

**By:** Andrew Ireland, Corporate Director for Social Care, Health and Wellbeing

**To:** Graham Gibbens, Cabinet Member for Adult Social Care and Public Health

**Decision No:** 15/00012

**Subject:** **TENDERING FOR INTEGRATED COMMUNITY EQUIPMENT SERVICES AND SECTION 75 AGREEMENT BETWEEN HEALTH AND SOCIAL CARE**

**Classification:** Unrestricted

**Past Pathway:** Adult Social Care and Health Cabinet Committee  
3 March 2015

**Future Pathway:** N/A

**Electoral Division:** All

**Summary:**

The report is seeking agreement to enter into a Section 75 agreement for an Integrated Community Equipment Service with the NHS Clinical Commissioning Groups (CCG) and for officers to be delegated authority to enter all necessary contractual arrangements required to put the service in place.

The agreement covers the provision of equipment across both Adult Social Care and Specialist Children's Services divisions, as well as the Education and Young People's Directorate.

**Recommendation:**

The Cabinet Member for Adult Social Care & Public Health is asked to agree:

- 1) That the Integrated Community Equipment Service be delivered as an integrated service from 1 December 2015, jointly funded by Kent County Council and NHS Clinical Commissioning Groups and delivered by a preferred bidder identified, as a result of a competitive tendering exercise; and
- 2) To delegate to the Corporate Director for Social Care, Health and Wellbeing, or other nominated officer, responsibility to enter all necessary contractual arrangements to formalise the joint funding agreements. These will include, but not be limited, to:
  - a) the signing and affixing of the Council seal to a section 75 agreement between Kent County Council and health partners.
  - b) the advertisement and management of a competitive tendering exercise and the award of contract to the preferred bidder, consulting the Cabinet Member as required by the Council's scheme of financial delegation.

## **1. Introduction**

- 1.1 The purpose of this paper is to outline the joint proposal by the seven Kent Clinical Commissioning Groups and the County Council to commission an integrated community equipment service for Kent. This will need to be underpinned by a Section 75 Agreement between all partners.

