



## **Bristol Health & Wellbeing Board**

### **Commissioning Home Improvement Agency and Community Equipment Services**

Author, including organisation	Rob Logan, Service Manager for Contracts & Quality, Bristol City Council
Date of meeting	22 June 2016
Report for Decision	

**Ward(s) affected by this report: ALL**

**Strategic Director: Strategic Director for People**

**Report author: Rob Logan, Service Manager for Contracts & Quality**

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**Purpose of the report:**

To make a Key Decision to initiate a commissioning project for Home Improvement Agency (HIA) and Community Equipment Services.

### **RECOMMENDATION for the Mayor's approval:**

- 1. To initiate a commissioning project for Community Equipment Services and Home Improvement Agency (HIA) services, for implementation on 1 October 2018 (the end date of the current Community Equipment contract).**
- 2. To make a further Call Off under the existing Framework Agreement in order to maintain the current HIA arrangements to 30 September 2018, in order to allow for a more coordinated procurement process.**
- 3. To seek agreement from commissioning partners in the West of England region (such as other local authorities or CCGs) to participate in a joint procurement.**

4. **To delegate the implementation of the formal procurement process and contract award (including any associated collaboration arrangements) to the Service Director of Strategic Commissioning (Bristol City Council).**

## **1. Executive Summary**

- 1.1. A Framework for commissioning HIA services was procured in 2012. It expires on 24 July 2016
- 1.2. Any decisions to extend the current services under this Framework must be taken prior to 24 July 2016.
- 1.3. Bristol City Council (BCC) and Bristol Clinical Commissioning Group (BCCG) recommend that the current service be extended by 23 months, to 30 September 2018, in order to align the procurement of the HIA with the current timescale for procurement of the Community Equipment Service.
- 1.4. All commissioning partners have been consulted. North Somerset Council and Bath & North East Somerset Council have agreed to the extend the current HIA arrangements to 30 September 2018, provided that BCC and BCCG agree this recommendation.
- 1.5. A commissioning project will include a number of informal stages, including a substantial period of public consultation and market engagement before a formal procurement process is implemented.
- 1.6. This report follows an informal report discussed and agreed by the Health and Wellbeing Board on 20 April 2016.

## **2. Context**

- 2.1. An HIA service is in place, and is delivered by WE Care and Repair, and industrial & provident society based on Bristol and working across the West of England.
- 2.2. This HIA service delivers a total of 16,000 client interventions per year (the majority in Bristol), which are primarily physical adaptations intended to allow older and disabled people to live independently at home. The types of work delivered include:
  - Handyperson
  - Technical housing projects
  - Hospital discharge projects
  - Home Independence and Mobility Support
  - Advice and Guidance

- 2.3. Cabinet in January 2012 agreed to commission the HIA service in a joint procurement involving, at that time, BCC, BCCG (the Bristol Primary Care Trust), NSC, B&NES, South Gloucestershire Council and South Gloucestershire CCG. (The South Gloucestershire agencies subsequently withdrew). WE Care and Repair was appointed, and received a formal contract (a 'call-off' from the Framework) lasting to 31 October 2016 – four years. An additional call-off of 23 months is therefore for a shorter period than the original call-off, and will be implemented at the point when the original call-off would have ended.
- 2.4. The City Council also has a separate contract in place with the different provider (Medequip) for the provision of Community Equipment Services (CES).
- This service provides physical pieces of equipment that support individuals, often with high or complex needs, to remain at home rather than in a hospital or care home. This includes large items such as specialised beds and chairs, and also smaller items such as commodes.
  - This contract runs to 30 September 2018, and was procured jointly with South Gloucestershire Council and South Gloucestershire CCG. Each authority maintained a separate contract, which was procured in a joint process.

### **3. Opportunities**

- 3.1. There are opportunities for efficiencies and process improvements if the procurement for the HIA and the CES are conducted at the same time and in a coordinated way.
- 3.2. This does not necessarily mean that the HIA and CES services would be provided by the same organisation. It is at least as likely that the current HIA and CES services could be structured such as they are provided by more than two organisations, depending how many 'lots' are procured, and for which elements of the services.
- 3.3. A significant period of pre-procurement analysis and consultation is needed to conduct this process safely, for a number of reasons:
- The current outcomes delivered by the services need to be reviewed;
  - The range of outcomes sought need to be reviewed, particularly if the relative weight of different parts of the service has changed over time, for instance the balance of Hospital Discharge work, compared with Disabled Facilities Grants;

- The specification of each element in the services need to be developed, tested and consulted on – for instance commissioners have to be clear on which elements must be delivered by the same organisation, and which could be discrete;
- Significant market preparation will be required, such as there is an adequate level of competition, and such that individual organisations, including third sector organisation, have the ability to consider appropriate consortium arrangements where this may be beneficial;
- Contract mobilisation is likely to be significant. In particular, if there is a need to implement new technology and to review legacy equipment catalogues and processes, this may take longer than for simpler procurements.

## 4. Risks

### 4.1. Timescale

Once a decision is taken to call-off an extended service, this decision cannot be changed after 24 July 2016.

This means that, at present, BCC and BCCG can decide whether to provide an extension for either one or two years, but would not be possible to extend for one year and then decide to extend for another year – i.e. there will be an absolute deadline by which the procurement must have been completed. This would militate toward a longer rather than a shorter extension.

### 4.2. Partnerships

BCC and BCCG derive very strong benefits from commissioning jointly with partners, and it is important that these partnerships are maintained.

