

Report to: **Adult Social Care Scrutiny Committee**

Date: **3 March 2011**

By: **Director of Adult Social Care**

Title of report: **Update report on the progress towards developing a new model for the Integrated Community Equipment Service**

Purpose of report: **To inform the scrutiny committee of the proposed service model for ICES**

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## RECOMMENDATION

**The Committee is recommended to consider and comment on the proposed service model for the integrated community equipment service**

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### 1. Financial Appraisal

1.1. There is no overall increase in costs within the proposed service model but an anticipated shift of resources from logistics to 'community equipment'. This will allow more equipment to be supplied to more people thus improving the efficiency and flexibility of the service and enabling increasing demand to be met from the same level of funding.

### 2. Background and Supporting Information

2.1 The Integrated Community Equipment Service is critical to supporting people to remain at home and has a vital role in supporting numerous **care pathways** which enable people to remain or return home. Over the period Jan to December 2010, the service processed over 30,000 orders, delivering over 65,000 items of equipment. The majority of activity relates to simple aids of equipment (70%) of which 83% are low cost items. The service is funded through a Section 75 Pooled Budget (£3.5 million) with East Sussex Downs and Weald PCT and Hastings and Rother PCT.

2.2 The current service provider is Nottingham Rehabilitation Supplies (NRS). The contract is due to expire on 30<sup>th</sup> September 2011. A formal notice was placed in the Official Journal for the European Community in November 2011 setting out our intentions to tender for the provision of a community equipment service and minor adaptation service. The tender timetable is presented in Appendix One. The contract will be awarded in May 2011.

2.3 Demand for community equipment is predicted to increase due to the demographic profile of East Sussex and health and social care policies to support people stay in their homes.

2.4 The current service model is focused on a **single contractor** responsible for adults and children and is composed of the following elements: procurement; catalogue management, storage; delivery & demonstration; fitting (putting in place); installation (attaching grab rails, mopstick rails etc); collection; decontamination, replacement and repair and maintenance of electro-mechanical equipment. This is a total service solution with all equipment delivered and collected irrespective of its **value or re-usability**.

2.5 In addition, the contractor also directly carries out **minor adaptations** or **sub-contracts** non-standard works to two main sub-contractors (Ghyllside and Metcalfe).

2.6 Re-commissioning the **current service model** could present financial risks if demand continues to increase as is projected. The committee are requested to note the following:

- Including all the current elements of equipment provision and minor adaptations within **one** service, does not allow supported housing and third sector organisations to compete.
- A total service solution for all equipment irrespective of cost or re-usability is not efficient. The current service model is 'over engineered' with too much emphasis on 'logistics';
- The need to shift the distribution of costs from 'logistics' to 'equipment'.
- Adult social care currently commissions services within the third sector that can meet need as and provide value added services. This was tested in a successful pilot project for the provision of sensory aids and equipment.

- The provision of paediatric equipment is best provided on a regional basis due to the low volume and specialist nature of the equipment.

2.7 The Adult Social Care Scrutiny Committee commissioned a review in 2008 to examine the options available for the future provision of the service when the current contract ended in September 2009. Following the decision to extend the current contract until September 2011, the review amended its remit and instead monitored how the department was moving forward with developing a new model of provision. The review ended last year and the board identified a number of recommendations:

- **Report back on the timescales for re-commissioning ICES.** The tender timetable is provided in Appendix One;
- **Clarification about installations of grab rails.** Service users will not be required to install grab rails as they are not regarded as 'simple aid'. All grab rails will be installed as part of the minor adaptation service.
- **Clarification about what checks** will be carried out if service users fit their own equipment. Where service users have agreed to arrange for the delivery and fitting of simple aids, the practitioner will contact the service user to ensure that the equipment has been delivered and correctly fitted.
- **Expanding the pilot project** for the provision of sensory aids and equipment. Provision of sensory aids and equipment will be provided by the third sector through the commissioning prospectus. The commissioning prospectus was launched in February 2011 setting out commissioning intentions. All funding agreements with the voluntary sector will be awarded in July 2011. The timetable is presented in Appendix Two.

2.6 The service model being taken forward includes the following elements:

- Tendering for a community equipment service and minor adaptation service, allowing new service providers to bid for the minor adaptation service whilst also allowing established providers to bid for the entire service. The tender timetable is presented in Appendix One.
- Shifting the focus of service provision to **cost effectiveness** in preference to 'response times'. The business requirements to be met by service providers include:
  - an web based order management system to enable prescribers to place, track, amend and cancel orders;
  - Service user led processes to ensure orders are fulfilled on the first visit
  - Simpler scheduling to allow the service provider to use optimise operational capacity
  - Fitting and demonstrating **simple aids for daily living** where the prescriber has identified a need;
  - Collecting simple aids for daily living only where they can be re-used.
- Commissioning the provision of sensory aids and equipment through the third sector commissioning prospectus which was launched on 21<sup>st</sup> February 2011. Successful providers will be awarded funding agreements in July 2011. The prospectus timetable is presented in Appendix Two.
- Separation of the provision of 'paediatric' equipment from the core service. Childrens therapy services are taking forward the provision of paediatric equipment separately in line with their business requirements as part of a regional procurement process led by the Strategic Health Authority.