## **2. Background**

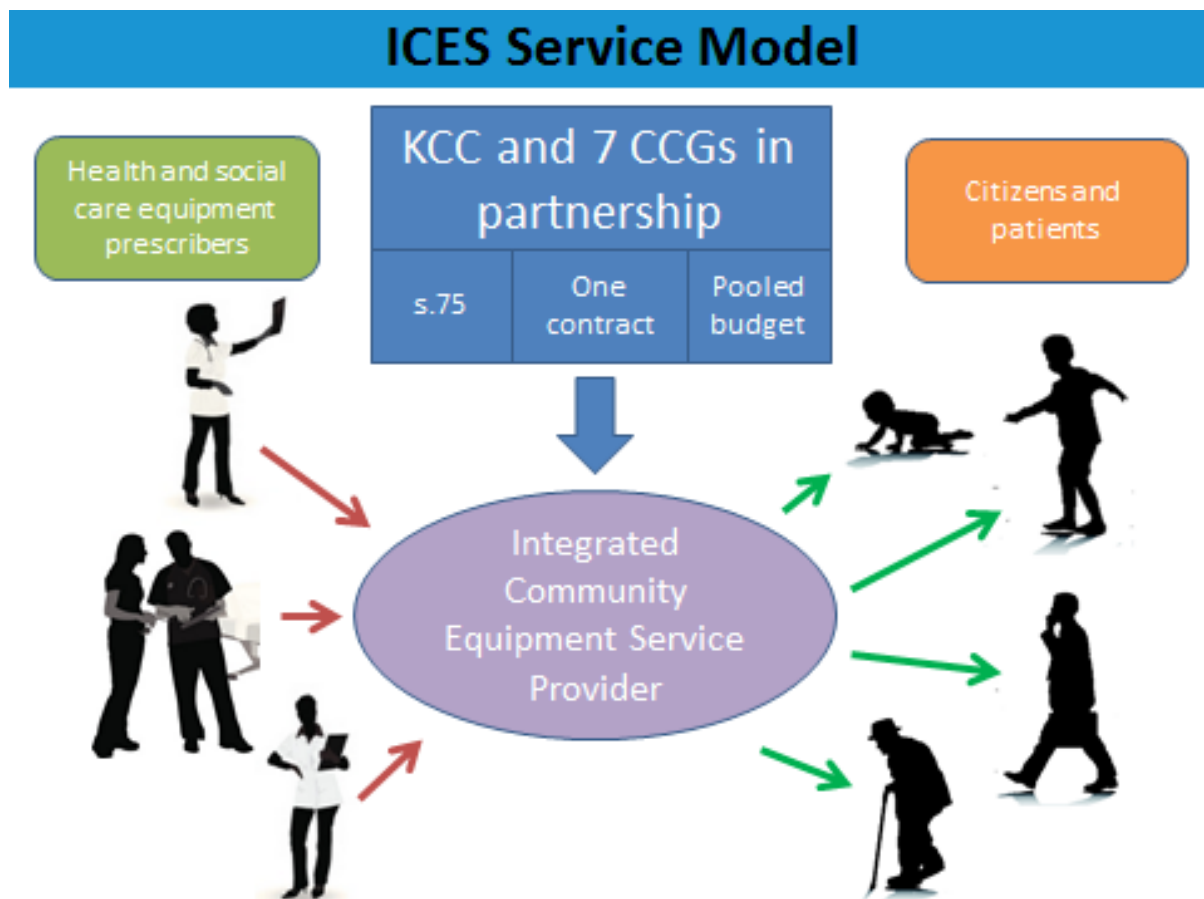
- 2.1 The Community Equipment Services play a crucial role in helping the most vulnerable people in Kent remain in their own homes. Through the provision of equipment, people are either enabled to carry out everyday activities, maximising their independence, or to be provided with equipment which supports them to be cared for at home. Children are given the best opportunity to be as independent as possible, at home and in education, and their parents/carers supported to care for them. The effect of this is to reduce care home and hospital admissions and to assist in timely discharge from hospital.
- 2.2 Currently, equipment is provided through three separate arrangements. Kent Community Health NHS Trust (KCHT) provides nursing/medical equipment, for example beds and pressure relief and walking aids, the County Council (through Commercial Services Kent) provide items such as chairs and bath lifts, and together KCHT and Kent County Council (through the Integrated Community Equipment Service) provide equipment for hospital discharge, moving and handling and standard equipment such as raised toilet seats/perching stools and all children's equipment. KCHT makes separate arrangements for health equipment and the County Council makes separate arrangements for the provision of social care equipment through Commercial Services Kent. The result is a set of complex purchasing and sub-contracting arrangements for equipment across health and social care.
- 2.3 The Integrated Community Equipment Service currently commissioned from Commercial Services Kent and Kent Community Health Trust includes:
- Procurement, provision, delivery, collection, cleaning and recycling of equipment for health and social care on behalf of children and adults living within the community (including Nursing/Residential Homes)
  - Maintenance of equipment
  - Use of various sub/loan stores
  - A pooled resource across NHS and Social Care to secure efficiencies and value for money
- 2.4 Although some elements of the current community equipment services are integrated, the arrangements are based on historic working arrangements put in place when the NHS Primary Care Trusts were in existence and there is no valid section 75 in place now.
- 2.5 Telecare installation services are commissioned from Commercial Services Kent and monitoring services from Centra Pulse (with this extended contract

due to expire at the end of March 2016). A small range of other digital care services is being piloted but will need to be mainstreamed as new and emerging technology develops to support care provision.

- 2.6 Within the County Council we have extended the joint approach across social care to education, providing the equipment service to support Kent children in Kent schools. Whilst the service had been limited to those subject to a Statement of Special Education Need, from January 2015 the service is extended to those receiving SEN Support in their schools.

### 3. Service Model

- 3.1 The Partnership is committed to moving to a single provider with appropriately located stores to deliver both health and social care equipment to the people of Kent.



### 4. Commissioning Approach

- 4.1 The County Council and CCGs have worked collaboratively with all stakeholders on the service specification for an integrated community equipment service in Kent. The specification is based on successful similar contracts in operation for several years in other Counties and London Boroughs. It also takes into consideration the Community Equipment Code of Practice (CECOPS) and the nationally recognised Telecare Services Association standards and has been

informed by the Equality Impact Assessment for the service. The high level service outcomes are listed in Appendix 2.

- 4.2 A market engagement exercise has been undertaken which identified a good level of interest from a range of providers capable of delivering a service of the scale demanded in Kent. In addition meetings have taken place with local councils and CCGs in other parts of the UK and visits have also been made to service providers to understand the developments and opportunities, both in terms of operation and achieving best value for money available to the partnership .
- 4.3 The existing Integrated Community Equipment Service (ICES) Partnership Board has provided governance and has overseen the work. An ICES Project Board was established to consider a range of options for the future service. Kent County Council Procurement Board on the 27 November 2014, agreed the procurement route which was to follow a full Official Journal of the European Union (OJEU) process, using a restricted procedure for two lots – 1) Community Equipment and 2) Telecare.

