

From: Richard Smith, Corporate Director Adult Social Care and Health

To: Clair Bell, Cabinet Member for Adult Social Care and Public Health

Subject: **Integrated Community Equipment Service**

Decision Number: **22/00081**

Classification: Unrestricted

Past Pathway of report: Governance Directorate Management Team – 15 June 2022
Adult Social Care Cabinet Committee – 28 September 2022

Future Pathway of report: Cabinet Member decision

Electoral Division: All

Summary: The current Integrated Community Equipment Service contract is due to expire on 30 November 2022 and new arrangements need to be in place by 1 December 2022. There is opportunity to design a service that meets the needs of local populations, promotes choice and retains equity of service provision. A contract extension of the current service will provide the time needed to undertake the service redesign.

Recommendation(s): The Cabinet Member for Adult Social Care and Public Health is asked to:

- a) **EXTEND** the current Integrated Community Equipment Service Contract for 16 months from 1 December 2022 to 31 March 2024;
- b) **PROCURE** a new long term sustainable service model; and
- c) **DELEGATE** authority to the Corporate Director Adult Social Care and Health to take relevant actions, to finalise the terms of the required contract extension and to facilitate procurement activity, as necessary to implement the decision.

1. Introduction

- 1.1 The current Integrated Community Equipment Service (ICES) Contract is due to expire on 30 November 2022 and new arrangements need to be in place by 1 December 2022.
- 1.2 There is opportunity to design a service that meets the needs of local populations, promotes choice and retains equity of service provision.

- 1.3 The new service will be integrated with health and social care and based on the Making a Difference Everyday (MADE) approach. It will align to the new Strategic Direction principles including Self-Directed Support.
- 1.4 A contract extension of the current service for 16 months will provide the time needed to undertake the service re-design.

2. Background

- 2.1 The ICES is jointly funded and commissioned by Kent County Council (KCC) in partnership with the NHS Kent and Medway Integrated Care Board (formerly the Kent and Medway Clinical Commissioning Group). KCC is the lead commissioner for the contract.
- 2.2 The ICES Contract covers purchase, delivery and repair/servicing and installation of equipment into people's homes enabling them to live more independently. All items of equipment are loaned and collected on a recycle and re-use basis and KCC receive a credit of between 70% - 85% of the original cost.
- 2.3 The service supports essential timely hospital discharge. It seeks to reduce the need for care and support in the home and mitigate stays in residential care by providing the right equipment to support independence. It aligns to the seven principles of the MADE approach.
- 2.4 Increased demand during the pandemic, together with pressure on global supply chains; and freightage is impacting on service costs.
- 2.5 Consideration was given to service re-procurement with small efficiency changes, and this would have enabled re-procurement within the time limit of the current contract, however rising demand and costs of logistics and raw materials that are driving up service costs meant this option is a financially high risk one and would threaten future sustainability of the service. It is therefore recommended that a full service re-design is needed to address these risks.
- 2.6 The new service model will align to the priorities of "Framing Kent's Future – Our Council Strategy 2022 – 2026" and will: -
 - Narrow the gaps in outcomes between different parts of Kent with a particular focus on providing the right type of equipment to improve life in deprived communities.
 - Harness digital connectivity to ensure people are aware of all their options and have access to all the equipment and services they need and want.
 - Contribute to the Net Zero targets, by exploring options to reduce the carbon footprint of the service.
 - Manage future demand and resource challenges facing the service to ensure it continues to support people to lead the lives they want to live in the future.

- 2.7 The new service will incorporate digital technology to promote self-directed support and reduce the costs of providing new equipment and emergency deliveries.
- 2.8 A report detailing the outcome of the service redesign and subsequent contract award will be presented to a future meeting of this committee.

3. Financial Implications

- 3.1 The annual budget for this service has steadily increased since the contract inception with annual growth from c£9m to £15m net to the indicated levels in the below table:

2021/ 2022				
Annual Budget	KCC Adults	KCC Other	Joint	Health only
15,451,934	2,511,379	519,213	3,036,510	9,384,831

- 3.2 KCC receive funding from the NHS Kent and Medway Integrated Care Board (formerly the Kent and Medway Clinical Commissioning Group) for 2 posts linked to the management of this contract. They have also agreed to contribute £50,000 to the re-procurement costs.
- 3.3 The combined health and social care cost of extending the current service for 16 months until 31 March 2024 would be circa £20,602,578 million based on current spend 2021/22. KCC's proportion of this is likely to be in the region of £6,062,462 based on current spend 2021/22.
- 3.4 Commissioners are working with the current provider on early cost efficiency schemes to address the risk of rising costs during the contract extension period.

4. Legal implications

- 4.1 The provision of services to support people with health and/or social care needs following discharge from hospital is detailed within the Care Act 2014.
- 4.2 Paragraph 8.14 of the Statutory Care and Support Guidance states that "*local authorities may not charge for assessments, community equipment and minor adaptations, intermediate care or reablement for up to six weeks*".
- 4.3 Regulation 72(1)(c) of the Public Contracts Regulations 2015 allows for modification of up to 50% of the original contract value where the need is brought about by circumstances that a reasonable authority could not have foreseen.

4.4 Independent legal advice is to extend the current contract under Regulation 72 1 (e) of the Public Contracts Regulations 2015 and to commence market engagement as early as possible.

5. Equalities implications

5.2 An Equality Impact Assessment (EQIA) has been developed to support the service re-design and long-term jointly commissioned service (Attached as Appendix 1). This will be updated as work on the service re-design progresses.

6. Data Protection Implications

6.1 There are no anticipated data implications associated with the contract extension as there will be no change to current service, or the data collected or shared, and therefore this will be covered under existing contract clauses.

6.2 A Data Impact Assessment will be undertaken to support the long-term jointly commissioned option.

7. Conclusions

7.1 The service is jointly funded and commissioned by Kent County Council in partnership with Kent and Medway Integrated Care Board.

7.2 Increased demand, together with pressure on global supply chains; and freightage is impacting on service costs. This is not unique to Kent. The service is not sustainable in its current form without investment.

7.3 The current contract is due to expire on 30 November 2022 and new arrangements need to be in place by 1 December 2022.

7.4 There is opportunity to design a service that is sustainable for the future, meets the needs of local populations, promotes choice and retains equity of service provision.

7.5 The new service will be integrated with health and social care and based on the Making a Difference Everyday (MADE) approach. It will align to the new Strategic Direction principles including Self-Directed Support.

7.6 A contract extension of the current service for 16 months will provide the time needed to undertake the service re-design.

7.7 The new service will incorporate digital technology to promote self-directed support and reduce the costs of providing new equipment and emergency deliveries. A report detailing the outcome of the service redesign and subsequent contract award will be presented to a future meeting of this committee.

8. Recommendations

8.1 Recommendation(s): The Cabinet Member for Adult Social Care and Public Health is asked to:

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- b) **PROCURE** a new long term sustainable service model; and
- c) **DELEGATE** authority to the Corporate Director Adult Social Care and Health to take relevant actions, to finalise the terms of the required contract extension and to facilitate procurement activity, as necessary to implement the decision.

9. Background Documents

None

10. Report Author

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