

SLOUGH BOROUGH COUNCIL

REPORT TO: People Scrutiny Panel **DATE:** 15th June 2022

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PART I **FOR COMMENT & CONSIDERATION**

RE-PROCUREMENT OF COMMUNITY EQUIPMENT SERVICE

1. **Purpose of Report**

To seek comment and consideration for an integrated community equipment service to be jointly developed and procured with other Berkshire local authorities and statutory health bodies.

2. **Recommendation(s)/Proposed Action**

People Scrutiny Panel is requested to:

Comment upon and consider whether the proposed approach for the development of an integrated community equipment service offers best value.

Approval will be sought from Cabinet in June 2022 to commence joint development of a community equipment model to support the delivery of economies of scale by drawing together the planning and purchasing power of local authorities and health bodies across the Berkshire.

Commissioners Review

Commissioners have reviewed this report and the Cabinet report.

3. **The Slough Joint Wellbeing Strategy, the JSNA and the Corporate Plan**

3a. **Slough Wellbeing Strategy Priorities**

The provision of community equipment enables individuals with assessed care and support needs to remain living in their own home, thus promoting independence and reducing the need for more expensive residential care.

Community equipment supports residents to maintain and manage their condition, to stay healthy and independent whilst maintaining choice and control over how they manage health and care needs. This service is integral to reducing pressures on social care by preventing care home admissions, managing other care costs for example in relation to domiciliary care, facilitating discharge from

hospital, and supporting carers to carry out their caring role – thus reducing the risk of carer relationship breakdown.

The Joint Strategic Needs Assessment, informing the Slough Wellbeing Strategy 2020-2025, contains the following data which is most relevant to the re-procurement of Extra Care:

- a) 1% of Slough's population were in very bad health, and 3.5% in bad health. Healthy life expectancy at birth for males in Slough is 58.1 years, and for females is 59.8 years. The percentage of the population whose daily activities were limited a lot is 6.1% and daily activities limited a little is 7.3%. (ONS Census 2011)
- b) The percentage of adults aged 18-64 years with a learning disability known to the local council who are recorded as living in their own home or with parents is 78.3% for females and 78.4% males.
- c) Life expectancy in Slough is less than the Southeast, and England, with males living on average to 78.4 years and females to 82.5 years of age.
- d) The disability-free life expectancy at birth for females is 61.1 years and for males 60.3 years. (ONS 2017-19)

Community equipment service meets the following priority contained within the Health and Wellbeing Strategy:

Priority 2 – Integration (relating to Health and Social Care)

- a) To increase the proportion of people living independently at home and decrease the proportion living in care homes.
- b) To reduce the number of attendees and admissions to hospital, and the length of those stays.
- c) To reduce delayed transfers of care.

3b. **Slough Borough Council Corporate Plan 2022-2025**

Community equipment services is a key enabler to achieve better outcomes against key priorities of the Corporate Plan:

- An environment that helps residents live more independent, healthier and safer lives

Community equipment services support people to live in their own homes and to manage their long-term health conditions without the need to live in a care home or hospital settings.

- A council that lives within our means, balances the budget and delivers best value for taxpayers and service users

Current arrangements for community equipment delivers economies of scale and greater purchasing power through collaboration across Berkshire and a

larger customer base. The current arrangement delivers value due to recycling and shared management costs.

4. **Other Implications**

(a) Financial

The estimated value of the contract for community equipment is £660,000 per annum (£600,000 per annum for adults and £60,000 for children social care) exclusive of credits attained through recycling.

The potential to secure savings in the procurement will be limited due to the worldwide shortage of raw materials, increased costs for containers and shipping as well as fuel.

The potential for procurement savings are expected to be limited due to an expectation that the overall contract price will increase given the limited number of suppliers in the community equipment services marketplace. Comparison of costs between contracts is not straight forward as the total cost comprises both the equipment and delivery cost plus a management fee. Each contract charges different prices for each of these elements.

