

REPORT OF THE SERVICE DIRECTOR – FINANCE, INFRASTRUCTURE AND IMPROVEMENT

PERSONAL PROTECTIVE EQUIPMENT (PPE) PROCUREMENT IN RESPONSE TO COVID-19

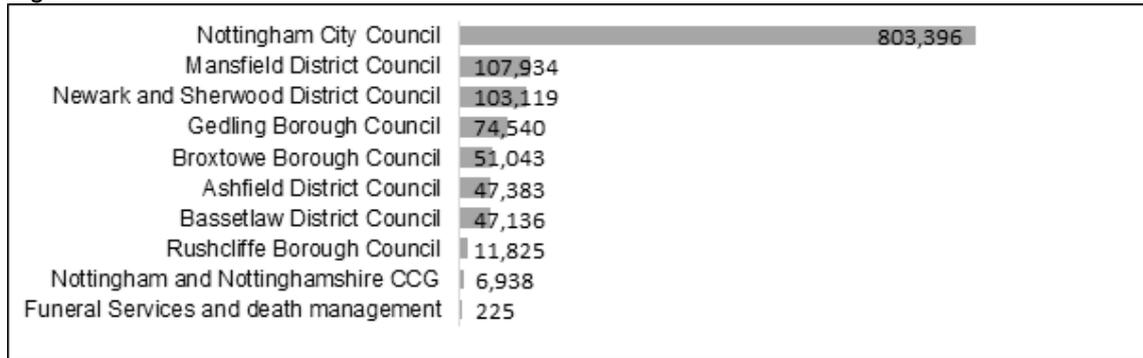
Purpose of the Report

1. To provide Members with an update on the Council's current PPE provision and procurement, and future planning in line with the current Department of Health and Social Care (DHSC) position on the provision of PPE for Local Authorities

Information

2. The COVID-19 outbreak had an unprecedented effect on the National Health Service (NHS) and community and social care sectors, resulting in increased demand, both nationally and globally, for PPE to protect health and care workers.
3. While supply chain issues have now largely been resolved, the continued prevalence of COVID-19 has resulted in an ongoing need for PPE, and despite strong vaccination uptake, there is currently nothing to suggest that there will be significant changes to PPE requirements in the immediate future.
 - a. This is supported by central government guidance on the use of PPE found on the Personal Protective Equipment hub: [Coronavirus \(COVID-19\): personal protective equipment \(PPE\) hub - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/personal-protective-equipment-ppe).
4. Nottinghamshire County Council have continued to chair the Local Resilience Forum (LRF) Logistics Cell which has a primary focus on procuring and distributing PPE across the LRF. To date the LRF has distributed over 11,574,861 items of PPE.
 - a. *Figure 1* below shows how many items of core PPE have been distributed by NCC to LRF partners between January and June 2021.

Figure 1

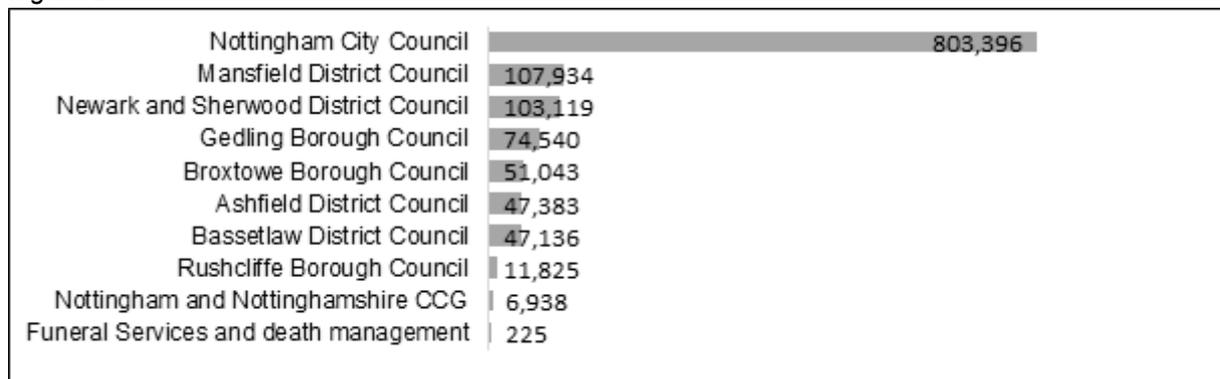


Achievements

5. Nottinghamshire County Council's procurement and distribution of PPE has had continued success. Key achievements are summarised below:

