

Bath & North East Somerset Council

MEETING/ DECISION MAKER:	Cabinet Member for Adults and Council House Building	
MEETING/ DECISION DATE:	Not before 15th May 2021	EXECUTIVE FORWARD PLAN REFERENCE:
		E 3277
TITLE:	Community Equipment and Minor Adaptations Services Options Appraisal	
WARD:	All	
AN OPEN PUBLIC ITEM WITH ONE EXEMPT APPENDIX		
<p>List of attachments to this report:</p> <p>Appendix 1: Community Equipment and Minor Adaptations Services Options Appraisal Summary Paper</p> <p>Appendix 2: Community Equipment in-house provision costings</p> <p>Appendix 3: Transition Project Plan</p> <p>Appendix 4: Community Equipment in the Community</p> <p>Certificate of Exemption LGA 551/21</p> <p>Appendix 5: Credit and Activity Model comparison costs (EXEMPT – COMMERCIAL IN CONFIDENCE)</p>		

1 THE ISSUE

Contracts for the Community Equipment Service (CES) and the Minor Adaptations Service (MAS) in B&NES are due to end on 31st March 2022. Although services appear to be meeting population need and delivering within planned budgets, both contracts have been extended on multiple occasions and thus longer term contracting arrangements now need to be determined. Officers are therefore presented with an opportunity to review the commissioning arrangements for these services; the options of which are fully explored within the summary paper, attached as Appendix 1.

2 RECOMMENDATION

Cabinet Member for Adults and Council House Building is asked to;

Approve Option C: To bring Community Equipment Services in house and procure the Minor Adaptations Service

This option is recommended for the following reasons:-

- Greater certainty of costs and financial impact, when compared to other options, mitigating an incomplete data picture which constitutes a significant risk in respect of going to market
- Greater control over performance and spend and the provision of accurate data reporting, impacting positively on equipment prescriber behaviour
- Lower disruption to services as experienced staff will likely TUPE bringing significant local knowledge and understanding.
- Lower risk of procurement challenge in regards to CES
- Procuring MAS will allow sufficient time to concentrate solely on the transition of the CES to in-house provision, ensuring the service is safely embedded and working well before considering any future alignment.

3 THE REPORT

See Appendix 1 – Community Equipment Services and Minor Adaptations Services Options Appraisal for full details on the options appraisal and rationale for recommendation.

4 STATUTORY CONSIDERATIONS

Community Equipment, including minor adaptations are defined requirements under the Care Act (2014) and form key parts of the Health and Social Care system.

The provision of Community Equipment and Minor Adaptations plays a key role in:

- Enabling people to remain independent
- Supporting people to stay in their usual place of residence
- Reducing the reliance on formalised care
- Enabling timely and safe hospital discharges
- Supporting hospital admission avoidance

5 RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)

The main Community Equipment Service is currently funded at a cost of £215k from the main equipment pooled budget which totals £675k and has a 70/30 contribution split between the CCG and the Council respectively. The remaining £460k/£675k covers rent, utilities, telephone services and refuse collection alongside a budget to cover equipment purchase costs (£421k in 19/20).

The recommended option is noted to have the following financial implications for CES:-

- In Years 1 & 2 (2022/23 – 2023/24) the pooled equipment budget will need to rise to £768K (+ £93, 000 when compared to 2021/22) to account for costs associated with bringing the CES in house i.e. pension liabilities and also provide project contingency to cover the anticipated increase in equipment costs . Based on the current 70/30 split, contributions for the CCG will be £537,600 (+ £65,100 compared to 2021/22) and the Council £230,400 (+ £27, 900 compared to 2021/22)
- In Year 3 (2024/25) the pooled equipment budget will need to rise to £783K to continue to meet increases in equipment costs. Based on the current 70/30 split contributions for the CCG will be £548,100 (+£10,500 compared to 2023/24) and the Council £234,900 (+£4,500 compared to 2023/24)
- In Year 4 (2025/26), based on the reasons above, the pooled equipment budget will need to rise to £798K. Based on the current 70/30 split contributions for the CCG will be £558,600 (+£10,500 compared to 2024/25) and the Council £239,400 (+£4,500 compared to 2023/24)

Further resource implications are listed in detail at Appendix 1, Section 8.

