

SLOUGH BOROUGH COUNCIL

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| REPORT TO: | Cabinet |
| DATE: | June 20 th 2022 |
| SUBJECT: | Development of a model for Community Equipment Service |
| CHIEF OFFICER: | <i>Marc Gadsby, Interim Executive Director People Adults</i> |
| CONTACT OFFICER: | Jane Senior, Associate Director People Strategy & Commissioning Avtar Maan, Group Manager People Strategy |
| WARD(S): | All |
| PORTFOLIO: | Cllr Natasa Pantelic, Social Care and Public Health Cllr Christine Hulme, Children's Services, Lifelong Learning and Skills |
| KEY DECISION: | YES |
| EXEMPT: | NO |
| DECISION SUBJECT TO CALL IN: | NO |
| APPENDICES: | <i>None</i> |

1 Summary and Recommendations

The Council has a duty to support residents to be independent at home and to reduce the need for long term high-cost care. This report seeks approval to progress the development of a new model for Community Equipment Service jointly with the other Berkshire local authorities and statutory health bodies, led by West Berkshire Council. This arrangement will support the delivery of economies of scale by drawing together the planning and purchasing power of local authorities and health bodies across the region.

Recommendations:

Cabinet is recommended to:

1. Agree to Slough Borough Council working in partnership with local authorities and statutory health bodies across Berkshire to develop a new model for the delivery of community equipment services, led by West Berkshire Council.
2. Delegate authority to the Executive Director People Adults in consultation with Lead Member Social Care and Public Health, and Lead Member Children's Services, Lifelog Learning and Skills, to have oversight of the development process.

3. To approve the continuance of the Berkshire Community Equipment Service (BCES) Section 75 Agreement. (This is the vehicle through which funding between statutory bodies can be pooled)
4. Note that a paper concerning the proposed new model will be presented to People Scrutiny Panel in Spring 2023.
5. Agree that recommendations and updates concerning the re-procurement of new community equipment services will be presented to Cabinet in Spring 2023.
6. Agree that recommendations for contract award for new community equipment services will be presented to Cabinet in Winter 2023.

Reason:

To seek agreement to progress the development of a new model for community equipment in partnership with other Berkshire local authorities and statutory health bodies, led by West Berkshire. This is with the aim of jointly procuring new provision, with a contract start date of 1st April 2024, to deliver best value by joining forces to deliver economies of scale.

Commissioners Review

Commissioners have reviewed this report.

2 Report

This report contributes to the following objectives and emerging corporate priorities:

Emerging Corporate Priorities

We will live within our means, balance the budget, and provide best value for taxpayers and service users

We will focus on providing the best quality core service we can afford. Providing services that keep our most vulnerable residents healthy, public spaces safe and our environment clean.

To ensure we get full benefit from every pound we spend, other services in these areas will only be provided where they can be shown to have a direct benefit in keeping people safe and reducing demand

Slough Recovery Plan

Leadership and Culture

- Decisions are based upon data and evidence
- The organisation is transparent and openly and actively engages with the public and partners to inform decision-making

Governance

- Evidence led decision making
- Develop and enhance performance reporting outlines areas for improvement and best practice

Citizen Service standards and performance

- Provide a good level of service to residents and businesses
- Contribute to the customer engagement excellence programme

Slough 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. This delivers value due to recycling and shared management costs.

Slough Health and Social Care Plan

More integrated and pre-emptive service offers

- Expand CVS role in social care
- Improve strength based and personalised ways of working in social care.

The Berkshire Community Equipment Service (BCES) was procured through a partnership of local authorities and statutory health bodies across Berkshire with West Berkshire operating as the lead body. This was effective from 1 April 2017 for a five-year contract period until 31 March 2022. The contract was extended for a further two years in 2022, utilising the provision written into that contract. There is no further allowance for extending the current contract.

