per annum, £1.8m over the three-year period
19. The figures are estimates, presenting a worst-case scenario based on the information available, the actual cost would be dependent on actual activity incurred during 2025/26. There may also be some additional start-up costs.
20. The increased costs will be managed within the existing budget in 2025/26 and dealt with, if the additional cost cannot be absorbed, through the budget and business planning process for 2026/27.

Comments checked by: Stephen Rowles, Strategic Finance Business Partner,
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Legal Implications

21. The Council has statutory duty to provide the services purchased under the proposed call-off contract under the Care Act 2014.

22. The financial collapse of the incumbent provider was unforeseen and certainly not attributable to the Council. The extremely short notice means that there was insufficient time to run a competitive procurement exercise either in its own right or under a framework agreement.
23. Regulation 33(8)(a) of the Public Contracts Regulations 2015 (PCR 2015) permits the lawful direct award of a call-off contract where the terms and conditions of the call-off-contract and the conditions for direct award are set out in the over-arching framework agreement. There is no restriction on the duration of such call-off-contract and 3-year duration is permitted.
24. The Framework and proposed call-off contract fulfil these conditions.
25. The direct award conditions which are being relied upon by the Council are set out at paragraph 13 above and the Council has a good argument that those conditions apply to the proposed call-off contract. The award of the call-off contract was therefore lawful in these particular circumstances either in its own right or under a framework agreement.

Comments checked by: Jonathan Pool, Solicitor (Contracts)
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Staff Implications

26. The speed at which Livity scale up the new service is dependent on current NRS staff transferring over via TUPE (Transfer of Undertakings - Protection of Employment). We are working closely with Livity to mobilise the new service as effectively and efficiently as possible.
27. The transition to the new service and ongoing contract management will be managed by existing staff in the Commissioning, Procurement and Quality Improvement teams.

Equality & Inclusion Implications

28. The equality and inclusion implications have been considered. The TEC service supports the strategic priority to tackle inequalities in Oxfordshire, by delivering a service which supports vulnerable groups and helps them lead a better quality of life.

Sustainability Implications

29. TEC operates using a recycling credit model, wherein the Council receives credit for each piece of equipment that is reused. We have negotiated to increase this model to incentivise the provider to act sustainably and to reduce the Council's carbon footprint.

Risk Management

| Risk | Impact | Likelihood | Mitigation |
|-----------------------|--|------------|--|
| Financial pressure | Paying more than planned for community equipment | High | The commercial proposal from Livity has been reviewed by our Finance and Procurement teams. As outlined in the paper, the proposal is less than we would pay for delivering an emergency in-house TEC service. |
| Disruption to service | Loss of critical services | High | Awarding the contract to Livity provided Oxfordshire residents with essential emergency equipment in the short term. The Council worked closely with NRS and Livity to ensure a smooth transition to the new service. |

Consultations

30. The Council engaged with the incoming provider at length prior to the direct award of the contract, conversations are ongoing with NRS and the appointed official receiver to handle the managed transfer of business.

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Director of Adult Social Care

Annex: Nil

Background papers: Nil

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