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Report of: Sara Storey - Interim Director of Adult Social Care

Report to: Cabinet

Date of Decision: 9th October 2019

Subject: *Integrated Community Equipment Service (ICES)*

Is this a Key Decision? If Yes, reason Key Decision:-	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
- Expenditure and/or savings over £500,000	<input checked="" type="checkbox"/>
- Affects 2 or more Wards	<input checked="" type="checkbox"/>
Which Cabinet Member Portfolio does this relate to? People Portfolio Cabinet Member for Health and Social Care : Cllr Lindars-Hammond Cabinet Member for Children, Families and All Age Disability: Cllr Drayton	
Which Scrutiny and Policy Development Committee does this relate to? Healthier Communities and Adult Social Care	
Has an Equality Impact Assessment (EIA) been undertaken?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
If YES, what EIA reference number has it been given? Ref: 628	
Does the report contain confidential or exempt information?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
If YES, give details as to whether the exemption applies to the full report / part of the report and/or appendices and complete below:-	
<p><i>“The (report/appendix) is not for publication because it contains exempt information under Paragraph (insert relevant paragraph number) of Schedule 12A of the Local Government Act 1972 (as amended).”</i></p>	

Purpose of Report:

The purpose of this report is to seek approval from Cabinet to commission a redesigned Integrated Community Equipment Service (ICES). In order to do this we would also like to seek approval from Cabinet to award the Director of Finance and Commercial Services in consultation with the Director of Legal and Governance and the Head of Commissioning (People Services) the authority to take the necessary steps to award the contract and implement the procurement strategy for the redesigned equipment service and for the Director of Adult Services (People Services) in consultation with the Director of Finance and Commercial Services to review and agree the pooled budget arrangements for the new service with the Sheffield Clinical Commissioning Group.

The Integrated Community Equipment Service is primarily a logistical operation currently provided by the British Red Cross. The service focuses on the supply, delivery and installation of aids and adaptations into the community. The provision of equipment at the right time and in the right way can enable the person to remain independent and active in their community for longer. Furthermore, the provision of equipment contributes to the city-wide health and social care agenda by supporting the reduction in unplanned hospital admissions and facilitating a timely hospital discharge.

The contract for the Integrated Community Equipment Service ends in June 2020 and we need a replacement arrangement to meet our statutory duties. Over the life of the current contract we have seen a significant increase in demand on the service and an increased need for more equipment to be provided urgently. Therefore, a refresh of the ICES scope and specification has been completed to ensure that the service is able to achieve better outcomes for local people and offer good value for money. The intention of Stakeholders is to require a stronger element of provider expertise in the future contract; which will bring enhanced support to commissioners and prescribers and deliver an improved service which will better meets the needs of the community served.

Recommendations:

Cabinet is recommended to:

1. Approve the re-commissioning of the Integrated Community Equipment Service and delegate authority to the Director of Finance and Commercial Services in consultation with the Director of Legal and Governance and the Head of Commissioning (People Services) to determine the appropriate procurement strategy for the provision for a redesigned Integrated Community Equipment Service.
2. Delegate authority to the Director of Finance and Commercial Services in consultation with the Director of Legal and Governance and the Head of Commissioning (People Services) to award the contract for the Integrated Community Equipment Service in accordance with the procurement strategy. The award of the contract will follow a procurement exercise and conform to Council's Contract Standing Orders (CSOs).
3. Delegate authority to the Director of Adult Services (People Services) in consultation with the Director of Finance and Commercial Services to review and agree the pooled budget arrangements for the new service with the Sheffield Clinical Commissioning Group (CCG) under the Section 75 Agreement. The process for the review will need to be agreed by both parties over the coming month.

Background Papers:

None

Lead Officer to complete:-		
1	I have consulted the relevant departments in respect of any relevant implications indicated on the Statutory and Council Policy Checklist, and comments have been incorporated / additional forms completed / EIA completed, where required.	Finance: <i>(Insert name of officer consulted)</i> Hayley Ashforth Commercial Services <i>(Insert name of officer consulted)</i> Sian Holmes Andrew Turpin
		Legal: <i>(Insert name of officer consulted)</i> David Cutting
		Equalities: <i>(Insert name of officer consulted)</i> Ed Sexton
<i>Legal, financial/commercial and equalities implications must be included within the report and the name of the officer consulted must be included above.</i>		
2	EMT member who approved submission:	<i>John Macilwraith</i>
3	Cabinet Member consulted:	Cllr George Lindars-Hammond: Cabinet Member for Health and Social Care and Cllr Jackie Drayton: Cabinet Member for Children, Families and All Age Disability
4	I confirm that all necessary approval has been obtained in respect of the implications indicated on the Statutory and Council Policy Checklist and that the report has been approved for submission to the Decision Maker by the EMT member indicated at 2. In addition, any additional forms have been completed and signed off as required at 1.	
	Lead Officer Name: <i>Liz McGrael</i>	Job Title: <i>Commissioning Officer (ICES)</i>
Date: 30 th September 2019		