The funding and partnership arrangement are supported via the Berkshire Community Equipment Service Section 75 Agreement. The Section 75 Agreement does not require renewal to progress the development of the model. However, in accordance with the Section 75 Agreement, 12 months' notice must be given should the Council wish to exit the service.

The service provides a variety of equipment for adults, children and young people with long term conditions and disabilities. Following an assessment from a qualified practitioner (Occupational Therapist, Occupational Therapy Assistant, Social Worker, or Physiotherapist), equipment is provided on loan from the local authority. The equipment helps service users to maintain and maximise their independence, enables them and their carers to be safely supported at home as well as enhancing their quality of life.

Options considered

| Option | Pros | Cons |
|---|--|---|
| <p>Option 1</p> <p>Do not approve the development of a new model and cease the provision of community equipment when the contract expires in March 2024.</p> <p>This is not recommended</p> | <p>Less pressure placed upon Council officer resource</p> | <p>The Council has a statutory duty for residents with disabilities and long-term conditions to remain independent and safe in their homes. The provision of community equipment supports this function for residents; without this function the likely outcome would be:</p> <ol style="list-style-type: none"> 1. Increase in care package costs 2. Increase in care home admissions 3. Increased in hospital admissions (due to falls etc) 4. Delays in hospital discharge 5. Breakdown in carer relationships. |
| <p>Option 2</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</p> |

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| | | <p>(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 3</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 |

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| | | <p>decontamination of used goods</p> <ul style="list-style-type: none"> • Purchase of fleet to deliver goods • 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 4</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</p> | <p>Lost opportunity for Council officers to develop expertise in procuring. managing or bringing in-house a community equipment service.</p> |

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| | <p>equipment over a larger population.</p> <p>Expertise provided through clinical oversight -Nurse 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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Community equipment contract

- 2.1 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 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.
- 2.2 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
- 2.3 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.

2.4 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

Case Management

2.5 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

The level of access to IRIS is determined by each partner. Group Managers will have authority to approve equipment orders as well as having the clinical responsibility for the provision of equipment. Administrators can order low level risk equipment, whereas qualified practitioners have access to more specialised technical equipment, for example hoists. The current practice is for health staff to order specialised equipment (beds and pressure mattresses), and for social care to order equipment in line with delivery of personal care and independence (hoists and telecare).

Training is required for all prescribers prior to being issued a login to the case management system. One of the benefits of the joint arrangement is the removal of duplication; the local authority and health partners have access to the service user's entire history for equipment, which stops repeat orders and ensures equipment no longer in use can be recycled quickly.