(b) Risk Management

The table below sets out the risks associated with the proposed course of action and the mitigating actions

Risk	Assessment of Risk	Mitigation	Residual Risk
Suppliers do not bid as they do not have sufficient organisational capacity	Medium The contract is of significant value across the Berkshire partnership; therefore, the contract may not be sustainable in relation to volume of activity and financial investment required.	The market for community equipment is small but well established; there are examples of other large partnership arrangements like Berkshire with a broad customer base. Buckinghamshire and Oxfordshire are examples. Interested providers will submit financial reports and audited accounts as part of the tender process to ensure this risk is reduced.	Low
Impact of increased volume of activity leading to further financial pressures.	Medium / High Demographic growth and increased complexity amongst the population may increase in activity and expenditure.	The Partnership has in place robust contract management processes, including arrangements to identify equipment that has been loaned for a significant period, or duplicate orders to ensure value for money.	Medium

Risk	Assessment of Risk	Mitigation	Residual Risk
		<p>Management reports are sent out to local area commissioners and occupational therapy teams for on-going performance monitoring. This allows for</p> <ol style="list-style-type: none"> 1. Financial analysis and reporting to identify budgetary pressures early on – this allows for mitigating actions to take place. 2. Early identification of new trends where items can be stocked via the catalogue for a better price. 3. Ongoing activity to increase recycling of stock and therefore reduced financial costs. <p>Team Managers review performance reports to ensure there is no oversubscribing.</p> <p>Prescribers and Managers attend regular training to ensure they have up-to-date knowledge regarding the equipment on offer as well as alternatives. This ensures appropriateness and clinical oversight where the offer is matched with need.</p>	

Risk	Assessment of Risk	Mitigation	Residual Risk
<p>Impact of Brexit and supply chain challenges.</p>	<p>High</p> <p>The market is facing significant economic and logistical pressures due to Brexit, this ranges from shortages in HGV drivers to increased shipping and docking costs. Combined with a worldwide shortage in raw materials and increased cost for shipping containers, suppliers can no longer absorb increased costs and have now transferred some directly to customers.</p>	<p>Team Managers to closely monitor prescribing activity to ensure provision is based on assessed needs.</p> <p>Collaborate with the Provider and other purchasing areas to</p> <ol style="list-style-type: none"> 1) Sourcing equipment produced regionally to reduce transportation cost 2) Joint purchasing with other areas to increase purchasing power and deliver further economies of scale 3) Modification of packaging (more flat packed equipment) for better use of containers. 4) Redirecting deliveries to alternative shipping ports to reduce costs and delays. 5) Further use of close technical equivalent equipment that are more cost effectiveness. 	<p>Medium/High</p>
<p>Delay within the Partnership in progressing the delivery model and specification.</p>	<p>Medium</p> <p>Delays may occur due to disagreements amongst partners and multiple governance structures</p>	<p>The procurement timeline is described in Section 3.6. A more detailed plan will be developed once all Partners confirm continuance under the current rearrangements.</p> <p>Slough Commissioning Lead will continue to be part of the project group and other sub-groups to ensure the timeliness of the procurement and Slough's input is included.</p>	<p>Low</p>

(c) Human Rights Act and Other Legal Implications

The Care Act 2014 provides that Local Authorities have a statutory duty in respect of adults over the age of 18 who are assessed as requiring either community equipment or minor adaptations.

Section 2 of the Care Act 2014 places a duty to provide, arrange or otherwise identify services, facilities, and resources to prevent, delay or reduce the needs of adults for care and support in the local area. Community equipment features in the statutory guidance of the act : *Local authorities must provide or arrange services, resources or facilities that maximise independence for those already with such needs, for example, interventions such as rehabilitation/reablement services, e.g. community equipment services and adaptations*¹.

Section 5 of the Care Act 2014 allows for the provision of equipment to be put in place and for a statutory assessment to be paused for a period of time to assess the impact. Following a pause, the assessment can continue before a decision is made on eligibility.

Duties to children with disabilities (up to age 18), are set out in the Chronically Sick and Disabled Persons Act 1970, the Children's Acts of 1989 and 2004 together with the Education Health & Care Plan (EHC) requirements for Children with special educational needs and disabilities (based on the Children & Families Act).

Under Section 101 of the Local Government Act 1972 and Section 75 of the National Health Service Act 2006, certain local authorities and NHS bodies are enabled to enter integrated partnership arrangements in relation to the exercise of certain functions of local authorities and the NHS. Section 75 agreements aim to provide a more streamlined service and to pool resources, if such arrangements are likely to lead to an improvement in the way their functions are exercised.

Equalities Impact Assessment

An Equalities Assessment is not required as there are not anticipated to be any negative impacts arising from the development of a community equipment model. As the model is developed a full equalities impact assessment will be carried out by West Berkshire (with input from Slough and other local authorities and health bodies) and will be reported back to Cabinet in Spring 2023.

