



ADULT SOCIAL CARE AND PUBLIC HEALTH COMMITTEE

23 January 2024

REPORT TITLE:	AWARD OF CONTRACT & EXTENSION OF BUDGET TO RECOMMISSION WIRRAL INDEPENDENCE SERVICE (COMMUNITY EQUIPMENT AND TELECARE)
REPORT OF:	DIRECTOR OF CARE AND HEALTH

REPORT SUMMARY

The purpose of this report is to request approval to award a contract for the provision of the Wirral Independence Service (WIS), at an increased budget cost of £4.9m from £4.2M per year.

The commencement of the procurement process at an original budget cost of £4.2M was approved by this Committee in June 2023. Following a rigorous procurement exercise, the bid from the most economically advantageous tenderer was £4.9M per year. The current contract ends in June 2024 and there are no further contract extensions available.

This is a joint commission with NHS Cheshire and Merseyside Integrated Care Board (Wirral Place) (NHSCMICB) and is managed via the Better Care Fund. The WIS is inclusive of:

- The provision of Community Equipment;
- Technology Enabled Care and Response service;
- Carers emergency card;
- Falls Pick-up / Responder service;
- Falls prevention service;
- Provision of Paediatric equipment; and
- Education equipment for schools

The commission will support the following priorities from Wirral Council's Plan:

- To prioritise those with the greatest needs
- To deliver council services within the means of the council budget
- To be prepared to innovate and face the future
- To play our part in addressing the climate emergency and protecting our environment

This is a key decision which affects all wards.

RECOMMENDATION/S

The Adult Social Care and Public Health Committee is recommended to approve the award of a 5-year contract (with options for a 3 year, plus a 2-year contract extension) for the provision of the Wirral Independence Service (Community Equipment and Telecare) with a total contract value of £4.9m annually, up to £51m over 10 years to Medequip Assistive Technology Ltd as the highest scoring tenderer in accordance with the Most Economically Advantageous Tender (MEAT) criteria.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

- 1.1 The Wirral Health and Care system must ensure that it has a fully operational and responsive community equipment and technology enabled care (TEC) service to meet local needs to meet its statutory duties.
- 1.2 The use of TEC forms a key part of the Council's approach to digital care and early intervention and prevention services.
- 1.3 The Council has a duty to ensure value for money and to tender will ensure that best value is sought.
- 1.4 A longer contract length of up to 10 years, will support the successful tenderer to invest in local infrastructure and support social value.
- 1.5 The additional finances (£700k per year) required have been identified:
 - £300k from Adult Social Care;
 - £130k from Public Health for the Falls Prevention service; and
 - £300k from NHSCMICB

2.0 OTHER OPTIONS CONSIDERED

- 2.1 To not award the contract would mean that the Council would not meet its statutory duty to provide community equipment.
- 2.2 To re-tender the service at the original £4.2M per year would mean delays to awarding a new contract and, following a competitive dialogue process, would be unlikely to deliver the specified service at any lower cost.
- 2.3 To remove elements of service from the specification would reduce the quantity and quality of service to Wirral residents, potentially resulting in challenges that the Council is failing to meet its statutory duties.

3.0 BACKGROUND INFORMATION

- 3.1 This Committee in June 2023 approved the re-commissioning of the Wirral Independence Service on a 5-year contract (with options for a 3-year, plus a 2-year contract extension) with a total contract value of £4.2m annually, up to £42m over 10-years. The Committee also approved that Director of Adult Social Care and Health be authorised to award the contract to the most economically advantageous tenderer. Subsequently a procurement process proceeded on the basis of a Competitive Dialogue Tender exercise. Procurement colleagues recommended this approach as it offered the opportunity to utilise industry best-practice, exploit the latest expertise of service providers and ensure best value for the Council because of the "competition" created between interested providers.
- 3.2 Only one tenderer submitted a tender which met the full tender requirements and was selected to participate in the second stage. Their bid was fully evaluated and scored in accordance with the relevant criteria.

