

Subject:	Extension of the Community Equipment Service Contract		
Date of Meeting:	8th June 2021		
Report of:	Executive Director of Health and Adult Social Care		
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Ward(s) affected:	All wards		

FOR GENERAL RELEASE

1. PURPOSE OF REPORT AND POLICY CONTEXT

- 1.1 The purpose of this report is to seek agreement to extend the Contract for the Provision of the Brighton and Hove Integrated Community Equipment Service for a further 6 months. The contract is currently scheduled to end on the 30th of September 2022 and officers are seeking permission to extend this until the 31st of March 2023.
- 1.2 The Community Equipment Service Contract is due to expire on the 30th of September 2022. The extension is required to enable a full recommissioning process and to enable the exploration of contractual alignment and joint commissioning with other parties, including neighbouring local authorities, Clinical Commissioning Groups and NHS Foundation Trusts.
- 1.3 Recommissioning plans have been impacted by the demands placed on the Commissioning Team and Community Equipment Service due to the Covid 19 pandemic. Without the extension there would not be sufficient time to engage the public and or explore and consider a full range of sustainable options to recommission the Integrated Community Equipment Service.

2. RECOMMENDATIONS:

- 2.1 That authority to extend the Contract until the 31st of March 2023 is granted to the Executive Director of Health and Adult Social Care.

3. CONTEXT/ BACKGROUND INFORMATION

- 3.1 The Integrated Community Equipment Service contract provides for delivery, installation, collection, maintenance, repair and recycling of a range of health and social care equipment and minor adaptations such as stair rails, external rails and other fixed items. The service is available to people with physical and sensory impairments of all ages, including children.
- 3.2 The Contract was awarded as a 7-year (5 +2) year contract and is currently delivered by Nottingham Rehab Limited which is the trading name for NRS Healthcare Limited.

- 3.3 The Brighton & Hove Community Equipment Service (CES) is commissioned through a partnership between Brighton & Hove City Council (acting as Lead Commissioner) and NHS Brighton & Hove Clinical Commissioning Group.
- 3.4 The contract has been extended in accordance with its terms and is due to expire on the 30th of September 2022. Officers would like to extend the contract for a further 6 months until the 31st of March 2023 to support the recommissioning process.
- 3.5 As Brighton & Hove City Council and other Sussex local authorities have been responding to critical community equipment need and government guidance/directives during the Covid 19 pandemic, procurement and engagement activities have been impacted. The focus for Commissioners and providers has been to ensure that supply of equipment meets demand, that people have been supported to remain in their own homes and that hospital discharges are timely.
- 3.6 The impact of the Covid 19 pandemic and Brexit on equipment is still being quantified in terms of costs and market variances due to international shortages in raw materials, manufacturing and import delays. Additional time would support a more accurate picture of the market and business continuity needs going forward.
- 3.7 A 6-month extension would enable the Council to conduct a further needs assessment of the equipment model and comprehensive engagement with the wider public, including service users and prescribing professionals, before the service is re-procured. It would also enable the Council to align its procurement timescales with other local authorities and Clinical Commissioning Groups in Sussex who are also seeking to recommission their own Community Equipment Services (CES) within similar timescales. This alignment would afford all parties the benefits of jointly recommissioning including; economies of scale, resource efficiencies and sharing knowledge and experiences.
- 3.8 The Care Act 2014 defines that social services have a general duty to promote the wellbeing of an individual with an eligible need. Wellbeing is defined through 9 components, several of which include; dignity, daily living, independence and care and support, community equipment will be a considerable factor in providing. The National Health Service Act 2006 sets out health related duties some of which include general duties that provide the legal basis for the provision of equipment. As such the provision of community equipment will continually be required and the need for the service will increase as the population of Brighton & Hove increases.
- 3.9 The Council has approached the current provider to establish if they are willing to extend the contract for a further 6 months (until the 31st of March 2023) in the event that the Adult Social Care & Public Health Sub-Committee permit a further extension, and they have agreed to this in principle and are discussing the terms of an potential extension with their landlord.
- 3.10 The actual cost of CES contract since October 2015 until March 2021 was £17.998m (including VAT) with the forecast to March 23 being at a further £6.324m including VAT. This gives a total value of the 7 years contract = £24.322m.

The cost of extending the contract will be ¼ of further forecast £1.581m including VAT. However, the service is a statutory provision under the Care Act 2014 and NHS Act 2006 and as such the provision of equipment will need to be made.