1. PROPOSAL

- 1.1 The Integrated Community Equipment Service (ICES) is jointly commissioned by Sheffield City Council and the NHS Sheffield Clinical Commissioning Group. British Red Cross were successful in winning the contract after a formal tender in 2014 and the current contract is due to end in June 2020. The present service is currently a primarily logistical one and focuses on the supply, delivery and installation of aids and adaptations into the community. It is the intention of Stakeholders from across the health and social care system to require a stronger element of provider expertise in the future contract which will bring enhanced support to the ICES Commissioning Team and those who will be prescribing equipment (e.g. District Nurses, Occupational Therapists etc.) and deliver an improved service which will better meets the needs of the community served.
- 1.2 The provision of equipment at the right time and in the right way can enable the person to remain independent and active in their community for longer. Provision of community equipment could include: moving and handling (hoist or hospital bed), bathing (bath board) or pressure care (pressure cushion) equipment, for example. The Integrated Community Equipment Service is pivotal to the future of the integrated services agenda. Efficient equipment provision will enable Health and Social Care services to provide managed care in the individual's home and prevent unnecessary hospital admission and readmission. As such it is has a key role in delivering the city's adult social care and health prevention agenda.
- 1.3 Over the life of the current contract we have seen an unprecedented increase, effectively doubling demand on the service with a subsequent increased demand for more equipment to be provided more urgently. The service is demand led and therefore, as demand has increased so therefore has expenditure on the service. For example a month on month comparison across each year of the contract highlights the increase in growth of activity:
- Total items delivered in July 2015 2,677
 - Total items delivered July 2016 3,898
 - Total items delivered July 2017: 4,885
 - Total items delivered July 2018: 5,234
- 1.4 We have monitored trends in the provision of equipment and gathered intelligence not only on the current service but through benchmarking with other services nationally. Using this information we have reviewed

the service model to create a more robust, responsive and sustainable service. Therefore, a refresh of the ICES scope and specification has been undertaken with input from stakeholders and service users to ensure an improved equipment service that will have a positive impact for Sheffield people who use the service and their carers. The review of the service scope has been undertaken with input invited from stakeholders and equipment users via a number of means as outlined in this report including: meetings, groups, networks, events and surveys.

1.5 The purpose of this report is to seek approval from Cabinet to implement a procurement strategy for the redesigned Integrated Community Equipment Service. This will include an extensive review of key elements within the current service specification including but not limited to how equipment is procured, delivered, installed and maintained. This report also seeks delegated authority for the Director of Adult Services (People Services) and Director of Finance and Commercial Services to review and agree the pooled budget arrangements for the new service with the NHS Sheffield Clinical Commissioning Group (CCG) under the Section 75 Agreement.

1.6 It should be noted that it is not possible to extend the current contract further, as this would pose a significant risk of legal challenge due to the high value of the contract and potential non-compliance with the public procurement legislation which requires a new procurement exercise.

2. HOW DOES THIS DECISION CONTRIBUTE?

2.1 The aims as set out in the Sheffield Place Based Plan are:

- To develop Sheffield as a healthy and successful city.
- Increase Health and Wellbeing.
- Reduce Health Inequalities.
- Provide children, young people and adults with the help, support and care they need and feel is right for them.

2.2 Provision of an effective efficient Integrated Community Equipment Service will contribute to achieving all four of these aims by supporting people to live more independently, continue to work and access educational opportunities. The redesigned equipment service will be delivered across all age groups to people with a wide range of physical, medical and other health and care needs. It will help to reduce health inequalities by provision of an equitable city wide equipment loan service, supporting people to increase and to maintain their independence and wellbeing leading to improved outcomes for individuals.

- 2.3 The provision of community equipment at the right time and in the right way can enable the person to remain independent and active in their community for longer. The Community Equipment Service is pivotal to the future of the integrated services agenda. Efficient equipment provision will enable Health and Social Care services to provide managed care in the individual's home and prevent unnecessary hospital admission and readmission.

3. HAS THERE BEEN ANY CONSULTATION?

- 3.1 Consultation with practitioners who prescribe equipment has been via Stakeholder Group Meetings, Task and Finish Groups and attendance at partner meetings/events. We are also working with service user groups and networks to ensure that people who use equipment, aids and adaptations are actively involved in shaping the new service. A Communication Plan and Equality Impact Assessment have been developed outlining how we will consult with service users and stakeholders to design a service which is more responsive to the user's needs. The new provider will be expected to directly engage with service users and practitioners to ensure continuous improvement of the service for the duration of the contract. The specification for the new service will be further shaped by consultation undertaken with service users, interest groups and practitioners.

4. RISK ANALYSIS AND IMPLICATIONS OF THE DECISION

4.1 Equality of Opportunity Implications

- 4.1.1 The equipment loan service has a positive impact on equality of access and opportunities. Children and Adults in Sheffield with a range of physical, health and social care needs are able to receive on loan a wide variety of items of equipment to help maintain their independence, ensure safety and support their health and well-being.