- 3.3 The initial bid for the contract resulted in a cost of £67M over ten years. Making use of the robust and challenging discussion element of the Competitive Dialogue Tender process a revised bid of £51.7M over ten years was submitted.
- 3.4 This is a joint commission with NHSCMICB and Wirral Council (WBC), Adult Social Care and Public Health and Childrens Directorate working collaboratively with Wirral schools. This service supports people to remain independent and safe in their own home, and at school.
- 3.5 The provision of community equipment to eligible children and adults is vital in helping to achieve efficiency and cost-effectiveness across a range of other local authority and health authority services, and to help achieve local and health authority strategic objectives.
- 3.6 During the lifetime of the contract, the service has developed and now also supports provision of specialist equipment to mainstream schools, provision of equipment for paediatrics and as part of the new commission will include specialist schools' equipment.
- 3.7 The overarching aims of this service is to support people to live independently in their own homes as long as possible, support the reduction in hospital admission and support timely hospital discharges.

The service is inclusive of:

- Pressure care
 - Falls Prevention Service
 - Community equipment, e.g., bathing equipment, beds, commodes
 - Response for Continuing Health Care (CHC)
 - Adult Visual Impairment & Hearing Impairment equipment
 - Technology enabled care and remote monitoring (equipment, installation maintenance, decontamination and repair and recycling)
 - An online IT requisition, monitoring and reporting system
 - Centre for Independent Living with a Retail Outlet/ Demonstration facility
 - An online self-help and ordering system with suitably qualified, knowledgeable, and experienced staff to support those funding their own care and to provide professional assessment and oversight within the service.
- 3.8 The service will operate 7 days a week (8am to 8pm) to achieve:
- Delivery of equipment
 - Installation of equipment
 - Technical support/knowledge for prescribers
 - Maintenance and repair of equipment
 - Collection and decontamination of equipment
 - Recycling, disposal and adaptation of equipment
 - Reissue of community equipment

3.9 The specification will also require the new supplier to:

- Work collaboratively with WBC and NHSCMICB to develop a multi-disciplinary approach for an Independent Living Centre in partnership with other stakeholders across Wirral.
- Strengthen the approach to best value and procurement approach throughout the lifetime of the contract, through continuous proactive negotiations with suppliers, geographic pricing comparisons and reviews.
- Work proactively on reducing costs of supply – seeking local alternatives make and buy from UK.
- Work with Wirral to achieve a suitable and affordable pricing model working within the WIS contract cost envelope agreed as part of the Better Care Fund.
- Work proactively and collaboratively with WBC and NHSCMICB and wider stakeholders to maximise equipment recovery and recycling to support the Council with its carbon reduction mission.
- Reduce the impact of the environment through tracking and recycling of equipment, reducing the carbon footprint.
- Work collaboratively with WBC and NHSCMICB to deliver a carbon reduced transport solution provision across the lifetime of the contract in line with Wirral Council's priorities, objectives, and values.
- Work collaboratively with WBC and NHSCMICB and wider stakeholders to increase performance around equipment recovery and recycling as above.
- Work in collaboration with WBC and NHSCMICB to drive the Early Intervention and Prevention and NHS England 2-hour Crisis Response National Initiatives, by recalibrating service delivery to meet urgent equipment requests between 16:00 and 18:00 7 days a week.
- Work with WBC and NHSCMICB to achieve value for money Technology enabled care installation, monitoring and response service solutions in line with the switchover from the old analogue public switched telephone network (PSTN) to a fully digital network by 2025.
- Work collaboratively with WBC and NHSCMICB to review the cost of call centre and explore alternative operating models e.g., virtual or agile/hybrid working to maximise efficiencies and financial gain share.
- Work with WBC and NHSCMICB to support Early Intervention and prevention initiatives and data quality through the development of interface between Digital Equipment ordering system for Community, Liquid Logic and NHS systems, with the production of a commissioner dashboard.

4.0 FINANCIAL IMPLICATIONS

4.1 The WIS contract is managed within the Better Care Fund. The current annual value of the contract is £4.2m, this amount for the future commission does not allow for inflationary impact or growth. The current contract is a maximum amount with mitigating actions taken within year to continue to achieve this amount.

Number of Years	Total Amount (£m)
1	4.2
5	21.0
8 (5+3)	33.6
10 (5+3+2)	42.0

- 4.2 The revised average annual value of the contract after the Competitive Dialogue tender exercise is £4.9m in year one. There is an annual allowance of 1.5% built in for growth and an allowance of 2% inflation for staffing costs.

Number of Years	Total Amount (£m)
1	4.9
5	24.8
8 (5+3)	40.7
10 (5+3+2)	51.7

- 4.3 To manage the increase in the contract value, the Council and ICB have jointly agreed to share the pressure and manage within the Better Care pooled fund from consistently underspent commissions to ensure the full contract value is met. Public Health have increased their contribution by £130k for the Falls Prevention service.

