
Decision Maker:	EXECUTIVE WITH PRE-DECISION SCRUTINY FROM ADULT CARE AND HEALTH SERVICES POLICY DEVELOPMENT AND SCRUTINY COMMITTEE (24 JANUARY 2022)
Date:	January 2022
Decision Type:	Non-Urgent Executive Key
Title:	PERMISSION TO CALL-OFF NEW CONTRACT FOR THE INTEGRATED COMMUNITY EQUIPMENT SERVICE IN BROMLEY, VIA THE LONDON CONSORTIUM MEMBERSHIP
Contact Officer:	Esme Ahmeti, Senior Commissioning Officer Tel: 0208 Tel E-mail: esme.ahmeti@bromley.gov.uk
Chief Officer:	Kim Carey, Director of Adult Social Care, ECHS
Ward:	This service will operate boroughwide

1. Reason for report

- 1.1 This Part 1 Contract Award report outlines the current arrangements for the provision of Bromley's Integrated Community Equipment Service (ICES), commissioned through the London Community Equipment Consortium (London Consortium), and sets out the results of the Tender Exercise for the provision of the new service.
- 1.2 The current contract for ICES ends on 31st March 2023 and both 1+1 extension options have been utilised. Executive previously approved (ECHS19049) re-procuring the service through continued membership of the London Consortium and for Bromley Council to participate in the joint re-tendering exercise, which was activated in April 2022.
- 1.3 Approval to call-off the new contract is being sought to support the conclusion of the Consortium-led Tender Exercise and the new Framework Agreement, in order for the new service to commence on 1st April 2023, and for Bromley to continue to support and meet the needs of Bromley residents.
- 1.4 This Contract Award Part 1 makes recommendations for the new ICES provision in Bromley and should be read in conjunction with the Contract Part 2 Award Report.

2. **RECOMMENDATION(S)**

The Adult Care and Health Services PDS Committee are asked to note and comment on the contents of this report.

2.2 The Executive are requested to agree to the following:

- i. Support the London Consortium award of the Framework Agreement to the successful bidder for the new ICES. The new provider will operate as the single supplier to a framework agreement to provide an Integrated Community Equipment Service on behalf of the London Community Equipment Consortium. The new contract is scheduled to commence on 1st April 2023;
- ii. Approve to call-off the new contract for the provision of ICES, with an initial period of 5 years, with one plus one year extension periods;
- iii. Approve Recommendation iii, as detailed in Part 2;
- iv. Delegate to the Director of Adult Services, in consultation with the Portfolio Holder for Adult Care & Health Services, the Assistant Director of Governance & Contracts, the Director of Finance and the Director of Corporate Services, authorisation to extend the contract for up to two years.
- v. Continue to approve the annual Consortium membership fee (value detailed in Part 2).

Impact on Vulnerable Adults and Children

1. Summary of Impact: Continued membership of London Consortium and a new call-off contract award to deliver the necessary equipment to enable people to live safely in their own home.
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Transformation Policy

1. Policy Status: Existing Policy
 2. Making Bromley Even Better Priority:
For children and young People to grow up, thrive and have the best life chances in families who flourish and are happy to call Bromley home.
For adults and older people to enjoy fulfilled and successful lives in Bromley, ageing well, retaining independence and making choices.
To manage our resources well, providing value for money, and efficient and effective services for Bromley's residents.
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Financial

1. Cost of proposal: Detailed in Part 2
 2. Ongoing costs: Detailed in Part 2
 3. Budget head/performance centre: Assessment and Care Management
 4. Total current budget for this head: £2,326k
 5. Source of funding: Adult Social Care revenue budget, ICB contribution and Better Care Fund
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Personnel

1. Number of staff (current and additional): Not Applicable
 2. If from existing staff resources, number of staff hours: Not Applicable
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Legal

1. Legal Requirement: Statutory Requirement - Care Act 2014. (Children's equipment is covered by the Children Act 1989 and the Chronically Sick and disabled Persons Act 1970), NHS Act 2006
 2. Call-in: Not Applicable
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Procurement

1. Summary of Procurement Implications: The London Community Equipment Consortium completed a tender exercise to identify a preferred supplier for the new single provider framework and call-off contracts for the Consortium member boroughs. The Framework Agreement is planned to commence on 1st April 2023 for a period of five years, with an option to extend for a further two years (maximum term of 7 years).
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Property

1. Summary of Property Implications: Not Applicable
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Carbon Reduction and Social Value

1. Summary of Carbon Reduction/Sustainability Implications: Please see 8.1
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Customer Impact

