

**To: Executive Director: People in liaison with The Executive Member for Adult Services, Health and Housing and the Executive Member for Children, Young People and Learning**

**Date: 18 December 2023**

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**Berkshire Community Equipment Service Contract Approach 1<sup>st</sup> April 2024  
Executive Director: People**

**1 Purpose of Report**

- 1.1 Bracknell Forest Council (BFC) is part of a Berkshire-wide arrangement across Health and Social Care partners which oversees the contract for a Berkshire Community Equipment Service (BCES), led by West Berkshire Council.
- 1.2 The Berkshire Community Equipment Service (BCES) is commissioned through a Section 75 agreement (S75) of the NHS Act 2006 which allows partners (NHS bodies and Councils) to contribute to a common fund which can be used to commission health or social care related services.
- 1.3 The current BCES contract held by Nottingham Rehab Service (NRS) ends on the 31 March 2024 with no further extensions permitted.
- 1.4 In July 2022 The Executive approved the recommendation that the Council continues to participate as a partner in the S75 Partner Agreement and to participate in the collective development of an agreed route to market for the re-commissioning of the new BCES contract effective 1st April 2024. Please see Appendix A for the July 2022 report which includes Council utilisation and contract value of the services for the period 2015/2016 – 2021/2022. This means that subject to approval of this paper we need to notify West Berkshire Council that Bracknell Forest Council are in support of this approach.
- 1.5 The purpose of this report is to inform the Executive Directors and Executive Members of the proposed commissioning route to market as agreed by the BCES Partnership Steering Group. The report also outlines alternative options for the consideration and seek approval for the recommendations of this report.

**2 Recommendations**

- 2.1 **Approve the recommended commissioning approach as outlined by the West Berkshire Procurement Strategy and agreed by the BCES Partnership utilising the call off facility in the Buckinghamshire Integrated Community Equipment Service (BICES) Framework Agreement.**
- 2.2 **To enter into a five plus two-year contract with the incumbent provider Nottingham Rehab Limited through the Framework Agreement.**
- 2.3 **For the Assistant Director Commissioning to formally write to West Berkshire Council to notify them of the approval of this commissioning approach.**

**3 Reasons for Recommendations**

- 3.1 Bracknell Forest Council (BFC) has a statutory obligation under the Care Act 2014 to support residents to live safely and independently in their own homes, in a residential care home, or to continue with their work or education.
- 3.2 In July 2022 BFC's Executive gave approval for the Council to continue its membership of the Section 75 Joint Agreement for the Berkshire Community Equipment Service, and for BFC to jointly explore a route to market for the procurement of a new Community Equipment Service. Approval was granted on the understanding that BFC's Procurement and Legal Teams would ensure that the chosen route was compliant with Public Contract Regulations 2015 when the route to market was proposed. Executive approval was given on the understanding that a full open tender exercise would be carried out. The Executive Report is attached at Appendix A for further information.
- 3.3 The option to call off the BICES Framework was proposed to the BCES Steering Group by West Berkshire Council in August 2022. After very careful consideration of Buckinghamshire's procurement documentation and alternative options, Legal and Procurement representatives of partner authorities agreed in principle to pursue this option subject to each organisations' governance approval.

#### **4 Alternative Options Considered**

- 4.1 The BCES Partnership have considered alternative routes to market which include a full open tender through to calling off other frameworks on the marketplace.
- 4.2 The BICES Framework remains the option which will provide the best value for money, continuity of service for our operational colleagues and ongoing support for our residents to remain independent for longer.
- 4.3 Please see Appendix B West Berkshire Council Procurement Strategy Report
- 4.4 In addition to the options discussed at Partnership level, BFC undertook to consider alternative options should the agreed approach by the partnership not be agreeable to BFC. The following list of options were considered and are not recommended: To note, all below options contained an element of disruption for residents who may receive equipment from both health and social care and operational colleagues.
  - 4.4.1 The Council to serve notice to withdraw from the membership of the S75 Joint Agreement partnership agreement and independently tender for a BFC Equipment Service Contract. Not recommended due to the timeline, purchasing power of larger contracts, benefits of remaining in the Berkshire-wide integrated partnership
  - 4.4.2 Serve notice (12 months) to withdraw from the membership of the S75 Joint Agreement partnership agreement and call off a contract from a suitable framework agreement on an individual basis. Not recommended due to potential charges, non-flexible approach of frameworks/ specialist equipment, lack of recycling facilities of existing, already issued equipment.
  - 4.4.3 Service Notice (12 months) to withdraw from the membership of the S75 Joint Agreement and negotiate with other LAs to procure a community equipment service under a new S75 or joint partnership agreement. Not recommended – all partners across Berkshire are in agreement with the West Berkshire proposal, geographic locations of alternative local authorities are a barrier to true collaborative contracting, and management costs could be prohibitive compared to current management costs for West Berkshire.

- 4.4.4 Serve notice (12 months) to withdraw from the membership of the S75 Joint Agreement and bring the community equipment service inhouse. Not recommended due to costs to set up in house service i.e., Warehouse facilities, vehicles, limited opportunities for value for money