- 4.1.2 Under the Equality Act 2010 (the 'Public Sector Equality Duty') local authorities have to pay due regard to: "Eliminate discrimination, harassment and victimisation, advance equality of opportunity, and foster good relations". A key element of the Equality Act is that of 'no delegation' – public bodies are responsible for ensuring that any third parties which exercise functions on their behalf are capable of complying with the Equality Duty, are required to comply with it, and that they do so in practice. It is a Duty that cannot be delegated. This means that when we are both commissioning services and contract monitoring services, equality and diversity monitoring will form a key part of the criteria used to comply with our statutory obligations.

- 4.1.3 An Equalities Impact Assessment has been carried out for this scheme of

work which recognises the benefits for particularly those with a physical or sensory disability, both children and adults. Around 17,000 people received at least one item of community equipment in 2018/19.

- 4.1.4 The Equalities Impact Assessment stipulates that the new provider be asked to supply information in a range of languages; adheres to equalities legislation; and proactively involves service users and carers as part of its monitoring and improvement planning.

4.2 Financial and Commercial Implications

- 4.2.1 The expectation is that the re-tendering of this existing contract will not only ensure a more effective service is provided to customers and commissioners but will also create a more sustainable service. Bidders will be asked to set out how they will deliver the service to meet all service requirements. This first phase will involve reviewing the pooled budget arrangement and contribution from Sheffield City Council and NHS Sheffield Clinical Commissioning Group. Both budgets will be reviewed as part of detailed financial work carried out by key officers from the CCG and Council. The pooled budget will cover the vast majority of children's and adults' health and social care equipment needs in Sheffield. The estimated contract value of the new service will be between £3m to £5m per annum.

4.3 Legal Implications

- 4.3.1 The Council has a number of powers and duties that are relevant to the provision of an equipment service as proposed in this Report:
- a) Under s.2 of the Chronically Sick and Disabled Persons Act 1970, the Council have a duty to provide practical assistance and additional facilities for the greater safety, comfort or convenience of people who are assessed as needing them.
 - b) Section 17 Children Act 1989 also imposes a duty on the Council to safeguard and promote the welfare of children within their area who are in need; and so far as is consistent with that duty, to promote the upbringing of such children by their families, by providing a range and level of services appropriate to those children's needs. For the purpose of facilitating the discharge of their general duty, every local authority also has the specific duties and powers set out in Part 1 of Schedule 2 to the Act.
 - c) Section 75 of the National Health Service Act 2006 and National Health Service Bodies and Local Authorities Partnership Regulations 2000 allows local authorities and specified NHS bodies to work jointly including having pooled budget arrangements and undertaking commissioning on each other's

behalf.

d) A number of provisions of the Care Act 2014 include:

- Section 1, Promoting individual well-being
- Section 2, Preventing needs for care and support
- Section 3, Promoting integration of care and support with health services etc.
- Section 18, Duty to meet needs for care and support
- Section 20, Duty and power to meet a carer's needs for support

The proposed service will contribute to the fulfilment of these duties.

4.3.2 The proposed contract outlined in this report has a value in excess of the threshold for contracts for services (this being £181,302) for contracts for services in the Public Contracts Regulations 2015 (the 'Regulations') and thus the procurement and contract award processes to be followed in relation to the proposed contracts will be subject to those Regulations.

4.3.3 The procurement process briefly outlined above, which will comply with the Council's Contract Standing Orders, should ensure the Council fulfils these legal obligations.

4.3.4 If there is a change in service provider this will have an impact on the staff providing the service and TUPE may apply. This will be drawn to the bidders attention so that they can consider the potential impact of TUPE and current providers will be required to share information as appropriate in accordance with their existing contracts and the TUPE legislation.

4.4 Other Implications

4.4.1 Following a Soft Market Test providers of community equipment have made us aware that they are putting plans in place regarding any impact on the possible outcome of a 'No deal' Brexit on current supply chains.

5. **ALTERNATIVE OPTIONS CONSIDERED**

5.1.1 **Do not re-procure:** This option is not recommended because the Council has legal duties to provide equipment to people in need as set out in section 4.3 above.

5.1.2 **Extend the contract with the current provider:** It is not possible to extend the contract further, as this would pose a significant risk of legal challenge based upon both the value of the contract and restrictions in the procurement regulations regarding extending contracts.

This option is also not recommended as the Council policy and procedures promote revisiting the market at suitable intervals to ensure we have best value, high quality services. In addition Commissioners

wish to develop the service to achieve a more efficient, effective service, greater value for money and increased impact in the City.

6. REASONS FOR RECOMMENDATIONS

6.1 The current contract for the supply and loan of equipment to help people live independently ends in June 2020. The Council has a statutory duty to undertake the provision of services proposed in this report and there are significant financial and operational efficiencies from having a joint contract with Health.

Service re-design and re-specification will also:

- Achieve better outcomes and increased value for money
- Deliver against increasing demand on the service
- Future-proof the service in light of proposed changes to legislation, guidance and operational requirements