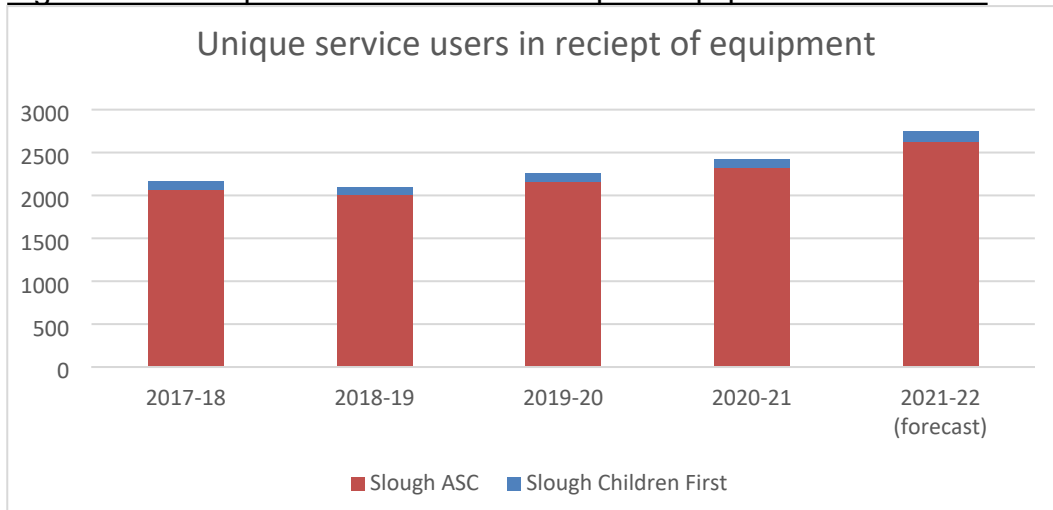
Demand for community equipment

- 2.6 Community equipment supports service users to retain independence whilst reducing the need for high-cost residential care. This could include:
- The service user being prescribed a raised toilet seat and mobility aids following a hospital discharge.
 - The service user being prescribed ceiling track hoists and slings to enable care at home if they have a long-standing health condition and a serious disability
 - The service user being prescribed appropriate high back seating, profile beds and pressure mattresses to reduce the risk of deterioration of the long-term condition
 - The service users being prescribed technology enabled care equipment to reduce risks relating to hearing or visual impairment such as sensors and fire alarms that glow etc
 - The service user being prescribed a falls detector, key safe – to enable easy access for care workers and a pendant alarm.

2.7 Demand for community equipment has increased over the lifetime of the contract. this is partly due to demographic pressures relating to an ageing population and an increase in the care needs and complexity of the population. Figure One shows a steady rise in numbers in receipt of services from the equipment contract:

- An increase of 24% for children's social care, this is from 93 unique service users in 2017/18 to an approximate 113 in 2021/22
- An increase of 27% for adult social care, this is from 2073 unique service users in 2017/18 to an approximate 2069 in 2021/22

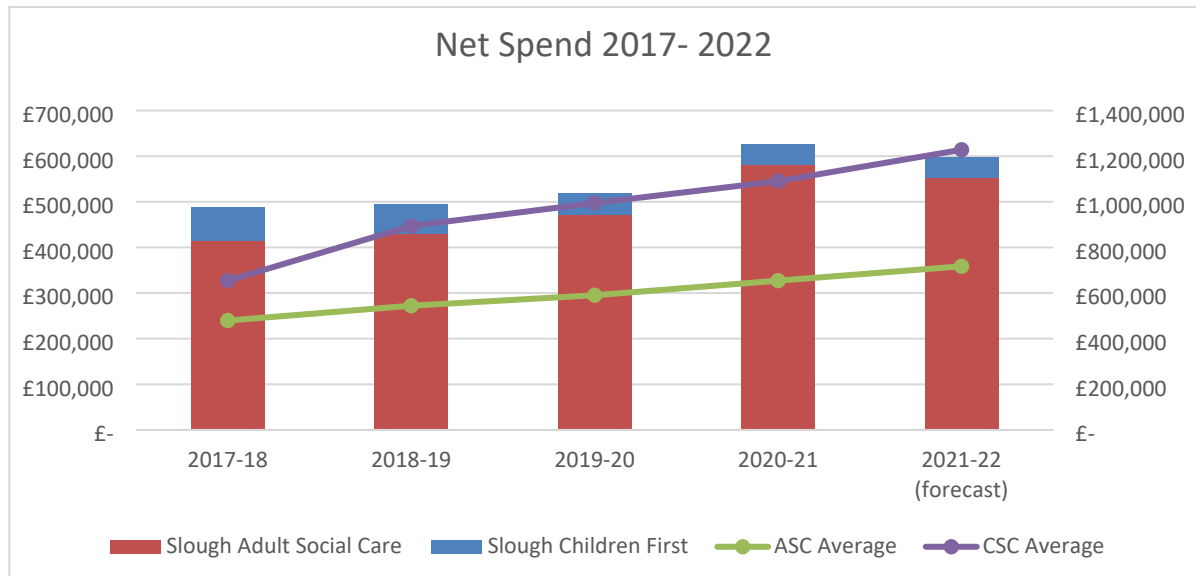
2.8 Figure One: Unique service users in receipt of equipment 2017- 2022



Source: BCES partnership data

2.9 There has been a commensurate increase in expenditure against the contract. This relates to delivery, maintenance, installation, and collection. The net spend has risen by 40% for adult social care, from £415,000 in 2017/18 to £581,000 in 2021/22. For Children and Young People in Slough, the expenditure has decreased from £73,000 2017/18 to £43,000 in 2021/22 and is the result of different purchasing activity. It should be noted that in Slough, expenditure for adult social care is below average when compared across all six unitary authorities, this is demonstrated by figure two.

