
HOME EQUIPMENT LOANS CONTRACT

**Responsible Cabinet Member - Councillor Veronica Copeland,
Adult Social Care and Housing Portfolio**

Responsible Director - Murray Rose, Director of People

SUMMARY REPORT

Purpose of the Report

1. This report seeks agreement of Council to waive Contract Procedure Rules under Rule 18 in respect of The Home Equipment Loan Service (HELS) for the supply and installation of equipment which enables individuals to live independently and safely in their own home.

Summary

2. HELS is currently provided by County Durham and Darlington Foundation Trust (CDDFT) and supplies and installs equipment which enables individuals to live independently and safely in their own home.
3. Although the Council has its own separate contract with CDDFT this contract was a result of joint procurement with Darlington's PCT now Darlington's Clinical Commissioning Group (CCG) and Durham County Council (DCC).
4. The Council's current spend on this contract is around £90,000.00 per annum, for the CCG it is around £2 million and DCC around £800,000.00.
5. The current contract came to an end on 31 March 2014. The Council has a duty to provide equipment where there is an assessed eligible need therefore a provision for this service moving forward is required.
6. A joint service review of HELS is currently being carried out by Darlington, Durham, Dales, Easington & Sedgefield and North Durham Clinical Commissioning Groups and Darlington Borough Council and Durham County Council commissioners. The aim of the review is to consider whether the current model of provision is still fit for purpose, to ascertain whether it meets the needs of the population of County Durham and Darlington respectively, and to determine a sustainable service model able to cope with future changes in demand.

Recommendation

7. It is recommended that the HELS contract is renewed for 15 months to allow the current review to be completed and the subsequent procurement process to take place to enable a further competitively priced contract to be put in place.

Reasons

8. The recommendations are supported by the following reasons:-
 - a) To enable the Council to take part in a joint procurement with other commissioners.
 - b) To achieve greater savings in the contracting process through the greater buying powers of the other organisations.
 - c) To better facilitate service improvements as part of the wider joint working between the Council and health services.

Murray Rose
Director of People

Background Papers

No background papers were used in the preparation of this report

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S17 Crime and Disorder	There is no direct impact on S17 Crime and Disorder
Health and Well Being	The continued provision Home Equipment Loans ensures that social care needs can be met in a way that both supports an individual's health and wellbeing and is cost effective.
Carbon Impact	There are no carbon impact implications in this report
Diversity	Home Equipment Loans should be available to ensure that people's cultural and spiritual needs are met and meet and support individuals Human Rights.
Wards Affected	There is no impact on any particular Ward
Groups Affected	This will impact on those who require items of equipment to support independent living
Budget and Policy Framework	This falls within the Council's budget and policy framework.
Key Decision	This is a key decision.
Urgent Decision	This is not an urgent decision
One Darlington: Perfectly Placed	The provision of appropriate Home Equipment Loans ensures that people are healthy and supported
Efficiency	The recommendations in the paper are the most cost effective that will continue to meet assessed need.

MAIN REPORT

Information and Analysis

9. This report seeks approval to waive the Council's Contract Procedure Rules in relation to the HELS contract and specifies the reasons for the course of action recommended.

Background Information

10. The Home Equipment Loans Service is currently provided by County Durham and Darlington Foundation Trust on behalf of Darlington Borough Council, Durham County Council and Darlington, Durham, Dales, Easington & Sedgefield and North Durham Clinical Commissioning Groups. The service to the Council is provided under an individual contract. The function of the service is to:-
- (a) Purchase, deliver and collect equipment;
 - (b) Repair and maintain equipment;
 - (c) De-contaminate and recycle equipment;
 - (d) Provide information regarding finance, quality and performance of the service to all commissioners.

11. The equipment loaned under the contract is provided to individuals with assessed eligible social care needs to enable them to live independently and safely in their own home.
12. The cost of the contract is around £90,000 per annum. Whilst the overall value of the contract exceeds £75,000.00 it is relevant that:-
 - (a) The current contract was competitively tendered and it would therefore be most appropriate for the Council to continue to purchase the provision from the current supplier whilst the review is undertaken with a view to a procurement exercise as detailed in the summary; and
 - (b) Advice has been sought in respect of the Public Contracts Regulations 2006.

Financial Implications

13. There is budgetary provision for the delivery of a Home Equipment Loans Service.

General Implications

14. As can be seen in the Summary, the Council's spend on this service is by some degree the smallest of the three organisations which procured the current service. The joint procurement with the CCG and DCC has afforded the Council the ability to take advantage of the savings which can be made from the buying power of those larger organisations.
15. The CCG and DCC intend to extend their current contracts with CDDFT in order to allow for a multi-agency review of the HELS service which will deliver a sustainable service delivery model which supports the new integrated pathways, early intervention, assistive technology and reablement. The Council is part of the current review and the subsequent procurement exercise (led by the CCG) to enable the Council to continue to benefit from the cost savings made available to it when working with the CCG and DCC.
16. Whilst it would be possible for the Council to carry out its own procurement exercise in respect of this service, it is unlikely to result in savings and is likely to cost more as it will be on a significantly smaller scale than at present. It is therefore in the Council's interests to extend the current contract (which was competitively procured) for 15 months, so that the Council can be part of, and take advantage of, the current review and the resulting procurement process and contract, and any potential cost savings.
17. HELS is a 'Part B' Service under the Public Contracts Regulations 2006 which recognises that a fully cost based approach is not always appropriate for services such as social care services. This means that whilst the service is not subject to the more stringent requirements of a full procurement process, the service is still caught by the overriding principles of transparency, equal treatment, non-discrimination and proportionality which underpin procurement throughout the EU. As both of the services are 'Part B', under the Public Contracts Regulations and

Rule 18 of the Council's Contract Procedure Rules, Council has the power to agree to the report's recommendations.

18. The difficulties of the Council procuring a new contract for the service on its own are recognised, as are the benefits of procuring jointly with larger organisations with larger 'buying power'. It is noted that the current contract was competitively tendered and with a review taking place with the intention to procure a new contract in the near future with other organisations, maintaining the status quo whilst that review is undertaken appears to be the most appropriate option.

HR Implications

19. There are no Human Resource implications of this decision.

Procurement Advice

20. The Council's procurement team have been made aware of the proposed procurement exercise, which is being led by the CCG. They will provide the Commissioner with advice in relation to the Council's proposed new Contract when required.

Equalities Considerations

21. An Equality Impact Assessment is being carried out as part of the service review and following the identification of an alternative model of delivery.

Consultation

22. No consultation has been carried out in relation to the content of this report.