4 ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS -

- 4.1 Option 1 - Extend the contract by 6 months allowing more time to do further needs assessment of the equipment model and a comprehensive engagement with the wider public including people using or potentially using the service and prescribers. This would ensure the service specification, procurement, mobilisation procedures and timescales are effectively informed and legally compliant. This would also allow adequate time for our potential partner local authorities and CCGs to agree their contract alignment position within their own organisations processes. In addition, the wider scoping of the contract will attract efficiencies and savings of scale. Joint engagement activities can attract a higher level of funding to assist with analysing of best practice models, to improve sustainability and use of equipment resources including a higher level of recycling.
- 4.2 Option 2 - Continue with the current timescale with reduced or no engagement with people and prescribing professionals using the service and the wider public. There would be limited opportunity to fully inform/develop the service specification or to align with potential partner local authorities and CCGs as the contract timelines would vary and there would be less time to agree operational and policy requirements across several organisations.

5 COMMUNITY ENGAGEMENT & CONSULTATION

- 5.1 The purpose of this extension is to provide sufficient time to produce a thorough piece of engagement to inform procurement, continue improvements made since previous survey recommendations and to ensure the Integrated Community Equipment Service continues to support people with an eligible or functional need to access the equipment they need. Dependent on the wider participation by other partners this will include people who live locally and in Sussex.
- 5.2 The engagement will work in line with BHCC (other LAs and CCG) commitment to modernisation programmes that inform the way we work to ensure better outcomes for people with care, support and or functional needs. To do this we will focus on that role of equipment in relation to.
- How people access the help they need, including self help
 - How we support people to be as independent as possible
 - How we work with people who have more specialist needs
- 5.3 Since the Integrated Community Equipment Service was last recommissioned the number of people supported and active prescribers has increased significantly from 6,000 people in 2011 to in excess of 8,750 people using the service between April 2020 and March 2021 and it is expected that this trend will only increase as the population of the city increases.

6 CONCLUSION

- 6.1 The recommendation is that Option 1 is taken and that the Executive Director, Health and Adult Social Care is delegated authority to extend the Contract for 6 months until the 31st March 2023. This will be at least cost neutral and the benefits of informed commissioning and opportunities of scale that can be achieved during a 6-month extension period outweigh the limitations of Option 2.

In the event that both Brighton and Hove City Council and the Clinical Commissioning Group agree to the extension, it is anticipated that financial resources will be available to enable the commissioning of the services detailed in the report.

7 FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 7.1 The Community Equipment Service falls within the Better Care Fund pooled budget S75 agreement between the Council and Brighton & Hove CCG.

The annual provisional pooled budget for April 2021 to March 2022 is £2.635m, however the Better Care Fund budget for financial year 2021/22 is still to be finalised.

The extension of the contract from October 2022 to March 2023 would equate to budget of £1.318m. It is anticipated that financial resources will be available to enable the contract extension as detailed in the report. However, the annual funding is subject to government financial settlements which can impact on the availability of funding.

The CCG have provisionally agreed their contribution to the 6-month extension.

Finance Officer Consulted: Sophie Warburton

Date: 14/05/2021

Legal Implications:

- 7.2 Regulation 72(1)(e) of the Public Contracts Regulations 2015 permits contracts to be modified without a new procurement procedure where the modification is not substantial within the meaning given to the term substantial set out in Regulation 72(8) of the Public Contracts Regulations 2015. A modification is substantial if it renders the contract materially different in character from the original contract, changes the economic balance in favour of the contractor in a manner not provided for in the original contract, extends the scope of the contract considerably or if it introduces conditions that had they been part of the initial award procedure, would have changed who bid for or won the contract. As the extension is for a short period, there is a reasonable argument that it is not substantial and the risk of a legal challenge to that extension is low.

Equalities Implications:

- 7.3 The proposed extension will not have a negative impact on the equality characteristics of the CES service recipients and will seek to improve outcomes for local people by improving service delivery, performance and efficiency through facilitating adequate time for a robust period of engagement with current and potential CES service recipient. The outcomes will inform the specification and ensure the best quality service is procured and value for money is achieved. The engagement will include questions that relate to how people's equalities characteristics are responded to by the CES service. Upon completion of the engagement, an Equality Impact Assessment will be carried out to reflect new information as appropriate and inform the specification further. The equipment service is designed to support people and promote independence and is of particular benefit to older people, children and adults living with long term conditions and disabilities who are the primary beneficiaries of the service.

Sustainability Implications:

- 7.4 The procurement and engagement processes will consider sustainability opportunities and develop a service specification that defines this further. For example, providers will need to demonstrate within their bids how they will approach new technology such as the use of electric/hybrid vehicles, increase recycling of equipment and sustain business continuity in light of Brexit and the recent pandemic. Joint commissioning opportunities across local authorities and health partners will explore how to reduce duplication and create efficiencies of physical resources and financial costs, for the commissioning bodies, the equipment provider and any subcontracted services.

Any Other Significant Implications:

SUPPORTING DOCUMENTATION

No supporting documentation

