



Doncaster Council

Report

Date: 1 April 2022

To the Cabinet Member for Adult Social Care

THE RETENDER OF THE INTEGRATED COMMUNITY EQUIPMENT LOAN SERVICE (ICELS) CONTRACT.

Relevant Cabinet Member(s)	Wards Affected	Key Decision
Cllr Andrea Robinson	All	Yes

EXECUTIVE SUMMARY

THE PURPOSE OF THIS REPORT IS TO:

1. Agree to the retender of the contract with the revised service specification as detailed within this report.

EXEMPT REPORT

2. There are no exemptions or confidential information in this report.

RECOMMENDATIONS (agreed in principle with the CCG)

3. Agree to the retender of the Integrated Community Equipment Loan Service (ICELS) contract with the revised service specification as detailed within the report.

WHAT DOES THIS MEAN FOR THE CITIZENS OF DONCASTER?

4. The new contract will support the increasing demand for the provision of community equipment. It will also allow the public easy access to the service and enable a self-purchase retail model. Through enabling the recycling and increased collection of equipment this contract will see less environmental impact. The service will also allow statutory agencies to access services and equipment in a timely manner.

BACKGROUND

5. Statutory guidance states local authorities must provide or commission services that maximise independence for those in need, facilitate hospital discharges, prevent hospital admissions and support interventions such as the provision of formal care and rehabilitation/reablement services.
6. Community equipment enables this and also promotes independence contributing to preventing the needs for care and support, reduce the risk to health, help maintain independence or support reablement or recovery.
7. The Integrated Community Equipment Loan Service (ICELES) allows community equipment and non-catalogue equipment (Special Equipment) to be ordered, loaned, procured, stored, supplied, distributed, collected, decontaminated, repaired, recycled, and serviced across Doncaster. This is from loan of helpful aids to assist daily living to complex aids and equipment including sensory aids.
8. Doncaster Metropolitan Borough Council (DMBC) and NHS Doncaster Clinical Commissioning Group (DCCG) have jointly commissioned an ICLES since 2005. This budget currently stands around £3.6 million per annum (DCCG, £2.2 mil + DMBC £1.4 mil). The proposal for the retendering of the contract sees the overall potential contract life value of approximately £25 million.
9. Nottingham Rehab Services limited (NRS) have been providing the service from September 2014 under a contractual arrangement for 5 years with an additional 2-year extension available. The council and DCCG extended the contract for the further two years and then a further 12 month waiver contract period due to the covid pandemic. The current contract ends on 5th September 2022.
10. A project team was formed led by a Partnership Manager, and has implemented a full review of the service including local and national best practice identified by benchmarking the service with other ICELES contracting authorities i.e. other local authorities and clinical commissioning groups.
11. This has included reviewing the catalogue equipment offer, data reporting and monitoring, commissioning and procurement, finance and ongoing project support from the Policy, Insight and Change team.
12. Work-stream representatives have come from all areas of Adults and Children's Health and Social Care in Doncaster council and trusts including Assistant Directors, Heads of Service, Principal OT, Advance Practitioners, Clinical Leads, Prescribers, Legal, Contracts, Procurement, Commissioning, Finance and our counterparts in the CCG. Regular meetings, communications and presentations at all appropriate levels including Director Level have taken place. Market engagement, equipment awareness and review groups and Prescriber surveys have all contributed to the review data.

13. The review has allowed us to evaluate the service, identify challenges and make longer term improvements which include but are not limited to:-
- Removing the single use policy of low level items in acute services and operating a reuse policy
 - Improvements to the internal contributions and re-charging of Children's Special Educational Needs (SEN) equipment are in place to meet the demand in usage
 - Improved recycling options and opportunities for Service Users to drop off at depot and designated collection points within Trusts. This will include Acute and Rehab services and also at Household Waste Recycling Centres. Collections of all items instead of selected items to support Greener Cleaner Doncaster
 - A wider range of equipment to include - support of Single Handed Care, faster pressure care interventions and reductions in clinician time. Quicker access to assessment items
 - Clear Instructions for use/care/return adding to all equipment items including loan agreement and damage liability
 - All relevant products including non-contract specials to be serviced and warranty managed by the service provider
 - Provider led updated IT systems for prescriber orders driving behaviours and reduction in multiple tasks required for special orders
 - Autonomy for Service Users to maintain equipment easily and promote equipment care
 - Promotion of smarter mobile technologies and message/text services within Prescriber and Customer service
 - Planned Active Recall of Care Home Equipment - We want Providers to work with Commissioners and play a key role in care home collections and procedures
 - Proactive and planned community equipment recall processes
 - Profession specific competency based equipment training for prescribers
 - Provider to supply commissioner led performance dashboard and reporting for continuous rigour and challenge to prescribers
 - Current financial model based on 100% credit back model. Proposal is to move to 80/20% model. This means 80% of the agreed selling price on all purchases of Standard Stock is credited back. Within this model a separate cleaning charge is not usually applied. Cost of refurbishment is reflected in the 20% credit differential rather than a separate cleaning charge as in the 100% credit back model. Expectation is any increase in cost will be offset by increased recycling, care home equipment recall, reducing the amount of multiple equipment sent, changes to prescriber behaviours and delivery savings.
14. We expect to commission a provider who be able to work innovatively and flexibly. This will include being able to deploy Smart Technologies and Apps, use ICELS as part of integrated care planning and community support work, provide services to Special Schools, assist Doncaster people to access community equipment using direct payments, allow care homes to purchase stock equipment directly.