### 3. Conclusion and Reasons for Recommendation

3.1. The committee is recommended to support the revised service model in order that the service can meet projected demand in the most cost effective way.

KEITH HINKLEY

Director of Adult Social Care

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Local member: All

BACKGROUND DOCUMENTS: None

## APPENDIX ONE: TENDER TIMETABLE

ESCC Tender Timetable				
Contract : Integrated Community Equipment Service				
	DETAILS	TARGET DATE		ACTION
<b>1</b>	<b>Pre-Tender</b>			
	Rita Stebbings and CPU informed of Tender intention	Jul-10		IY
	Tender Initiation Document submitted by Imran	Jul-10		IY
	DMT approval for tender to proceed	Jul-10		DM / DMT
a	Draft specification and issue to potential suppliers	13.09.10		Panel
b	Arrange soft market testing day / questionnaire	27.09.10		Panel
<b>2</b>	<b>ADVERTISEMENT</b>			
a	Agree advert content and PQQ evaluation criteria	12.11.10		Panel
b	Advertise for interest	15.11.10		DM
c	Deadline for Expressions of Interest	24.12.10		DM
e	Deadline for return of PQQ	28.12.10		DM
<b>3</b>	<b>SUPPLIER APPRAISAL</b>			
a	Technical evaluation of responses to advert & PQQ	04.01.11		Panel
b	Financial check of selected providers / reference check	04.01.11		Finance/DM
c	Agree shortlist qualified providers for tendering	14.01.11		Panel
d	Recommended shortlist endorsed by DMT	17.01.11		DMT
e	Issue date amendment in OJEU	N/A		DM
f	Notify applicants of delay and revised ITT issue date	17.01.11		DM
g	Notify applicants of results	17.01.11		
h	(notify incumbent if unsuccessful?)			(DM)
<b>4</b>	<b>ISSUE INVITATION TO TENDER</b>			
a	Agree final specification / ITT documentation	10.12.10		Panel
b	Issue tender documents	21.02.11		DM
c	Scene setting and tender briefing (if applicable)	28.02.11		Panel
d	Final date for receipt of tender clarification questions	21.03.11		DM
e	Final tender clarification responses issued	25.03.11		DM
f	Receipt and custody of tender submissions	01.04.11		County Hall
g	Tender opening	04.04.11		Legal
<b>5</b>	<b>EVALUATION</b>			
a	Initial compliance check of tenders	04.04.11		DM
b	Commercial evaluation begins	05.04.11		Panel

# ESCC Tender Timetable

Contract : Integrated Community Equipment Service

	DETAILS	TARGET DATE		ACTION
c	Site Visits (if appropriate)	11.04.11		Panel
d	Bid clarification, and interviews	04.05.11		Panel
e	Tender Panel meet for recomendation	09.05.11		Panel
f	Tender Panel report submitted	11.05.11		DM
g	Approval for award given (by DMT)	12.05.11		DMT
<b>6</b>	<b>CONTRACT AWARD</b>			
a	Appoint provider(s)	16.05.11		DM
b	Notify unsuccessful providers	16.05.11		DM
c	Implement mandatory 10 day stand still period	16.05.11		DM
d	Inform internal stakeholders of award decision	01.06.11		DM
e	Debrief unsuccessful providers	01.06.11		SR / DM
f	OJEU notice of contract award	06.06.11		DM
<b>7</b>	<b>CONTRACT START</b>			
a	Agree transition plan and timetable with successful provider	08.06.11		CB
b	Transition period			
c	Prepare final contract documents	01.08.11		DM
d	Contract start	30.09.11		DM

## APPENDIX TWO: COMMISSIONING PROSPECTUS KEY DATES

<b>Date</b>	<b>Deliverable</b>
14 <sup>th</sup> February 2011	Publication of the Commissioning Grants Prospectus
15 <sup>th</sup> March 2011	Meet the commissioners event to clarify objectives
28 <sup>th</sup> April 2011	Deadline for applications at 12 noon
Week commencing 23 <sup>rd</sup> May	Clarification of proposals where required.
Week commencing 6 <sup>th</sup> June	Funding agreement negotiation where required
From 1 <sup>st</sup> July	Funding agreements awarded
From 1 <sup>st</sup> October	Funding agreements start dates