- a. As of the end of June 2021, the PPE team have now processed over 5,000 requests and distributed over 3,825,785 items of PPE since the start of the pandemic in March 2020.
- b. As of June 2021, the PPE team have processed over 5,000 requests and distributed over 3,825,785 items of PPE. *Figure 2* below shows how many items of core PPE have been directly distributed to services and other settings across Nottinghamshire by the Council directly between January and June 2021.

Figure 2



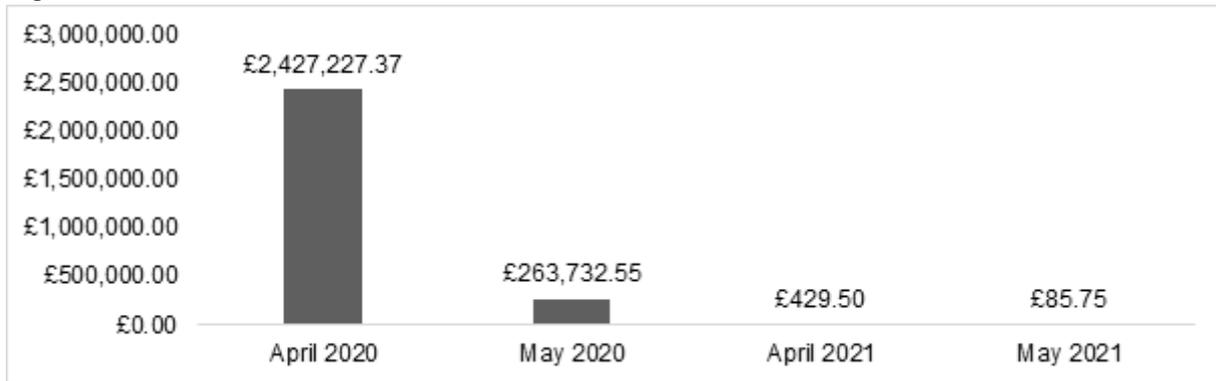
- c. In December 2020, the Council's Internal Audit team commenced a PPE 'Controls Over Stocks and Stores' audit, to examine if arrangements complied with Financial Regulations. The final report was presented to Governance & Ethics Committee in early June 2021. There were no further recommendations made from this audit and there was substantial assurance that PPE risk levels are low.
- d. A clear and robust stock management process has been implemented. A formal stock take was successfully conducted in March 2021 with the final report submitted to the Finance team for inclusion in financial accounts.

- e. Nottinghamshire County Council's Procurement Team in collaboration with Local Resilience Forum (LRF) partners have been chosen as finalists in the 'COVID-19 Outstanding Response Award – Other Organisations' category of the UK National GO Public Procurement Awards 2021.¹

PPE Stock Levels

- 6. Demand for PPE has reduced by 32% since the peak of the second wave in December 2020. There are occasional spikes in requests, due to factors such as guidance changes or rises in local risk levels, but this has not adversely impacted on stock levels. Information around PPE stock and distribution levels is recorded on a daily basis and reviewed regularly.
- 7. The Council currently hold in excess of four weeks resilience for all PPE items. Resilience levels are reviewed regularly based upon the previous month's average supply. As of the end of June 2021, current value of NCC stocks held is **£1,078,118**, down from **£1,928.756** in February 2021.
 - a. This reduction in value is a result of ongoing work to proactively reduce and repurpose stocks which are above the agreed resilience level, including engagement with police, hospital trusts, funeral directors, dental surgeries and other settings.
- 8. *Figure 3* below compares the total spend on PPE by the Council in 2020 and 2021.