Figure Two: Net spend 2017- 2022



Source: BCES Partnership Data

2.10 The increase in demand and thereby in spend is due to an increasing older population and an increase in complexity of need. The Projecting Older People Population Information System predicts that the population of those aged 65 and over will increase by 50% by 2040. The Projecting People Adults Needs and Service Information System predicts the following rises in complexity for the local population of Slough :

- 28% increase in population aged 60 years and over to have severe hearing loss
- 13% increase in total population aged 18-64 predicted to have a longstanding health condition caused by a stroke
- 8% increase in the total population aged 18-64 predicted to have a serious personal care disability
- 8% increase in the total population aged 18-64 predicted to have impaired mobility

2.11 The increase in complexity and demand has led to a 48% increase activity as shown in Table One:

Table One – Items of equipment delivered (includes Trusted Assessments and NRS Monitoring Service)

| | Slough ASC | Slough Children First |
|---------|------------|-----------------------|
| 2017-18 | 6536 | 191 |
| 2018-19 | 8337 | 239 |
| 2019-20 | 8854 | 197 |
| 2020-21 | 9771 | 262 |
| 2021-22 | 9721 | 268 |

Source: BCES Partnership Data, includes trusted assessments and monitoring.

Demographic pressures, mean more equipment must be bought to enable more people to retain their independence and avoid an unsustainable increase in care package costs.

Based upon current increases in demand and in spend, it is predicted that the cost and volume of equipment will be £580,000 per annum.

Commissioner Review

[Sign off from the Commissioner(s) is required for all reports and any comments are to be recorded in the report.]

3. Implications of the Recommendation

3.1 Financial implications

3.1.1 The budget for the Community Equipment service is £660k, the budget funding is split between General Fund revenue allocation, Better Care Funding and Government Capital grant. General Fund Revenue Allocation - £218k
Better Care Fund Allocation - £130k. Disabled Facilities Grant (DFG) Capital Grant Allocation- £248k (please see March 2022 updated guidance for DFG), General Fund Revenue Allocation - Children Service - £60k

3.1.2 There is no known risk to Better Care funding and Disabled Facilities Grant funding to the Council. For 22/23, the funding allocation for Better Care Fund of £10.60m and Disabled Facilities Grant of £1.14m have been announced.

3.1.3 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.

3.1.4 The potential for procurement savings is 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.

3.2 Legal implications

3.2.1 The Council has a duty under Section 1 of the Care Act 2014 to promote the wellbeing of adults in care and need. The wellbeing principal applies in all cases where the local authority is carrying out a care and support function or deciding with regards to a person's risk and support care needs. The provision of community equipment can be applied to the following wellbeing principles

- Personal dignity (including treatment of an individual with respect)
- Physical and mental health and emotional well being
- Control by the individual over day-to-day life (including over care and support and how this is provided)
- Participation in work, education, training or recreation
- Social and economic wellbeing
- Domestic, family and personal

- Suitability of living accommodation

3.2.2 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.

3.2.3 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.

3.2.4 In addition to our legal duties to provide community equipment under the Care Act 2014 the following legislation is relevant:

- National Health Service Act (2006)
- Children Act (1989)
- Chronically Sick and Disabled Persons Act (1970)
- Children and Families Act (2014).

Section 75 Agreement

3.2.4 The Six Berkshire Unitary Councils and the Berkshire CCGs entered into the Community Equipment Service Section 75 Agreement on 23 February 2015. This Section 75 Agreement continues year after year until terminated by the parties in accordance with the terms of the agreement as set out below.