## **5. Policy Context**

- 5.1 This proposed service enables the County Council and the CCGs to meet a number national policies and directives in relation to the care and support for adults and children. It meets the joint agenda for integration of health and social care and supports the outcomes of the Joint Health and Wellbeing Strategy:
- Every child has the best start in life;
  - Effective prevention of ill health by people taking greater responsibility for their health and wellbeing;
  - The quality of life for people with long term conditions is enhanced and they have access to good quality care and support;
  - People with mental health issues are supported to 'live well';
  - People with dementia are assessed and treated earlier, and are supported to live well.

## **6. Legal Implications**

- 6.1 In order for the integrated service to be provided, the partners will enter into a partnership arrangement under section 75 of the NHS Act 2006 to commission and provide integrated health and social care services to better meet the needs of the service users of Kent than if the partners were operating independently. The partnership shall:
- Comprise the delegation by the NHS Bodies to the Authority (Kent County Council) of the NHS functions so that it may exercise the NHS functions in part alongside the Authority health related functions
  - Comprise the establishment and maintenance of pooled funds for the services in accordance with the regulations and on the terms set out in the agreement

- Establish integrated management and commissioning with regard to ICES
- The Authority (Kent County Council) shall host and provide the financial administrative systems for the pooled fund.

6.2 The final version of the Section 75 agreement has been agreed by all the Kent CCGs, Kent County Council legal services and finance. (Appendix 3)

## **7. Financial Implications**

- 7.1 A Section 75 agreement will be entered in to by all parties to provide a framework within which to work with health partners, and includes financial protections for the County Council.
- 7.2 A pooled fund will be created which will include two aligned budgets (one for the CCGs for health only equipment and one for the County Council for social care equipment) and an integrated budget for those items that are jointly funded.
- 7.3 The County Council's overall combined annual spend for community equipment services is approximately £11.3m.
- 7.4 The CCG current spend is detailed in "Schedule 3 – Contributions" of the section 75 Agreement included with these papers (Appendix 3). The total CCG spend is approximately £5.7m, of which £818k will be within the Integrated Budget and £4.8m from the CCG Aligned Budget.
- 7.5 The County Council spend for community equipment (including telecare) is approximately £5.6m. of which £785k will be within the Integrated budget and £4.8m from the County Council Aligned Budget.
- 7.6 The forthcoming tender will be for a contract length of five years, with the opportunity to extend for a further two years. Over five years the overall contract value will be circa £55m.
- 7.7 The governance will be provided through the ICES Partnership Board, as described in the principles in the section 75 agreement. The Director for Older People/People with Physical Disabilities, Social Care Health and Wellbeing will chair the Board which will comprise: Senior Managers from the seven CCGs; Senior Accountant from the County Council; County Manager for Occupational Therapy and Reablement Services; CCG Lead Officer for ICES and Contract and Procurement officers.

## **8. Equality Implications**

8.1 None

## **9. Cabinet Committee Input**

- 9.1 The recommendation report and proposed decision were discussed at the 3 March 2015 Adult Social Care & Health Cabinet Committee. Officers introduced the report and recommendation noting that the proposed decision was in line with the objective of becoming a commissioning council and would provide an integrated service that was fit for purpose. In response to questions and comments, it was noted that the provider would be incentivised to re-cycle and reuse equipment and the arrangements for returning equipment would be made clear to users when it was provided. It was also noted that the proposed agreement would cover the provision of equipment across Adult Social Care, Specialist Children's Services and the Education and Young People's Directorate.
- 9.2 The Cabinet Committee resolved that the proposed decision should be endorsed.

### **10. Recommendation:**

The Cabinet Member for Adult Social Care & Public Health is asked to agree:

- 1) That the Integrated Community Equipment Service be delivered as an integrated service from 1 December 2015, jointly funded by Kent County Council and NHS Clinical Commissioning Groups and delivered by a preferred bidder identified, as a result of a competitive tendering exercise; and
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  - b) the advertisement and management of a competitive tendering exercise and the award of contract to the preferred bidder, consulting the Cabinet Member as required by the Council's scheme of financial delegation.

### **11. Lead Officer:**

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**13. Background Documents:**

Appendix 1 - High Level Services Outcomes of the Integrated Community Equipment  
Service

Appendix 2 – Section 75 Agreement for the Procurement of Health & Social Care  
Integrated Community Equipment Services (ICES) for Adults and  
Children