OPTIONS CONSIDERED

15.

- Decommission – there would be no service and we would be unable to provide statutory obligation
- Re-tender the service on previous terms – the service would not develop and improve
- Tender the service against an improved specification to improve outcomes for Doncaster people: **preferred option**

REASONS FOR RECOMMENDED OPTION

16. To improve outcomes for Doncaster people, reduce impact on our environment, and increase value for money for both the Council and NHS.

IMPACT ON THE COUNCIL'S KEY OUTCOMES

17.

	Outcomes	Implications
	<p>Doncaster Working: Our vision is for more people to be able to pursue their ambitions through work that gives them and Doncaster a brighter and prosperous future;</p> <ul style="list-style-type: none"> • Better access to good fulfilling work • Doncaster businesses are supported to flourish • Inward Investment 	
	<p>Doncaster Living: Our vision is for Doncaster's people to live in a borough that is vibrant and full of opportunity, where people enjoy spending time;</p> <ul style="list-style-type: none"> • The town centres are the beating heart of Doncaster • More people can live in a good quality, affordable home • Healthy and Vibrant Communities through Physical Activity and Sport • Everyone takes responsibility for keeping Doncaster Clean • Building on our cultural, artistic and sporting heritage 	Improvements to the way we approach the reuse and recycling of equipment with the Provider, Partners and General Public, encouraging collections and returns
	<p>Doncaster Learning: Our vision is for learning that prepares all children, young people and adults for a life that is fulfilling;</p>	The equipment service supports all children in and out of school with their equipment needs to enable fulfilled and

	<ul style="list-style-type: none"> • Every child has life-changing learning experiences within and beyond school • Many more great teachers work in Doncaster Schools that are good or better • Learning in Doncaster prepares young people for the world of work 	independent lives
	<p>Doncaster Caring: Our vision is for a borough that cares together for its most vulnerable residents;</p> <ul style="list-style-type: none"> • Children have the best start in life • Vulnerable families and individuals have support from someone they trust • Older people can live well and independently in their own homes 	The equipment service supports agencies and services to work together to provide all children and adults with varying health and social care needs with effective and person centred care.
	<p>Connected Council:</p> <ul style="list-style-type: none"> • A modern, efficient and flexible workforce • Modern, accessible customer interactions • Operating within our resources and delivering value for money • A co-ordinated, whole person, whole life focus on the needs and aspirations of residents • Building community resilience and self-reliance by connecting community assets and strengths • Working with our partners and residents to provide effective leadership and governance 	The recommendations of this report seek to support a connected Doncaster Council, supporting accessible interactions with all users of this service, offering best possible value for money, and robust leadership and governance of the service whilst working with our partners.

RISKS AND ASSUMPTIONS

18. Risks will be managed within the procurement process.

LEGAL IMPLICATIONS [Officer Initials...PC..... Date...11/03/22.....]

19. Section 1 of the Localism Act 2011 provides the Council with a general power of competence, allowing the Council to do anything that individuals generally may do.

Section 111 of the Local Government Act 1972 gives a local authority power to do anything (whether or not involving the expenditure, borrowing or lending of money or the acquisition or disposal of any property or rights) which is calculated to facilitate, or is conducive or incidental to, the discharge of any of its functions.

The Care Act 2014 obligates the Council to meet the eligible care and support needs of its population in accommodation in a care home or by providing care and support to those individuals in their home or in the community. This includes the provision of community equipment that actively promotes wellbeing and independence and helps to prevent need or delay deterioration wherever possible.

The duty can be met by either commissioning a managed service from an external provider or by providing it in house.

The value of this contract is above the light touch threshold for the purposes of the Public Contracts Regulations 2015 and therefore the procurement process must be compliant with the Public Contracts Regulations 2015 and be consistent with the Council's Contract Procedure Rules.