## **5 Supporting Information**

- 5.1 The BICES Framework was procured via a robust full open tender for a single provider framework. This means that the Framework was awarded to one provider, NRS, who will be solely responsible for the provision of all the equipment and service delivery. NRS is the incumbent provider for the BCES contract.
- 5.2 The Framework was procured under NUTS UKJ1 geographic area (Berkshire, Buckinghamshire, Oxfordshire, and Milton Keynes). This allows Berkshire unitary councils and Health partners access for a call off contract.
- 5.3 The Framework Agreement commenced on 20th June 2022, and allows for the call off of a contract for five years, with two optional additional years.
- 5.4 The BICES Framework offers a comprehensive community equipment provision, equivalent to the service currently being delivered.
- 5.5 West Berkshire Council have outlined the following financial advantages to calling off the Buckinghamshire Framework:
  - 5.6.1 The consolidation of catalogues (lists of core equipment) with the Buckinghamshire Framework will allow better value as NRS will be able to negotiate lower prices for bulk purchases across Buckinghamshire, Oxfordshire and Berkshire. In addition to this NRS have been awarded the London consortium contract allowing for even greater purchasing power and shared resources.
  - 5.6.2 Sharing of Specials (non-catalogue items) across BOB. Oxfordshire have agreed to participate in the sharing of 'Specials'. Oxfordshire currently hold around 850 recycled specials – more than double that of Berkshire, which could potentially offer increased savings of circa £93,000 for Berkshire.(see below)
  - 5.6.3 By undertaking the single provider framework route, the partnership will avoid the costs and risks of going through a full procurement process whilst obtaining value for money and remaining compliant.
  - 5.6.4 West Berkshire have calculated the costs of running a full tender and estimate the following collective losses should NRS not win the contract:
  - 5.6.5 Loss of savings per annum of sharing specials with Buckinghamshire £93,000
  - 5.6.6 Cost of paying for unique equipment lines transfer - £150,000
  - 5.6.7 In addition, one of the key benefits of the current Berkshire contract and the Buckinghamshire Framework is the recycling of equipment scheme. West Berkshire has estimated that the recycling scheme brings in an approximate savings of up to 49% on annual spend. Bracknell Forest saw a 44% reduction on spend in 22/23 due the recycling of equipment .

- 5.6.8 Equipment provided under the current Berkshire contract and the Buckinghamshire Framework is provided to residents on a loan basis. When equipment is no longer required, collection will be arranged, and the equipment returned to the provider's depot. All returned equipment is assessed for refurbishment and re-issue. Depending on the period of time each piece of equipment has been on loan, a credit will be applied to the account of that LA. Only when equipment is no longer viable for repair or refurbishment will it be scrapped.
- 5.6.9 BFC colleagues wanted assurance that the assumptions West Berkshire were making were accurate in terms of efficiencies. An exercise was undertaken whereby similar lists of equipment utilised by BFC over the last year was called off two alternative frameworks through a simulation process. The recycling aspect of the Buckinghamshire Framework was not available under these frameworks, which ensured that the Buckinghamshire Framework was the more competitive call off and therefore lower in cost.
- 5.6.10 Further detail of proposed savings can be found in Appendix B
- 5.6.11 NRS have proposed a reduction in activity cost for the first year of the contract (commencing 1st April 2024) equivalent to a 5.4% reduction compared to 22/23 spend and increases thereafter to be capped to CPI. Wider market rates show up to a 30% increase in activity costs, therefore this does represent value for money.

## **6 Consultation and Other Considerations**

### Legal Advice

- 6.1 Legal teams across all partners of the BCES Partnership Steering Group have reviewed the commissioning approach and have determined that calling off the BICES Framework is a compliant approach.
- 6.2 BFC legal team has been closely involved and thoroughly reviewed the proposed commissioning route to the new service, supporting Commissioners to interrogate the proposal.
- 6.3 Current legal support are satisfied that the proposed route continues to be legally compliant and are satisfied that procurement are fully supporting this commissioning route. Certain further steps may need additional legal sign off as and when they occur. Commissioning have agreed to revert to legal as appropriate.

### Financial Advice

- 6.4 Budget pressures due to increased activity costs will only be experienced effective 1<sup>st</sup> April 2025 due to the proposed offer by NRS for calling off the Buckinghamshire Framework. Therefore, we would seek an increased contribution from the Better Care Fund to offset this budget pressure.
- 6.5 By agreeing the proposed commissioning route outlined above which includes the recycling mechanism seems to offer better value for money.

### Other Consultation Responses

- 6.6 Procurement leads across Berkshire have met with Commissioners to support, steer and navigate the proposal and alternatives considered in order to ensure the best commercial value is achieved and aligned with compliance to the Procurement Regulations.
- 6.7 BFC Procurement has provided significant support in scrutinising all options and supporting Commissioners with procurement expertise.
- 6.8 Frimley ICS colleagues have confirmed that they have reviewed the West Berkshire Procurement Strategy and are happy to proceed with the proposal of calling off the Buckinghamshire Framework.
- 6.9 Operational leads have been consulted on all options and agree with calling off the Buckinghamshire framework.
- 6.10 BFC Head of Corporate Procurement has reviewed the West Berkshire Council proposal and does consider the Buckinghamshire Framework to provide the best value for money and operational assurance from the available compliant options. It is recommended that the award be approved.

#### Equalities Impact Assessment

- 6.11 West Berkshire Council as lead commissioner will undertake a comprehensive EIA as part of the procurement process.

#### Strategic Risk Management Issues

- 6.12 The following risks have been highlighted in Appendix B: West Berkshire Council Procurement Strategy Report . BFC are in agreement with West Berkshire's assessment of these risks:

- Challenge received to the decision to award to the Buckinghamshire Framework
- Lack of time to undertake full procurement process and mobilise a new contract by 1<sup>st</sup> April 2024
- Cost of the Buckinghamshire Framework exceeds available Berkshire Commissioners budget envelope.
- Inflation pressures due to CPI pressures
- No bids received.

#### Climate Change Implications

- 6.13 The recommendations in Section 2 above are expected to:

Reduce emissions of CO2. NRS have in the current contract committed to a more sustainable approach through the use of electric vehicles.

#### Health & Wellbeing Considerations

- 6.14 The BCES supports people to live safely and independently for longer through the provision of specialist equipment.

### 7. Background Papers

#### Appendix A: Executive Report July 2022

8. Contact for further information.

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