5.0 LEGAL IMPLICATIONS

- 5.1 WBC and NHSCMICB is required to meet its statutory duty under the Care Act 2014 (Adult Social Care only) to provide specialist equipment to the Wirral population.
- 5.2 The supply of Community Equipment is also a statutory duty under:
- Chronically Sick and Disabled Persons Act 1970
 - Children and Families Act 2014
 - National Health Service Act 2006
 - Health and Safety at Work act 1974 and Regulations
- 5.3 The procurement process has been undertaken in accordance with the Public Procurement Regulations and the Council's Contract Procedure rules.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

- 6.1 There are no current resource implications.

7.0 RELEVANT RISKS

- 7.1 There is a risk that the Council will not have a service to support people to remain independent at home. This risk can be mitigated by recommissioning the service.

- 7.2 There is a risk that providers will not tender if the contract is let for a shorter-term period, as the new provider will require investment for premises and supply chain. This risk will be mitigated by a longer contract length with contract extension options.
- 7.3 To remove elements of service from the specification would reduce the quantity and quality of service to Wirral residents, potentially resulting in challenges that the Council and its partners would not meet their statutory duties.
- 7.4 There is a risk that the inflationary costs may increase over the lifetime, of the contract dependent on external factors, these will be managed and mitigated within the Adult Social Care budgetary forward planning process, and via the Better Care Fund oversight, given this is an integrated commission.

8.0 ENGAGEMENT/CONSULTATION

- 8.1 The Competitive Dialogue Tender process generated interest amongst providers across the market, helping officers in Wirral to refine their ideas and service design.
- 8.2 A subsequent formal Competitive Dialogue discussion with the organisation that tendered for the service, resulted in clarification and challenges around assumptions, service delivery and costs which led to a resubmission with pricing much more in line with Council expectations.
- 8.3 Local agreement has been reached between commissioning partners in Adult Social Care and Public Health, Children's and Young People Department, and NHSCMICB on a joint specification.
- 8.4 Given this is technical and logistical contract, this is not a fully coproduced service design.
- 8.5 The incumbent provider has provided monthly intelligence on customer satisfaction and feedback.
- 8.6 Coproduction sessions have been held with the prescriber community, in particular Occupational therapy services in Adult Social care for both TEC and community equipment provision.

9.0 EQUALITY IMPLICATIONS

- 9.1 Wirral Council has a legal requirement to make sure its policies, and the way it carries out its work, do not discriminate against anyone. An Equality Impact Assessment (EIA) is a tool to help council services identify steps they can take to ensure equality for anyone who might be affected by a particular policy, decision or activity.

An EIA titled 'Community Equipment and Telecare' for the proposed service can be found here:

<https://www.wirral.gov.uk/communities-and-neighbourhoods/equality-impact-assessments>

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

- 10.1 Commissioning of services will have an impact on the Council's indirect emissions. The tendering process will ensure prospective bidders are aware of the Council Environment and Climate Emergency declaration and ensure they have a sustainability or environmental policy in place.
- 10.2 Within the specification, commissioners have aimed to minimise environmental impact through its specification and commissioning process. The specification for the service includes targets for re-use and recycling of equipment, a requirement to provide a carbon efficient fleet of vehicles for deliveries, and local sourcing of supplies to support the Councils carbon reduction programme.

11.0 COMMUNITY WEALTH IMPLICATIONS

- 11.1 The provider is required to have a depot for storage and distribution which is based in Wirral and will therefore contribute to the Wirral economy.
- 11.2 The proposed service specification includes provision for apprentices to be employed by the provider.

REPORT AUTHOR: **Jayne Marshall**
Interim Assistant Director, Integrated Services & Commissioning
Telephone: 0151 666 4828
email: jaynemarshall@wirral.gov.uk

APPENDICES

N/A

BACKGROUND PAPERS

Telecare Standards agency (TSA) – Analogue to Digital Shift <https://www.tsa-voice.org.uk/campaigns/digital-shift/social-alarms-systems-from-analogue-to-digital/>

TERMS OF REFERENCE

This report is being considered by the Adult Social Care and Public Health Committee in accordance with Section 2.2(a) and (b) of its Terms of Reference: adult social care matters (e.g., people aged 18 or over with eligible social care needs and their carers) and promoting choice and independence in the provision of all adult social care).

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Adult Social Care and Public Health Committee	13 June 2023
Adult Social Care and Public Health Committee	3 March 2022