

SLOUGH BOROUGH COUNCIL

REPORT TO: Cabinet **DATE:** 20th September 2010

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WARD(S): All

PORTFOLIO: Health and Wellbeing – Councillor Small

PART I **KEY DECISION**

BERKSHIRE INTEGRATED COMMUNITY EQUIPMENT SERVICE (BCES)

1 Purpose of Report

To seek cabinet approval to renew the Section 75 agreement for the above service.

To seek cabinet approval to tender for a new Berkshire wide service to fit with future requirements of partners.

2 Recommendation(s)/Proposed Action

The Cabinet is requested to resolve:

- (a) That the conclusion of a new Section 75 Agreement as the most cost efficient approach to the provision of equipment be approved.
- (b) That Slough Borough Council continues to act as lead commissioner
- (c) That Slough Borough Council on behalf of all partners tenders for a new Berkshire wide Equipment Loan service.
- (d) That work continues to develop and implement the service design to increase efficiencies and deliver improved customer outcomes.

3 Community Strategy Priorities

Health and Wellbeing – Adding years to live and live to years

The provision of equipment to vulnerable people contributes to the health and wellbeing of communities delivering to the following indicators:

- NI 124 People with a long-term condition supported to be independent and in control of their condition
- NI 125 Achieving independence for older people through rehabilitation/intermediate care
- NI 136 People supported to live independently through social services

- The number of items of equipment delivered within 7 days from the date that it was ordered. (CQC indicator)

Environment

The provision of equipment enables people to remain in and be part of the community.

Community Safety

Providing equipment can prevent falls and other accidents around the home thereby enabling people to feel safe within their own home for as long as possible.

4 Other Implications

(a) Financial

Slough's contributions funded through Communities and Wellbeing:

The local partnerships contract value for this joint arrangement is £2,808,545 for 2010/11, of which Slough's share is £234,036 which is within the budget provision of £235,900 set aside.

Slough's contribution will reduce to £218,113 in 2011/12 reflecting Slough's proportionate usage of equipment over the past two years. This saving will contribute to the full year efficiency savings for adult social care in 2011/12, specifically £750K savings 2011/12 to be achieved through the adult social care transformation programme.

Slough Borough Council has successfully negotiated with contract partners and secured their agreement to contribute to funding a post for 2 years to take forward the development of this critical service. This post has no financial consequences for Slough. The post will be funded by partner agencies within their contribution to the 'host' authority, Slough.

TOTAL PAYABLE PER PARTNER PER ANNUM

READING	6,829.47
WEST BERKS CC	5,032.24
WOKINGHAM	6,829.47
Berkshire West PCT	17,253.39
Bracknell Forest	3,953.90
SLOUGH BC	Management provided in kind through Joint Commissioning Manager.
RBWM	5,366.01
Berkshire East PCT	13,556.23
	58,851
	NB – this figure includes a 3% management charge from Slough Borough Council
Total	finance department

(b) Risk Management

<i>Recommendation</i>	<i>Risk/Threat/Opportunity</i>	<i>Mitigation(s)</i>
That Slough Borough Council continue to act as lead commissioner and tenders for a new county wide Equipment Loan Store	Threat - If no authority takes the lead commissioner's role all partners will be liable for retrospective VAT payment. This is because two partners (Berks East and West PCT) are liable for VAT payment). Opportunity - control over the contract and development of the service will ensure the new service reflects priorities to such as increased use of Assistive Technology equipment to deliver savings and improved outcomes for the council	By SBC continuing to take the lead commissioner role no authority will be liable for VAT. This approach will complement future service development.
That Slough Borough Council agrees with the conclusion of the new Section 75 Agreement.	Threat – Not renewing the Section 75 Agreement would have negative relationship impacts across partners, all of whom have agreed to this approach. Cost efficiencies achieved through the partnership approach would be lost.	Partners have given assurances that they support the conclusion of the agreement.
.	Threat - Slough Borough Council could be liable for the full contract value should a partner withdraw.	The section 75 agreement requires all partners to give 12 months notice to withdraw and any contract drafted will contain a clause ensuring no financial obligation will be fall the council if another withdraws funding

(c) Human Rights Act and Other Legal Implications

Slough Borough Council has a statutory duty to provide services to those who meet Adult Social Care criteria; it could be argued that not providing the appropriate equipment breaches an individual's right if they are eligible for Adult Social Care services.

(d) Equalities Impact Assessment

Access to the service will be provided to adult residents of Slough who are eligible for Adult Social Care Services and assessed as benefitting from and requiring this

service due to their long term condition, and to those who may, through a medical condition, be provided with equipment. An Equalities Impact Screening assessment has been carried out. A full Equality Impact Assessment will be carried out on the new service specification once it has been designed and agreed across stakeholders including service users and carers.

(e) Workforce

A time-limited two year post funded through contributions of contract partners will be created to take forward the development, tendering and implementation of the new service design. This post will be located and managed within Slough Borough Council at no additional cost to the authority.

5 Supporting Information

5.1 Background:

- 5.1.1 The Berkshire Community Equipment Service (BCES) is commissioned in partnership with Berkshire East and West PCTs and the five Berkshire unitary authorities. The service provides equipment on loan to help adults and children with activities of daily living. The service is operated by Southern Central Ambulance Service (SCAS).
- 5.1.2 BCES provides, for example:
 - Equipment for daily living, e.g. toileting and bathing equipment
 - Equipment for home nursing, e.g. special mattresses for pressure relief
 - Mobility equipment, e.g. walking frames
 - Minor housing adaptations, e.g. grab rails and small ramps
- 5.1.3 Slough Borough Council has been the lead commissioner of a pan Berkshire Integrated Community Equipment Service since its creation over 5 years ago.
- 5.1.4 This is one of the largest examples of a Section 75 Agreement in the country comprising 8 partners, i.e. the 6 Berkshire UA's and 2 PCT's. In 2009 the section 75 agreement came to an end and, as such, now requires renewing.