(d) Workforce

There are no Council workforce implications.

5. **Supporting Information**

- 5.1 The Council has a statutory duty (under the Care Act 2014 and the Children and Families Act 2014) to meet the assessed eligible needs of residents, including equipment and disability aids. This function supports residents to maintain and

¹ Department of Health. Care and Support Statutory Guidance: issued under the Care Act 2014, para 2.9.

manage their condition, to stay healthy and independent whilst maintaining choice and control over how they manage health and care needs. This service is integral to reducing pressures on social care by preventing care home admissions, facilitating discharge from hospital, and supporting carers to carry out their caring role.

5.2 The BCES delivers the specialist equipment to support residents of all ages who have an assessed need across the six Berkshire Local Authorities. The Joint Arrangements ensure that provision of specialist community equipment in a coordinated and consistent way. The current participating organisations under the BCES partnership include

- West Berkshire Council – contract lead and host authority
- Slough Borough Council
- Slough Children First
- Wokingham Borough Council
- Reading Borough Council (and Achieving for Children)
- Royal Borough of Windsor and Maidenhead (Optalis and Achieving for Children)
- Frimley Clinical Commissioning Group (for East Berkshire)
- Berkshire West Clinical Commissioning Group

5.3 The Contract is held between the service provider, currently Healthcare Pro (formerly known as NRS Healthcare) and the lead authority West Berkshire Council, who act on behalf of the BCES Partnership. The current 5-year contract commenced on 1st April 2017 and was extended in 2022 for a further 2 years to 31st March 2024. The contract was procured through an open market process in accordance with procurement rules at that time. The partnership works well and the relationship between the various partners is good.

5.4 Key elements of the service include

- Sourcing and storage of equipment
- Delivery, installation, and collection (when no longer required)
- Decontamination, recycling of equipment for future use or safe disposal
- Maintenance and repair of equipment (legal duty under LOLER)
- Technology enabled care (with optional monitoring)
- Customer care- call centre operations, complaints and feedback
- Safe and Well (for self funders)
- Trusted assessor for assessment for basic equipment needs and technology enabled care devices
- OT assessment service
- Clinical oversight and advice
- Training in the use of equipment for all prescribers

5.5 Case Management

As of 8 February 2022, there were 56 prescribers of community equipment in Slough and a total of 1951 across the Berkshire footprint. Prescribers will normally be an Occupational Therapist, Occupational Therapy Assistant, Nurse, Physiotherapist, or other approved general administrator, and will have access to the case management system (IRIS). IRIS is the online platform for authorities to track the delivery and order of community equipment. IRIS provides the following:

- Secure encrypted route for purchasing equipment
- Dynamic catalogue for practitioners to browse and select the correct equipment item
- Real time information regarding stock levels
- Close technical equivalent information in cases of increasing prices or low stock
- Advice and training guides for practitioners (guidance notes, warnings, and criteria)
- Management of lifespan of equipment (annual testing)
- Real time report re shelf life
- Integration with email and NHS SPINE.
 - This provides real time information on service users activity to aid timely collection, for example when a service user moves to a care home
 - Linked to GP and NHS number to provide update to ensure correct allocation of charges across the contract

5.6 Options for community equipment models: The following table sets out the options that have been considered in relation developing a model for community equipment for the residents of Slough.

Option	Pros	Cons
<p>Option 1</p> <p>Agree to progress the development of a new model independently by the Council and outside of a partnership approach.</p> <p>This is not recommended</p>	<p>Absolute control over the scope of services and potential service developments.</p> <p>Compliance with legal duty set out in Care Act 2014.</p>	<p>Joint arrangements have successfully been in place since 2011 and there is expertise within the partnership.</p> <p>Contract management, procurement and financial management would need to be undertaken by Slough Council officers instead of by West Berkshire Council as the Lead authority. This would create an additional pressure upon teams, who do not currently have expertise in this area, and undertaking these additional areas of responsibility would likely be more expensive than the management costs associated with the contract (currently £10,500 per annum), due to having to recruit additional specialist staff.</p>