1. Estimated number of users or customers (current and projected): An estimate of 46,346 activities and services delivered per annum, including equipment deliveries, collections, joint visits, servicing and repairs etc.
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Ward Councillor Views

1. Have Ward Councillors been asked for comments? Not Applicable
 2. Summary of Ward Councillors comments: None
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3. COMMENTARY

- 3.1 Local authorities in England have a statutory duty to plan for the provision of certain home-based services, including disability aids and community equipment, to meet the assessed eligible needs of those individuals who are ordinarily resident in their area. As with most other local authorities, the Council and the then Bromley Primary Care Trust (which then became part of South East London CCG and is now the South East London Integrated Care Board) set up a combined Integrated Community Equipment Service. The agreement, made under Section 256 of the NHS Act 2006, highlighted that “The community equipment contract is an important element in delivering on that objective allowing both health and social care professionals to quickly order items for loan such as hoists, beds, commodes etc. which can support early discharge from hospital or prevent the need for a hospital admission in the first instance.”
- 3.2 The Community Equipment contract in Bromley is currently delivered by Medequip Assistive Technology Ltd through the London Consortium Membership. Loan equipment is ordered online from the directory of items by named ‘prescribers’ via the Medequip IT system. The directory contains ‘global’ stock items i.e. those provided within the Consortium contract, plus ‘local’ stock items which the Bromley Equipment Operational Group has agreed. Bespoke or specialist items can also be purchased from Medequip.
- 3.3 The current community equipment system enables monitoring of prescribing by organisations, teams or by individual prescribers. As is the case across the country, the greater proportion of equipment is ordered by healthcare professionals. The quantity of community equipment loans has been steadily rising, responding to a greater focus on supporting timely hospital discharges and demand from home-based care. Demand is also driven by our ageing population.
- 3.5 Bromley Council joined the Consortium in October 2011, following Executive’s agreement to take part in the joint partnership. There are currently twenty one London Boroughs, including Bromley, within the Consortium partnership, making it the largest community equipment consortium in the UK and Europe. South East London ICB and the Council have a joint arrangement via a Section 75 agreement to use the call-off contract with Medequip to meet its community equipment requirements. This enables named health professionals from Bromley Healthcare, King’s NHS Trust (PRUH) and Oxleas, plus St Christopher’s to order equipment directly from Medequip. Items above a certain value must be authorised by a designated manager.
- 3.6 The Consortium operates a Framework contract with Medequip, held by the Bi-Borough arrangement, (Royal Borough of Kensington and Chelsea and Westminster City Council) with whom Bromley and each member local authority has a call-off contract. The four-year contract with 1+1 extension is due to end on 31 March 2023, and there are no further permissible options to extend the contract. As the Lead Commissioning organisation for the Consortium, the Bi-borough arrangement has been leading on re-tendering the Framework, in order to have a new contract in place by 1st April 2023. The Consortium-led Tender Exercise has been concluded and the successful provider for the new contract has been determined. Details of the procurement exercise process are included in Part 2 of this report.
- 3.7 The recommendations in 2.2 i-iii above are presented because a decision from Council Members from the respective Consortium boroughs is required, in order to finalise the new Framework Agreement. However, it should be noted that consent to proceed via the London Consortium was previously granted by Bromley Executive in July 2021, on the basis that all Consortium members would support the outcome of the tender.
- 3.8 The community equipment market has remained a complex environment nationally, while the additional challenges and disruptions experienced due to the COVID-19 Pandemic, as well as the transition to post-Brexit have led to short term price rises, due to continued pressure on the supply chain. The Executive approval of the one year extension in 2020, allowed for the Framework to observe prices, with the hope this would stabilise before the re-procurement exercise, and therefore reduce the risk of higher than expected price increases to be submitted as part of the tender process.

- 3.9 Because it is difficult to efficiently determine whether equipment has been provided due to a health or social care need and because over time the purpose of someone's equipment needs may change, the basis for contributing to this has been agreed at 60:40 basis for the ICB and LBB respectively.
- 3.10 The new service specification was developed to address a number of inefficiencies experienced during the current contract period and to drive forward the quality of the provider's performance and improved contract monitoring and reporting. It is anticipated that the new model's costs will be partially offset by a reduction in use of the higher cost emergency out of hours activity fee. There will be a new "On Time In Full" KPI, which will require the provider to ensure that all deliveries and other activities are completed within the time window specified by the Prescriber and that all equipment is delivered clean, in good working order and no missing parts. Failure to achieve this will require the provider to cascade the activity fee to the actual completed tariff and any re-work will be at the provider's expense. Failure to achieve the KPIs will result in service credits being applied.
- 3.11 The Consortium will also be taking the lead in reviewing the equipment catalogue and working directly with the supply chain and the service provider to maximise the Consortium's buying power. The Consortium Team will be working with the member Boroughs to take measures locally to mitigate the risk of increased equipment expenditure and use of high-cost activity tariffs to ensure appropriate clinical oversight of equipment provision and effective contract management of their call-off contracts.