Legal services to assist with drafting the necessary contractual documentation for the procurement and award of the managed services contract.

FINANCIAL IMPLICATIONS [Officer Initials...PW...Date...11/03/22.....]

20. The current annual spend for the existing ICELS contract is approx. £3.9m, of which DMBC contribute £1.7m and DCCG £2.2m.

It is not yet clear what the overall cost of the retender will be but it is anticipated to be managed within existing budgets. However, the possible impact of current supply chain issues, freight surcharges, and oil/gas inflationary pressures are causing high levels of uncertainty about the value of the tender responses. Any additional cost will be identified as the project progresses and will need to be addressed as part of the annual budget setting process.

This budget has generally been under pressure over recent years and the service is expected to grow as care services support individuals to live at home and in their community. This growth will support traditional services, and may reduce the amount/value of commissioned care packages. This will need to be monitored and reported as part of the revenue monitoring cycle.

However, improved monitoring within the new contract is intended to assist this by:

- Providing an up-to-date catalogue of standard stock equipment for prescribers to use
- Providing a way of monitoring and promoting prescriber behaviour which will minimise unnecessary spend including reducing urgent/emergency delivery charges, and ordering multiple items of equipment for individuals
- Improved performance monitoring at team level, improving financial reporting and better use of resources

The main change from a financial standpoint is a change from a 100% to an 80/20 credit model. When the current contract was tendered it was done on a basis of both 100% and 80/20 credit models and whilst ultimately awarded on a 100% model overall bids submitted were not significantly different dependent upon the model chosen. In fact the 80/20 model was the lower cost model for 2 out of 4 providers bidding. Therefore it is expected that although this will shift spend in individual areas of the service it is not expected to have a significant impact to overall tender price.

For example, it will reduce the credits received from collected equipment, however this will be partly mitigated by an expected significant increase in recycling rates. Initial estimates suggest that this may be an additional £300k p/annum across the contract based on current activity levels. It is also generally understood that the 80/20 model will have lower delivery charges than a 100% model, as the provider will subsidise their profit margin from within the 20% item value they retain rather than from within the delivery charge.

There will also be an increase in costs as specialist equipment maintenance will be charged for within the new contract. This has not been happening in the current contract, but needs to be included to remove safety concerns with such equipment.

It is intended that any increased costs will be offset by such service improvements as increased collections of equipment from care homes, improving prescriber behaviours, and savings on multiple item deliveries –this will not be delivered purely due to the new contract but will need to be managed alongside it.

HUMAN RESOURCES IMPLICATIONS [Officer Initials TM Date 17/03/22]

21. There are no human resource implications with this report

TECHNOLOGY IMPLICATIONS [Officer Initials...PW..... Date...17/03/22]

22. NRS's web based platform/portal (IRIS) is currently used by prescribers from DMBC, RDaSh and DBTH to order equipment as part of the ICELS contract. The procurement of a new ICELS contract may require the use of replacement technology, where there is a change in supplier. Digital & ICT together with Information Governance need to be involved as part of the procurement process to ensure that any replacement supplier portal is secure and GDPR compliant. In addition, further engagement is needed with Digital & ICT re future plans to introduce smart technologies and apps as part of the replacement contract. Ideally this procurement should have had visibility through the Technology Governance Board (TGB) due to the

potential change in provider portal. However, we would not want to delay the wider procurement at this late stage. We will highlight this to TGB members at the next meeting in April and reinforce the need for early TGB engagement for any projects/procurements that involve a technology solution.

HEALTH IMPLICATIONS [Officer Initials PH Date 17/03/22...]

23. The availability of community equipment will improve the health and wellbeing of Doncaster people, from children and adults with disabilities through to older people. Community equipment, if used in the right way, brings independence and dignity to the lives of many. This proposed re-tender, through improving the access to community equipment and enabling a diversification of the support offered, should enable further improvements in health and wellbeing across the Borough.

EQUALITY IMPLICATIONS [Officer Initials TM Date...18/03/22.....]

24. There are no equality implications with this report

CONSULTATION

25. Ongoing regular consultation with the CCG and Cllr Robinson

BACKGROUND PAPERS

26. None

GLOSSARY OF ACRONYMS AND ABBREVIATIONS

ICELS **Integrated Community Equipment Loan Service**
DCCG **Doncaster Clinical Commissioning Group**

REPORT AUTHOR & CONTRIBUTORS

Tracy Miller, Partnership Manager, Integrated Community Equipment Loan Service
tracy.miller@doncaster@doncaster.gov.uk

Phil Holmes
Director of Adults Health and Wellbeing