6 RISK MANAGEMENT

A risk assessment related to the issue and recommendations has been undertaken, in compliance with the Council's decision making risk management guidance.

Further details on the risks associated with the recommended option and the suggested mitigations are noted at Appendix 1, Section 10.

7 EQUALITIES

An EIA has not been completed for this paper as it is anticipated the recommendation option will not have an anticipated impact on equalities due to the recommendation being proposed.

8 CLIMATE CHANGE

It is suggested the recommendation will do the following to improve the climate and help to achieve carbon neutrality by 2030:-

- Gives greater certainty over equipment currently in the community, which when combined with the services current high recycling rate, will aim to continue to minimise the need for new items to be ordered and mitigate the carbon footprint associated with such items.
- Ensures the service remains within a B&NES footprint opposed to a provider subsuming the service as part of a larger contract and thus avoid delivery travel times increasing if provider was based out of area.
- Allow greater Council control over the service enabling alternative provision options to be explored e.g. exploration of electric vehicles.

9 OTHER OPTIONS CONSIDERED

REJECTED – OPTION A

Publish a Prior Information Notice (PIN) and undertake a procurement exercise for the Community Equipment Service and the Minor Adaptations Service as separate Block Contracts for 4 (+2) years. This has been rejected for the following reasons:

- Exploratory conversations suggested limited market interest in such an arrangement, with specific reference to the indicated contract cost which was thought by providers to be extremely low given the population of B&NES. Providers appeared to favour credit and activity models and thus this option carries a possible procurement risk of a challenge from the market based on limiting the type of contract to a block contract.
- Gaps in data may result in providers requesting additional funding if activity is higher than initially predicted.
- Possible disruption to service provision which appears to be well regarded by prescribers and service users.

REJECTED: OPTION B

Publish a PIN and undertake a procurement exercise for the Community Equipment Service as a Credit and Activity model for 4 (+ 2 years) and MAS as a block contract.

- Adopting a credit and activity model carries a high risk of an unpredictable increase in costs. When calculated using data representing just the top 10 items of equipment issued in B&NES against anticipated activity costs, this could represent an increase in costs of up to 90% (720k) in the first year and could potentially be higher if calculations were made incorporating all items of equipment.
- Again, data discrepancies significantly increase the risk of a procurement challenge alongside predicted cost increases
- Possible disruption to service provision which appears to be well regarded by prescribers and service users.

10 CONSULTATION

Significant engagement has occurred with service users and equipment prescribers to inform officer's consideration of the options. Such engagement is listed in detail at Appendix 1, Section 5.

This report has been reviewed by the following:-

Will Godfrey, Chief Executive, B&NES Council
Mandy Bishop, Chief Operating Officer, B&NES Council
Alison Elliot, DASS, B&NES Council
Judith Westcott, Senior Commissioning Manager, B&NES Council
Cllr Rob Appleyard, B&NES Council
Cllr Alison Born, B&NES Council
Cllr Richard Samuel, Interim Leader, B&NES Council
Michael Hewitt, Monitoring Officer, B&NES Council
Andy Rothery, Director of Finance, B&NES Council (S151 Officer)
Richard Howroyd, Head of Procurement and Contracts, B&NES Council
James Childs-Evans, Chief Operating Officer, BSW CCG
Ryan Doherty, Commissioning Manager, BSW CCG

Contact person	Jackie Ayres, Commissioning Support Manager, BSW CCG, BaNES Locality
Background papers	N/A
Please contact the report author if you need to access this report in an alternative format	