4. Tender Exercise

- 4.1 The London Consortium Framework contract is due to end on 31st March 2023. The London Consortium tender was published in May 2022 utilising the procurement portal CapitalEsourcing, in order to identify a preferred supplier for the new single provider framework and call-off contracts for the Consortium member boroughs, including Bromley. The procurement process for the ICES was conducted in the name of the Royal Borough of Kensington and Chelsea (RBKC) with Westminster City Council (WCC) acting as co-lead with RBKC and the tender followed the 'Open Procedure'.
- 4.2 A summary of the results of the evaluation process are detailed in the Part 2 Report.
- 4.3 The Tender Evaluation Panel consisted of representatives from some of the Consortium member authorities (including Bromley), as well as the Consortium Management team and Consortium Clinicians, representing areas of Information Governance, Adults Social Care, Finance, Commissioning and Procurement.
- 4.4 The Framework Agreement for the new service is planned to commence on 1st April 2023 for a period of five years, with an option to extend for a further two years on a 1+1 basis (maximum term of 7 years). This exceeds the usual 4 year rule as prescribed in PCR 33(3) of PCR, in order to maximise the opportunities to further develop ICES for its customers during the lifetime of the arrangement and to deliver value for money.

5 CONTRACT AWARD RECOMMENDATION

- 5.1 **Recommended Provider** - Detailed in Part 2
- 5.2 **Estimated Contract Value (annual and whole life)** – Detailed in Part 2
- 5.3 **Other Associated Costs** – Detailed in Part 2
- 5.4 **Proposed Contract Period** – Total Contract period is for 5 years, with the option to extend for a further 2 years (on a 1 plus 1 basis).

5.5 The conclusion of the Tender experienced slight delays due to the complexity and high value of the tender, as well as the need for clarification of questions submitted during the Tender activities. Further delays have occurred due to legal processes that have arisen, following the Tender outcome.

5.7 Contract Mobilisation

The Consortium will continue to review resources needed to successfully complete mobilisation and support local contracts. The Mobilisation period will focus on:

- Providing a matrix template (product and speed groups) for members
- Aligning the catalogue, including legacy stock
- Review recycled specials; what can be kept, what could be disposed of.
- Data tidying; products on site, deceased service users, duplicate records

Mobilisation will also include:

- Workshops focusing on the KPI section of the new contract
- Producing a contract manual with local contract management and operational guidance.
- Creating PowerBI reports for local reporting
- Prescriber training (IT and products)

6 MARKET CONSIDERATIONS

6.1 As detailed in 3.7

6.2 The Consortium undertook a stakeholder engagement/workshop prior to activating the Tender, which was attended by 7 providers, including manufacturers. 3 main providers continued to engage in the clarification stage of the Tender and participated in the process. More details are included in Part 2.

7. STAKEHOLDER ENGAGEMENT

7.1 Bromley Commissioning in partnership with Bromley Healthwatch undertook a Community Equipment Survey aimed at gathering service users' and carers' feedback on service provision by Medequip. The survey closed on 22nd July and a full summary of findings is due to be published by Bromley Healthwatch. Initial findings shared by Bromley Healthwatch indicate that 72.5% of the respondents found the use of their community equipment helpful in maintaining their independence, and 90% of the respondents had a positive experience with equipment delivery/installation in their homes.

7.2 Further consultation with local residents will be undertaken by Commissioning Officers in collaboration with Operational colleagues, following the new contract arrangements post-April 2023, to establish levels of service user satisfaction during the first 12 months of the new service provision.

8. SUSTAINABILITY AND IMPACT ASSESSMENTS

8.1 The Consortium seeks to enhance Social Value as part of its procurement process. In procuring this Service, the Consortium wishes to use its combined responsibility under the Public Services (Social Value) Act 2012 to seek wider local economic and community benefits from the Contract over its life.