5.2 Development of the current service:

- 5.2.1 The late 1990's and early years of 2000 were spent scoping, planning, and implementing a single Integrated Community Equipment Service (ICES) for the whole of Berkshire which met the standards required by the Department of Health Integrated Community Equipment Service (ICES) team.
- 5.2.2 Governance infrastructure was put in place to oversee the running of the service. This involved the creation of the Partnership Equipment Board, together with a selection of sub groups such as operations, research and development and finance.
- 5.2.3 In 2004 a formal section 31 Pooled Budget Agreement was put in place, signed and sealed by all partners with Slough Borough Council as Lead Commissioner and the

Joint Commissioning Manager as designated pooled budget manager. This was later changed to a Section 75 agreement in line with new Government guidance.

- 5.2.4 2005 saw the transfer of the service into a new single site in Theale which completed the cycle of creating a fully integrated community equipment service. This includes a state of the art decontamination unit which allows the service to focus on value for money through the significant volumes of equipment collection, refurbishment and reissue.
- 5.2.5 The ability of South Central Ambulance Service to procure and store equipment in large volumes and create strong procurement relationships with equipment manufacturers further enhances value for money.
- 5.2.6 The last 5 years have seen significant developments with BCES.
- 5.2.7 The original partnership of 12 has reduced to 8 with the reorganisation of the original 6 PCTs to 2 (Berkshire East and Berkshire West).
- 5.2.8 Slough has continued to be the lead commissioner with the Joint Commissioning Manager as pooled budget manager. This role has required significant volumes of work on behalf of the partnership (including annual finance planning, performance monitoring, Partnership Group chairing, internal audits, etc) without any financial remuneration from the other partners. Slough Borough Council has explored options for the lead commissioning role with the other contract partners.
- 5.2.9 The initial 5 year Pooled Budget Agreement expired during 2009. Since then significant work has been undertaken to create a new Agreement for signing and sealing. This has had to take account of the risks and issues facing the PCTs with regard to VAT payments on equipment. The new agreement and specification reflects LAVAT and HMRC VAT requirements and directions in that Slough Borough Council as "Lead Council" is acting as Principal and not as Agents of the other partners.
- 5.2.10 In order to comply with VAT, the Council's and EU financial regulations it will be necessary as the lead commissioner to retender the service.
- 5.2.11 Partners have been consulted with and have agreed to Slough continuing as the lead commissioner. They have also agreed to contribute to a post for two years to take forward the development, re-tendering and implementation of the service design and contract.
- 5.2.12 The section 75 agreement requires all partners to give 12 months notice to withdraw from the contract and the contract will contain a clause ensuring no financial obligation will fall to the council if another partner withdraws from the agreement.

5.3 Re- development of the service

- 5.3.1 There is an opportunity when tendering for a redeveloped service to build on the current Berkshire Community Equipment Store model to further focus on promoting the independence of vulnerable and disabled people to enable them to continue to live in their communities for as long as possible.

- 5.3.2 There have been significant developments in recent years in the range of assistive technology to support the safety and security of older and disabled people such as fall alarms and sensors. Provision of such 'telecare' equipment has been shown to be effective in preventing admission to residential care and in supporting independent living. The new service model and specification will include the supply of these aids to independent living.
- 5.3.3 The redesigned service will also address options for the introduction of retail models of equipment provision. This would enable people who, as a consequence of their financial circumstances, are responsible for meeting the costs of their own care to purchase aids and equipment through the service.

5.4 Evidence of effective use of resources

- 5.4.1 Continuing with the current joint approach ensures effective and efficient use of resources for all partners without the duplication of management charges and other associated overheads.
- 5.4.2 The Joint Commissioning Manager for Slough acts as the pooled budget manager of a £2.8m budget. In 2009/10 BCES delivered:
- * 61,138 items of equipment, with
 - * 6,694 deliveries for residents of Slough.
- 5.4.3 The service collected, decontaminated and recycled 17,507 (28% of total) items at a cost value to the commissioners of £2,833,765.
- 5.4.4 Slough Borough Council itself requested 1,771 items of equipment in this period of which:
- * 97% were delivered within 7 days of the date of decision to supply.
- Results of the equipment user survey carried out in 2009/10 show that
- * 96% of Slough service users said the equipment had improved the quality of their life
 - * 86% were happy with the way they were treated.

6 Conclusion

- 7.1 By Slough Borough Council continuing to take the lead commissioner role no authority will be liable for VAT. This approach will complement future service development.
- 7.2 Agreeing to the section 75 agreement will raise the council's partnership working profile by leading one of the most complex partnership arrangements across the country. The partnership model using the Section 75 agreement provides value for money and is approximately £2 million more cost effective than single contract arrangements.
- 7.3 Recommendations are:
- 7.3.1 The conclusion of a new Section 75 Agreement as the most cost efficient approach to the provision of equipment.
- 7.3.2 That Slough Borough Council continues to act as lead commissioner.

7.3.3 That Slough Borough Council on behalf of all partners tenders for a new Berkshire wide Equipment Loan service.

7.3.4 That work continues to develop and implement the service design to increase efficiencies and deliver improved customer outcomes.

7 Background Papers

‘1’ Routine Business meeting Slough Borough Council and Care Quality Commission, 07/05/2010, 13.00-15.00 Town Hall

‘2’ Report Community and Wellbeing Senior Management Team, 22/04/10, 9.30 – 13.00 Town Hall.