

READING BOROUGH COUNCIL

REPORT BY EXECUTIVE DIRECTOR FOR ADULT SOCIAL CARE AND HEALTH

TO:	Adult Social Care, Children's Services and Education Committee		
DATE:	1 July 2021		
TITLE:	Berkshire Community Equipment Service Contract Extension April 2022 - March 2024		
LEAD COUNCILLOR:	Councillor John Ennis	PORTFOLIO:	Adult Social Care
SERVICE:	Adult Social Care	WARDS:	All
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1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 The Berkshire Community Equipment Service (BCES) provides equipment to support people to live independently at home e.g. rails and sensor alarms. This service is delivered by NRS Healthcare as part of a five year contract that is due to expire on 31st March 2022. The BCES contract is managed by West Berkshire Council on behalf of all six unitary authorities in Berkshire and the two Berkshire NHS Clinical Commissioning Groups (CCG). There is an option to extend the contract for a further two years, covering an extension period from 1st April 2022 -31st March 2024. The monetary value of the extension is £1.4m.
- 1.2 In addition to the core equipment contract the Council worked with NRS to develop an enhanced Technology Enabled Care (TEC) Turnkey pilot service which was launched in Reading in November 2020. Whilst this works within the framework of the current contract it provides access to additional equipment and support services thus providing an end to end offer for service users e.g. assessment through to installation and monitoring.
- 1.3 This report outlines the options available to the Council in advance of the contract expiring in March 2024 and the associated recommendation alongside consideration of the new Turnkey Technology Enabled Care (TEC) pilot service and its extension.

2. RECOMMENDED ACTION

- 2.1 To seek agreement to extend the current contract period for the Berkshire Community Equipment Service (BCES) supply from 1st April 2022 to 31st March 2024 at an estimated value of £1.4 million including contract management fee.
- 2.2 To seek agreement to continue the Turnkey (TEC) pilot service from 1st April 2022 to 31st March 2024 at an estimated value of £384,000.

3 POLICY CONTEXT

- 3.1 The aim of the service is to provide an equipment service to support Berkshire residents to maintain their independence and improve their well-being whilst remaining in their own home for as long as possible. These outcomes are achieved by providing equipment and or minor adaptations to individual's in their own homes which provides a safe and effective way to meet their needs in the familiarity of their home environment which is in line with RBC, Adult Social Care's 'Home First' principles.

- 3.2 The Care Act 2014, Care and Support, (Charging and Assessment of Resources) Regulations 2014, part 2, point 3 states,

“A local authority must not make a charge for community equipment (aids and minor adaptations) means an aid, or a minor adaptation to property, for the purpose of assisting with nursing at home or aiding daily living. For the purpose of these regulations an adaptation is minor if the cost of making the adaptation is £1,000 or less”.
(www.legislation.gov.uk)

4. THE PROPOSAL

Current Position

- 4.1 The Berkshire Community Equipment Contract (BCES) is a partnership of the Six Berkshire local authorities and the two Berkshire NHS Clinical Commissioning groups. This partnership operates by combining purchasing power to achieve a cost-effective service. West Berkshire Council is the lead authority and the service provider is Nottingham Rehabilitation Supplies (NRS) Healthcare.
- 4.2 NRS deliver, install, collect, repair and recycle a wide range of equipment ranging from low level items such as bath boards, walking frames, to complex items such as hoists, turning aids, specialist seating and more.
- 4.3 The current contract runs from 1st April 2017 to 31st March 2022 and has an option for a two-year extension period which would ensure the provision of a

service until 31st March 2024. In order to offer the extension period, the host authority issued Reading six months written notice in October 2020.

If Reading choose to terminate the contract and not exercise the extension period the Section 75 agreement states, there is a twelve month notice period to be issued. The section 75 agreement is the partnership agreement which includes the financial arrangements for the partnership i.e. Local Authorities and Clinical Commissioning Groups. For any partner to withdraw from the agreement a period of twelve months' notice is required.

- 4.4 The BCES service and associated contract has been designed to keep pace with Government initiatives, new legislation and demographic changes. The demand for community equipment is growing (see 4.6) in line with increasing numbers of people with complex needs living in the community, particularly older people over the aged of 75; improvements in elective and non-elective care reducing mortality and the length of stay in the acute hospital; expansion of supported housing and end of life care.
- 4.5 The table below details activity over the first four years of the contract and forecasts the impact of the service for April 2021- 2022.

During 2020/21 the Covid-19 pandemic may have had an impact on equipment spend, which enabled people to stay in their homes and communities and out of hospital. The table below shows over 1300 more pieces of equipment were sent to service users. As the pandemic is still on-going it is unknown whether this pattern will continue through this financial year 2021-2022 and into the two-year extension period 2022-2024.