The areas where social value is a priority for this contract include the following:

- Local environment
- Targeted recruitment, training and contracting

- Other social value offers – this could include sponsorship of community initiatives within any borough that forms part of the Consortium e.g., Schools’ Clean Air projects, donations of resources and/or skilled volunteering.

The Consortium requires the Service Provider to appoint a nominated Social Value Lead by contract commencement, to work with Consortium member boroughs to deliver community benefit and to find creative and mutually acceptable ways in which Social Value can be further enhanced during the life of the contract.

9. POLICY CONSIDERATIONS

- 9.1 A key objective for both health and social care is to support the independence of vulnerable people in the community and is in line with Bromley’s strategic priority to ensure that people with care and support needs, and those whose circumstances make them vulnerable, can live their lives to the full and are protected from avoidable harm. (Care Services Portfolio Plan 2018-22).
- 9.2 The ICES contract is an important element in delivering this objective, by allowing health and social care professionals to order equipment such as beds, hoists, commodes and walking frames, which can support timely discharge from hospital, prevent hospital admissions and avoid increased care packages.
- 9.3 The London Borough of Bromley and its local health partners are signed up to the Bromley Alliance, whose principles are to work towards a share vision of integrated service provision, to commit to delivery of systems outcomes regarding clinical matters, service user experience and financial matters, and to commit to common processes, protocols and other systems inputs.
- 9.4 This service meets the Strategic Plan Ambitions:
- For children and young People to grow up, thrive and have the best life chances in families who flourish and are happy to call Bromley home.
 - For adults and older people to enjoy fulfilled and successful lives in Bromley, ageing well, retaining independence and making choices.
 - To manage our resources well, providing value for money, and efficient and effective services for Bromley’s residents.

10. IT AND GDPR CONSIDERATIONS

- 10.1 The contract will reflect the Council’s policy regarding data protection and comply with legal requirements.

11. PROCUREMENT RULES

- 11.1 The service is seeking to award a Call-Off Contract to the successful bidder, as part of the London Community Equipment Consortium, hosted by the Royal Borough of Kensington and Chelsea.
- 11.2 The Tender for this was undertaken in compliance with the UK Procurement Regulations 2015, with relevant notices to follow. This Call-off, will also require the relevant Contracts Finder and Find A Tender notices to be completed.
- 11.3 This is in compliance with Section 3.5 and 7.4 of the Council’s Contract Procedure Rules, in consultation with the Head of Procurement regarding the use of the Framework.
- 11.4 A call off contract duration of 5 years, plus 2 extension periods of up to 1 year are permitted under the terms of the framework.

- 11.5 The Council's Contract Procedure rules require the following for authorising an award via a framework for a contract of this value; the Approval of the *Executive* following Agreement by the Chief Officer, *the Assistant Director Governance & Contracts*, the Director of Corporate Services and the Director of Finance must be obtained.
- 11.6 The actions identified in this report are provided for within the Council's Contract Procedure Rules, and the proposed actions can be completed in compliance with their content.

12. FINANCIAL CONSIDERATIONS

- 12.1 Financial considerations are detailed in the Part 2 report.

13. PERSONNEL CONSIDERATIONS

- 13.1 N/A - Bromley Borough employed staff are not affected by this Tender.

14. LEGAL CONSIDERATIONS

- 14.1 This report requests Members approve the award of a "call-off" contract for the provision of ICES, under the London Consortium Framework Agreement, for an initial period of 5 years with contractual extension options of one plus one. As the value of the award of this contract is above one million pounds then the approval of the Executive is required.
- 14.2 As is referenced in this report, there is a raft of legislation that requires local authorities to provide access to community equipment services to its residents and the award of this "call-off" contract will meet these statutory requirements. The supplies and services are to be jointly commissioned by the London Borough of Bromley and the Integrated Commissioning Board under the proposed contractual framework.
- 14.3 Under the Public Contracts Regulations 2015 (the "Regulations"), the procurement of these supplies and services is a public contract. As the value exceeds the relevant threshold under the Regulations the Council would be required to carry out a fully compliant procurement exercise. The Regulations, however, accept compliance where the Council "call-off" from an legally compliant framework which is expressed as being available to the Council and is used within the rules set up by the framework. The Council intend to procure from the London Consortium Framework Agreement which is a single supplier framework agreement recently awarded by the lead boroughs of Kensington and Chelsea and Westminster.
- 14.4 After contract award, a standstill period should be observed as per the Regulations. Legal Services have recently been instructed in this procurement and will assist officers in concluding the contractual documentation once the standstill period has expired.

Non-Applicable Sections:	
Background Documents: (Access via Contact Officer)	