

Report to: **Adult Social Care and Community Safety Scrutiny Committee**

Date: **6 September 2012**

By: **Director of Adult Social Care**

Title of report: **Integrated Community Equipment Services (ICES) – adult provision**

Purpose of report: **To provide an update on the re-commissioned services for ICES.**

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## **RECOMMENDATION**

**The Scrutiny Committee is recommended to:**

**1. Consider and comment on the commissioning arrangements for ICES and the impact of the new service model.**

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### **1. Financial Appraisal**

1.1 The 2012/13 Integrated Community Equipment Services (ICES) base budget is £3.267m for adult equipment provision. Funding from Health Reablement has been proposed at £690,000: being £438,000 to reflect the increase in base activity and £252,000 as a contingency to meet the impact of Health QIPP (Quality, Innovation, Productivity and Prevention) delivery targets. The total budget for 2012/13 is £3.957m.

1.2 The level of funding for the 2013/14 pooled budget has yet to be determined and will form part of discussions at the Joint Commissioning Board (JCB) in November 2012.

### **2. Background and Supporting Information**

2.1 A Section 75 pooled budget agreement for ICES, supported by joint eligibility criteria, has been in place since April 2007. Since September 2011, children's equipment provision has been excluded from the pooled budget as this is now managed via the Integrated Children's Service.

2.2 The demand for community equipment continues to rise in line with strategic and demographic changes.

2.3 Changes in East Sussex health structures, with the move from two Primary Care Trusts to three Clinical Commissioning Groups, provide an opportunity to review the current pooled budget. It is recommended that some amendments are made to the agreement from April 2013 to reflect the following:

- New commissioning partnership arrangements
- The separation of children and adults' equipment commissioning arrangements.
- The current national and local policy directives relating to ICES.

These amendments will be considered by the JCB in November 2012.

2.4 Under the Health and Social Care Act 2012 contracts will be transferred to the successor organisations, who inherit the previous body's responsibilities under the contract.

2.5 In 2010/2011 a competitive tendering exercise was undertaken for the provision of community equipment and minor adaptation services for adults. These services were advertised in two lots specifically to give local retailers an opportunity to bid for these services. However no bids were received from local retailers or organisations.

2.6 The two newly commissioned services went live on 30 September 2011. Both contracts have been awarded for three years with an option to extend for a further two years on a one plus one

basis. The two contracts were awarded to national commercial ICES provider companies as follows:

- Community Equipment Service: Millbrook Healthcare
- Minor Adaptation Service: Medequip Assistive Technologies LTD.

2.7 One of the main aims of the new service model is to reduce spend on logistical support in order to maximise available resources for direct equipment provision. The 2011/12 position demonstrates an increased proportion of spend on front-line service provision, moving from the previous contract 50/50 position to 63% spend on equipment against 37% spend on logistic and support services. The target is to reach a 70/30 position by the final year of the contract.

2.8 The model promotes clients to initiate delivery arrangements directly with the providers in order to agree a mutually convenient date and a.m. or p.m. delivery time. More than half the delivery arrangements (59%) are initiated directly by clients resulting in a significant drop in wasted journeys. This enables more efficient use of resources with effective scheduling of deliveries, collections and stock management. A positive result is that clients have greater control in arranging when they receive equipment into their homes.

2.9 Contract performance by Millbrook is good with the delivery of a consistently reliable service, as supported by service user and practitioner feedback.

2.10 The contract with Medequip has taken a little time to settle down to achieve a satisfactory level of performance for all aspects of service delivery. Medequip have agreed to remedy any outstanding areas of weak performance by September 2012. The minor adaptation service represents about 10% of the overall pooled budget spend.

2.11 There is further work to fully understand the present level of activity the existing resources support and the extent by which demand for services can increase whilst sustaining the current level of spend on logistics.

2.12 A review of the service model is to be undertaken this year to inform future commissioning requirements post September 2014 when the initial contract period ends.

2.13 Sensory aids and equipment are commissioned through the third sector commissioning prospectus with the services delivered by local voluntary sector partners:

- East Sussex Hearing Resource Centre
- East Sussex Vision Care

These organisations have the requisite specialist skills and knowledge to communicate effectively with this client group.

### **3. Conclusion and Reasons for Recommendation**

3.1 The Scrutiny Committee is recommended to consider and comment on the commissioning arrangements for ICES and the impact of the new service model.

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Local member: ALL

Background Documents: NONE