It is intended that the Council will continue to collaborate with both health and local authorities across Berkshire in the provision to commission a joint community equipment service. The Section 75 agreement sets out the terms for collaboration, including the governance, financial contribution, roles and responsibilities and exit arrangements.

Any partner intending to leave the partnership would do so by issuing 12 months' notice in writing to the lead authority. Any partner leaving the partnership would then be required to find alternative provision for both existing clients as well as procuring a new service in their own right for any future provision. Termination should not be undertaken lightly as both the resources and cost of retendering, along with potential loss of economies of scale and stability that comes with an established infrastructure across both Health and Social Care, would be significant

It will be important that the Lead Member for Public Health and Social Care and the Lead Member for Children's Services, Lifelong Learning and Skills remain sighted on this project, if a 12-month notice period is required by Members to be initiated.

Further information containing the Section 75 Agreement can be found at Appendix 1.

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

3.3 Risk management implications

3.3.1 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 | <p>Medium</p> <p>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.</p> | <p>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.</p> <p>Interested providers will submit financial reports and audited accounts as part of the tender process to ensure this risk is reduced.</p> | Low |
| Impact of increased volume of activity leading to further financial pressures. | <p>Medium / High</p> <p>Section 2.9 highlights a significant increase in activity due to increased service user complexity and demographic pressures.</p> | <p>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.</p> <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 | Medium |

| Risk | Assessment of Risk | Mitigation | Residual Risk |
|--|---|---|--------------------|
| | | <p>of stock and therefore reduced financial costs.</p> <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> | |
| <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) Source 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> |

| Risk | Assessment of Risk | Mitigation | Residual Risk |
|---|---|--|---------------|
| Delay within the Partnership in progressing the delivery model and specification. | Medium Delays may occur due to disagreements amongst partners and multiple governance structures | 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. 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. | Low |

3.4 Environmental implications

3.4.1 The specification for the commissioning of community equipment will contain environmental targets to reduce the carbon footprint. This may include continued use of route optimisation for the distribution of equipment and to ensure multiple items can be delivered in one setting as well as sourcing equipment locally.

3.4.2 The contract also operates on a recycling basis to reuse equipment (after cleaning and decontamination) to minimise the environmental impact as well as secure further financial efficiencies.

3.5 Equality implications

3.5.1 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 Council (contracting lead and host authority) with input from Slough Borough Council and will be reported back to Cabinet in Spring 2023.

3.6 Procurement implications

3.6.1 High Level Procurement Plan

| Event | Start Date | Target Date to complete |
|--|---------------------------------|---------------------------------|
| All BCES Partners to seek authority to commence joint procurement and confirm with Lead Authority | 1 st April 2022 | 29 th July 2022 |
| West Berkshire to collate partnership commitment approval to start commissioning process through own Cabinet | 1 st August 2022 | 19 th September 2022 |
| Partnership meetings to commence to develop service specification | 20 th September 2022 | 28 th April 2023 |

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| Service User consultation | 6 th February 2022 | 29 th February 2022 |
| Agree ITT method statement | | 28 th April 2023 |
| West Berkshire to publish Tender Advert | | 30 th May 2023 |
| Tender closing date | | 18 th July 2023 |
| Evaluation of tenders by Slough Panel (Adult Social Care, Commissioning, and Children Social Care) | 19 th July 2023 | 11 th September 2023 |
| Moderation across Berkshire Partners | | 28 th September 2023 |
| Award Decision (West Berks) | | 13 th October 2023 |
| Contract Award Notice | | 5 th December 2023 |
| Contract mobilisation | 2 nd January 2024 | 31 st March 2024 |
| New service start date | | 1 st April 2024 |

3.7 Workforce implications

3.7.1 n/a

3.8 Property implications

3.8.1 n/a

4. Background Papers

Section 75 Agreement