Figure 3



- 9. The Department of Health and Social Care (DHSC) have committed to providing free PPE to supply social care, health and other settings until March 2022.
- 10. At present, PPE is ordered directly from the central DHSC team based on the previous month's usage. From August 2021 there will be a transition to placing our orders directly through the

¹ <https://www.goawards.co.uk/national/finalists/>

PPE Portal.² It has been confirmed that all core PPE items will continue to be available and there will be no disruption in supplies through the winter period.

11. All the systems, structures and processes required for PPE provision by the County Council are now well established and equipped to meet fluctuating demands. NOP Commerce has proved hugely successful as an online ordering system and the operations team are well set up with the use of Agency staffing resource as required to be able to provide an agile response throughout the winter period.

Proactive Procurement Activity to Source PPE

12. In the early stages of the pandemic, national supplies of PPE were critical. The Council Procurement team reacted urgently to source PPE from a wide range of suppliers. The reactive processes generated minimised disruption to PPE supplies for providers, but were unsustainable and would not suffice during business as usual (BAU) activity.
13. As supply chain issues have been resolved and demand for PPE has become manageable and consistent, the Procurement team have been able to adopt a proactive approach. The Council have been working in collaboration with Nottingham City Council and other procurement teams across the East Midlands to develop a PPE Dynamic Purchasing System (DPS), based on requirements gathered from Nottinghamshire County Council, Nottingham City Council, Nottinghamshire CCG and Leicester City Council. This will ensure continued provision of quality PPE supply and delivery in compliance with Procurement Regulations and Health and Safety standards.
 - a. The system went live on 1 July 2021 and to date 50 providers have joined, with a further 50+ expressing an interest in joining. All PPE suppliers used by the Council have been notified and the opportunity has been advertised on Contracts Finder and Find a Tender Service (FTS).
 - b. The DPS will be available nationally for all public sector bodies to use.
14. The Procurement and PPE Project team continue to work with suppliers and the Department of Health and Social Care, including attending DHSC-led PPE Innovation workshops, to explore options for reusable PPE to improve sustainability whilst ensuring compliance with national guidance.

Future Planning

15. DHSC have confirmed that we will continue to receive free PPE until March 2022. Following this, PPE will still be available for us to order however it will need to be paid for. We currently hold a good supply of stock.

² The Central Government PPE Portal is the current system for social care and primary care providers to order and receive free PPE that is needed as a direct result of the COVID-19 pandemic.

16. There is stable workforce in place at the PPE Warehouse with core NCC staff supported by Agency staff as required. This agile approach works well in ensuring that adequate warehouse and driving resource is always maintained.
17. We are keen to further understand the impact of autumn/winter in relation to the usage and distribution of PPE. Once we have a clearer idea around the impact of winter, we will provide a further paper to committee with options for consideration for PPE provision post March 2022.

Financial Implications

18. DHSC have confirmed that they are able to offer financial support to those local authorities and LRFs that can demonstrate that they require financial assistance related to distributing, storing and administering free PPE between 1 October 2020-31 March 2022.
19. The Council has submitted two claims to date for October 2020 - June 2021. A further claim is to be submitted at the end of August for forecasted spend between the period July 2021 – March 2022.

Statutory and Policy Implications

20. This report has been compiled after consideration of implications in respect of crime and disorder, data protection and information governance finance, human resources, human rights, the NHS Constitution (public health services), the public sector equality duty, safeguarding of children and adults at risk, service users, smarter working, sustainability and the environment and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

Other Options Considered

21. Other options were not considered applicable for this update report as PPE is still a requirement within the DHSC guidance. A further paper will be brought to committee in the new year with options for PPE provision beyond March 2022.

RECOMMENDATION/S

1. To note the progress of PPE operations and procurement since the last update to Finance and Infrastructure Committee in September 2020.
2. To inform Members of the current stable position of PPE supply and the successful delivery of a compliant PPE Procurement contract

Nigel Stevenson

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Chief Executive's Department**

For any enquiries about this report please contact:

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Constitutional Comments [LPW 17.08.2021]

The Recommendation falls within the remit of the Finance Committee by virtue of its terms of reference.

Financial Comments [RWK 12/08/2021]

There are no specific financial implications arising directly from the report.

Background Papers and Published Documents

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

- None.

Electoral Division(s) and Member(s) Affected

- All.