It is likely that not all partners will want the same range of services – for instance if NSC and B&NES choose a joint procurement with BCC and BCCG for the HIA services, it is possible they may not wish to procure CES services at the same time. This means that the menu of different 'lots' needs to be designed with all partners' needs in mind.

It is also likely that South Gloucestershire colleagues may wish to collaborate with BCC and BCCG over the procurement of the CES service, but may wish not to be involved in the procurement of the HIA. This equally means that the offer for procurement options for the CES needs to reflect all partners' views.

In 2012 an Inter-Authority Agreement (IAA) was established between the contracting authorities and remains in place. A similar IAA will be

needed to regulate the relationship between each public body.

## **5. Consultation and scrutiny input**

- 5.1. HWB considered an earlier version of this report on 20 April.
- 5.2. Local authorities and CCGs from elsewhere in the West of England have been consulted, and it is anticipated that they will join a joint procurement process. It is envisaged that a Framework procurement will allow each commissioning body to procure the approach package of support for their needs – i.e. the level and type of services is likely to differ to some extent between Council/CCG area.
- 5.3. Scrutiny will be a key participant in future discussion of a future commissioning model.

## **6. Other options considered**

### **6.1. Separate procurement**

It would be possible to procure HIA and Community Equipment services separately. This would lead to a failure to capture financial efficiencies and service improvements.

### **6.2. Service termination**

Some elements of the services are statutory, principally community equipment provision (e.g. in support in hospital discharge or admissions prevention), as well as those elements of Better Care (e.g. Disabled Facilities Grant) that commissioners choose to deliver through the HIA.

Nevertheless, not all services are statutory, particularly the high-volume, low-intensity services offered by the HIA, such as the handyperson service. Failure to re-provide these services would damage the ability of vulnerable older and disabled people to live independently at home, leading to increased pressure on residential and hospital services.

## **7. Risk management / assessment:**

**FIGURE 1****The risks associated with the implementation of the decision :**

No.	RISK  Threat to achievement of the key objectives of the report	INHERENT RISK  (Before controls)		RISK CONTROL MEASURES  Mitigation (ie controls) and Evaluation (ie effectiveness of	CURRENT RISK  (After controls)		RISK OWNER
		Impact	Probability		Impact	Probability	
		1	Failure to secure agreement from all commissioning partners		Medium	Medium	
2	Challenge to the procurement process	Medium	Medium	Compliance with terms of the current Framework, followed by thorough market engagement to build awareness of the integrated HIA/Community Equipment procurement.	Medium	Low	Rob Logan/ Corporate Procurement

**FIGURE 2****The risks associated with not implementing the decision:**

No.	RISK  Threat to achievement of the key objectives of the report	INHERENT RISK  (Before controls)		RISK CONTROL MEASURES  Mitigation (ie controls) and Evaluation (ie effectiveness of	CURRENT RISK  (After controls)		RISK OWNER
		Impact	Probability		Impact	Probability	
		1	Failure to support independent living		High	High	
2	Failure to deliver financial efficiencies	High	Medium	Efficiency allocations of services to appropriate procurements 'lots' in a common Framework.	Medium	Low	Rob Logan

**8. Public sector equality duties**

- 8.1. A joint procurement of HIA and Community Equipment Services will positively affect groups with protected characteristics, particularly disabled people, who will have improved access to equipment and adaptations to support independent living.

**9. Eco impact assessment**

- 9.1. Improved coordination of HIA and Community Equipment services has the potential to positively affect the reduction in unnecessary journeys around Bristol and possibly to extend the contribution made by low-emission vehicles.
- 9.2. The Community Equipment services already contributes to the effective use of resources by recycling equipment after use and making available for future service users. This process will be sustained and strengthened by these proposals, particularly by improving use of sustainable products further up the supply chain.

9.3. Advice received from the City Council's Energy Service suggests that *'As this decision requires agreement to extend existing arrangements, an eco-impact assessment is not appropriate at this time. A full eco-impact assessment including eco-impacts & suggested mitigation measures, will be provided during the re-commissioning process, as it progresses towards 2018.'*

## 10. Resource and legal implications:

### **Finance**

#### **a. Financial (revenue) implications:**

The proposals in the report to extend the current Home Improvement Agency contract for additional 23 months, commits to an annual spend for this period of £923,836, of which £102,070 p.a. is funded by Bristol CCG, and the remainder by the City Council. The City Council's spend is contained within current General Fund budget.

Aligning the contract period with that of Community Equipment Services contracts should increase opportunity for obtaining best value for money when re-procured.

**Advice given by Michael Pilcher – Finance Business Partner**  
**Date 06<sup>th</sup> May 2016**

#### **b. Financial (capital) implications:**

None.

#### **c. Legal implications:**

The existing Framework Agreement expires on 24 July 2016. Call offs under a framework can be made any time up to its expiry and any such contracts would need to be awarded prior to that date. The terms of any call off (including their duration) must be consistent with the Framework and previous call offs. This is the case with the proposed contract.

Future joint working on the new co-ordinated procurement would require some form of agreement between the partnering bodies. The new commissioning arrangements will need to comply with the Procurement Regulations, so far as applicable, and the councils own procurement rules.

**Advice given by Eric Andrews Team Leader – Corporate, Legal Services. Date 7<sup>th</sup> May 2106**

**d. Land / property implications:**

None.

**e. Human resources implications:**

None

**Appendices:**

None.

**Access to information (background papers):**

Cabinet Report from January 2012

Health and Wellbeing Report from April 2016