	17/18	18/19	19/20	20/21	Full year effect forecast for 21/22
No of unique service users who had items delivered	1352	1425	1577	1514	1651
No of items delivered	7085	8807	7988	9339	10188
Recycling rate	35%	35%	34%	30%	33%
Net spend	£464,866	£471,172	£618,253	£806,602	£779,160
S75 Management charge	£9,454	£8,856	£9,004	£9,337	£10,186
No of people who attended BCES training sessions	65	78	135	NA	NA
Complaints	NA	7	5	6	7

Option Proposed

- 4.6 To extend the current joint commissioning arrangement in line with the position of all partners involved for two years from 1st April 2022 to 31st

March 2024 with West Berkshire Council as lead authority for the provision of the BCES service, and to explore the opportunity to find an alternative Provider for joint commissioning arrangements thereafter (Recommended Option)

The BCES service was procured in 2017. The process involved market engagement and an open tender process, at this time NRS offered the best value for money (to note there are only a small number of Providers in this market). Whilst the market may have evolved in the interim there would be no economies of scale to achieve if Reading was not part of that arrangement. Commissioning have been informed that the six unitary authorities have agreed to continue with the two-year contract extension. As the leading authority, West Berkshire Council, made a strategic commitment to joint commissioning for this service and Reading would not wish to move away from this. The joint commissioning of this contract supports the Berkshire West Integrated Care Partnership strategic aim of joint commissioning where it makes best sense to do so.

The impact of the Covid19 pandemic is visible across provider services and therefore there are several commissioning priorities in relation to sustainability of the wider market. It is therefore not the right time to undertake a procurement exercise for alternative provision however if the option to extend the current contract is agreed, commissioning are then in a position to review the market and scope out the possibility to change providers and enter into a procurement for future years.

The Turnkey Technology Enabled Care (TEC) pilot service was implemented in November 2020 and provides a holistic service. This includes:

- Triage and assessment
- Installation of equipment
- The review of the equipment after twelve weeks
- An evaluation of the service received and the benefits
- The recycling of equipment no longer required

The Turnkey Service removes the need for the referrer to specify exactly what equipment is required. Instead, the referral (whether from a health or social care setting), indicates the service users care and support needs and the service completes a Turnkey TEC assessment, recommends and installs the most appropriate TEC equipment to meet the user's needs. The service was created as part of an Adult Social Care Transformation Project jointly with NRS Healthcare and the BCES Commissioner. The TEC service currently sits under the BCES contract in West Berkshire in line with the current BCES contract.

The TEC Turnkey service pilot started on 30th November 2020. Assessments and referrals have exceeded estimates and early evidence through case studies demonstrates financial benefits including cost avoidance. A review of the pilot is scheduled to be carried out after six months to support a detailed analysis, showing more available data, early trends and the benefits from the pilot.

The tables below provide further detail about the service.

Table 1 Referrals (details of user, reason for referral) & assessments (lifestyle, needs, environment)

Referrals	Dec '20	Jan'21	Feb'21	Mar'21	Total	Average monthly
Estimated monthly	Actual	Actual	Actual	Actual	Actual	
34	46	71	81	108	306	50
Assessments	Dec '20	Jan'21	Feb'21	Mar'21	Total	Average monthly
Estimated monthly	Actual	Actual	Actual	Actual	Actual	
31	23	52	45	38	158	40

Table 2 Case Study examples during the pilot

Case Study	Current weekly package £	Tech Offer weekly £	Cost benefits	Cost benefits
1	1025	378	647	33,644
2	808	303	505	26,260
3	800	214	586	30,472

Table3 Spend on the service

Dec 2020-Mar 2021-£	2020/21 £	2021/22 £	2022/23 estimate £	2023/24 estimate £
72,333k	217k	266k	192k	192k

Other Options Considered

- 4.7 Provide the service internally.** A scoping exercise would be required to understand the scale of the potential business plan, costs, resources and requirements. The scoping exercise would consider the following,
- Funding costs and availability
 - Resources required and availability
 - Value for money and sustainability

However given the pressures caused by the Covid-19 pandemic this is not deemed a priority piece of work, particularly given the contract is working well at this time.

4.8 Stand alone and retender a contract for Reading.

It is worth noting that there a limited number of providers in the market place (currently NRS and Millbrook) that could provide this service, so the Council is therefore limited to what providers are available to deliver this service,

such contracts normally only achieve value for money by sharing costs across multiple partners. Commissioning as a single authority is likely to cost more as opposed to joint commissioning arrangements due to economies of scale and purchasing power.

If RBC let the current contract expire and recommission in isolation, this would mean that we would lose the benefits and efficiencies of joint commissioning.

The Social Care Institute for Excellence (SCIE) states,

“Joint commissioning is bringing together local resources which provides the scope for economies of scale and supports place-based integrated care. Joint commissioning also helps tackle the barriers to integrated care”
www.scie.org.uk/integrated-care/research-practice/enablers/joint-commissioning)

5 CONTRIBUTION TO STRATEGIC AIMS

5.1 The Council’s 2021-2022 Corporate Plan priorities are focusing on three inter-connected themes.

1. Healthy environment
2. Thriving communities
3. Inclusive economy

This service supports theme 2: *Thriving Communities*.