		<p>Other considerations include</p> <ul style="list-style-type: none"> • Significantly reduced purchasing power and a reduction in economies of scale – Slough population is approximately 140,000 compared to 915,000 across Berkshire. • Increased costs in terms of sourcing a local store, transport fleet and costs relating to decontamination, IT infrastructure, recycling, and disposal of damaged equipment. • Two tier system – with Health colleagues based in Slough accessing the BCES service, and the Council using a standalone service – this is not aligned to the integration ambition of the Council. • Current system allows of joint case management of complex health and social care patients through data sharing. This would not be possible outside the BCES partnership.
<p>Option 2</p> <p>Bring services in house when contracts expire in March 2024.</p> <p>This is not recommended</p>	<p>Would support continuity of service delivery.</p> <p>Compliance with legal duty set out in Care Act 2014.</p> <p>The Council would be able to build expertise in this area.</p>	<p>There would be significant resource implications to manage this process. Start up costs for frontline provision would include</p> <ul style="list-style-type: none"> • Warehouse to store equipment and carry out repair, maintenance, and decontamination of used goods • Purchase of fleet to deliver goods

		<ul style="list-style-type: none"> Restock equipment cost - as little will be transferred from the current service to an inhouse provision. <p>This is not aligned to the Care Act duties for market shaping.</p> <p>There is no expertise in the council to manage and deliver an in-house service</p>
<p>Option 3</p> <p>Permit the development of a new model of community equipment in partnership with Berkshire local authorities and statutory health bodies with the aim of jointly procuring services, subject to agreement by Cabinet – both prior to procurement and prior to contract award.</p> <p>Recommended Option</p>	<p>Fully integrated service across health and social care across the Berkshire footprint</p> <p>No set up costs with transfer of equipment, the equipment warehouse, vehicles, and labour through TUPE.</p> <p>Procurement costs are shared equally at 1/8 of the costs across the partnership. Decisions for award, service development are agreed at the Berkshire Commissioner Group, the recommendations will be formally agreed by the governance process within the lead contracting authority.</p> <p>Flexible Section 75 Agreement where the council only pay for what is loaned to the service user.</p> <p>Economies of scale equipment is at a competitive price given the purchasing power for equipment over a larger population.</p> <p>Expertise provided through clinical oversight -Nurse</p>	<p>Lost opportunity for Council officers to develop expertise in procuring, managing or bringing in-house a community equipment service.</p>

	<p>and Senior Occupational Therapist employed by West Berkshire to provide advise and guidance.</p> <p>Opportunities to share costs and equipment through recycling.</p> <p>Fully integrated service across health and social care across the Berkshire footprint.</p>	
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Option Three is considered the best option and is recommended to Cabinet as it ensures economies of scale to provide best value and a timely and efficient way to provide equipment to Slough residents with an assessed need.

Further benefits relating to the development of a community equipment model jointly across Berkshire:

- Allows commissioners to:
 - Share best practice across Berkshire,
 - Redesign a service through incorporating lessons learned over the course of the current contract,
 - Update the model in line with contemporary client and prescriber expectations, and
 - Future-proof the model to take account of budgetary challenges and demographic changes
 - Consult with residents and benchmark data to understand place-based needs. This can be incorporated into the specification.

- Allows residents and patients to:
 - Receive joined-up service for community equipment across health and social care
 - Simplified pathways with less delays and confusion
 - Removal of postcode lottery for residents living on the borders
 - Simplification of patient pathways out of acute care settings across county borders
 - Promotion of self-funder access to equipment

- Allows practitioners to:
 - Deliver an integrated service based on latest patient/resident information in real time
 - Continuation of a single point of contact for patients/clients/practitioners
 - Development of a model that aligns with the Integrated Care Systems (ICS) approach to collaboration across the Frimley and West Berkshire footprint
 - Facilitate timely acute discharges and prevention of avoidable admissions
 - Single point of contact and 'one stop shop' for prescribers, leading to a reduction in practitioner time spent on non-clinical tasks
 - Robust and proactive management of users' wider care and healthcare needs based on robust management intelligence

6. **Comments of Other Committees**

None. A report on this matter will be considered by the Cabinet on 20th June 2022.

7. **Conclusion**

Further to consideration and comments provided by the People Scrutiny Panel, the People Strategy and Commissioning team will progress the development of a community equipment provision in accordance with the timetable set out within the background paper.

8. **Appendices Attached**

'A' PowerPoint Presentation – Development of a model for community equipment

9. **Background Papers**

'1' Report to Cabinet 20th June 2022 -Development of the community equipment service