The BCES provide a service that keeps people at home and independent and in their local communities. Focussing on the needs of the most vulnerable, ensuring young people, older people, those with long term health conditions or disabilities and those most affected by Covid 19 get the help they need to live successful, independent lives in vibrant, thriving communities.

Key initiatives:

The “home first” approach in our Adult Social Care Transformation Programme means residents are supported to be as independent as possible, are informed with information to support healthy life choices, manage their condition and remain at home for as long as possible.

6 ENVIRONMENTAL AND CLIMATE IMPLICATIONS

6.1 The Council declared a Climate Emergency at its meeting on 26 February 2019.

6.2 The Council aims to minimise the impact of any climate or environmental change wherever and whenever possible. This service actively encourages the recycling of equipment where possible thus reducing waste and impact on landfill. In addition deliveries of equipment to service users homes is

coordinated where possible thus reducing the overall number of deliveries and reducing emissions

- 6.3 It is acknowledged that there are certain activities which would not in normal times reflect the approach we would take in accordance with the declaration, such as the provision and supply of Personal Protective Equipment (PPE), which is often single use, not recyclable and therefore will have a carbon impact if this is required to be used in line with any Covid19 regulations. This service uses PPE to enable equipment to be delivered to people's homes.
- 6.4 However, this service is primarily aimed to maintain people in their own homes and to avoid care placements outside the home wherever possible. The service aims to minimise any callout to the emergency services for hospital/care home admission thus having a positive impact on the environment.

7. COMMUNITY ENGAGEMENT AND INFORMATION

- 7.1 Consultations between the six local authorities in Berkshire and the Clinical Commissioning Groups have been held through Steering Group meetings for the two-year contract extension.
- 7.2 As the lead authority, West Berkshire Council, has reviewed and shared service data with all commissioning partners. Service user engagement is part of the service monitoring data e.g. usage, costs, recycling, training and staffing requirements and is shared through the regular Operational and Steering Group meetings as part of the governance arrangements for the contract.
- 7.3 Commissioners were last consulted about satisfaction levels in October 2020 this highlighted that although there had been some issues these had been resolved and satisfaction levels were good. Prior to quarterly contract monitoring meetings as part of the contract monitoring information compliments and complaints from service users are included in reports to partners and are also included in the Annual Report for the service.

8. EQUALITY IMPACT ASSESSMENT

- 8.1 Under the Equality Act 2010, Section 149, a public authority must, in the exercise of its functions, have due regard to the need to:
- eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
 - advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- foster good relations between persons who share a relevant protected characteristic and persons who do not share it

8.2 An Equality Impact Assessment has not been undertaken as there is no change proposed to the current service nor any impact on existing service users in the event of a decision to extend this contract. The service offered by the Provider under this contract extension will continue to enable equipment to be provided to vulnerable people, such as those with learning disabilities, mental health problems, disabilities and older persons.

9. LEGAL IMPLICATIONS

- 9.1 The Contract was procured pursuant to an OJEU open process in 2016/17.
- 9.2 Under the Current contract the parties may extend the contract period for a further period of two-years.
- 9.3 A supplemental agreement formally documenting the extension will need to be entered into with the Provider. (See 4.3, section 75 agreement)

10. FINANCIAL IMPLICATIONS

- 10.1 One of the Council’s strategic aims is to enable people to live at home longer. This approach has led to an increase in the number of service users using equipment and technology. As a result, the cost of the contract has risen annually as Reading has issued more items of equipment increasing the number people staying in their own homes.
- 10.2 Expenditure on the first five years of the contract was £2.9m including the 6% management administration fee for all partners (note 21/22 is an estimate figure). The contract spend has steadily increased from £464k in 2017/18 to an estimated £779k in 2021
- 10.3 The two-year extension period estimates a cost to Reading Borough Council of £691k and £732k per annum including management costs of 6% as set out in the table below. The contract value fluctuates depending on demand for the service and will be reviewed as part of the Council’s annual budget setting process.

Contract extension year	Spend £	Management admin fee 6%	Total £
Year 1 2022/23	680k	c 11k	691k
Year 2 2023/24	720k	c 12k	732k

10.4 The two-year extension for the TEC Turnkey Service is £384k for 2022/2024 (note this is an estimated figure).

2022/23 estimate	2023/24 estimate
192k	192k

10.5 Finance have confirmed that there is budget available within the Adult Social Care Directorate to fund the council's share of the service.

11. BACKGROUND PAPERS

None

References

1. www.scie.org.uk/integrated-care/research-practice/enablers/joint-commissioning.
2. www.legislation.gov.uk/uksi/2014/2672/made