

**Written statement of a key decision**  
**Cabinet**

<b>Title</b>	<b>Recommissioning of the Integrated Community Equipment Service (ICES)</b>
Decision maker	Cabinet Information about cabinet, including the names and contact details of the cabinet members, can be found here: <a href="http://councillors.herefordshire.gov.uk/mgCommitteeDetails.aspx?ID=251">http://councillors.herefordshire.gov.uk/mgCommitteeDetails.aspx?ID=251</a>
Date of decision	19 December 2019
Report exemption class	Open
Reason for being a key decision	<p>This is a key decision because it is likely to result in the council incurring expenditure which is, or the making of savings which are, significant having regard to the council's budget for the service or function concerned. A threshold of £500,000 is regarded as significant.</p> <p>This is a key decision because it is likely to be significant having regard to: the strategic nature of the decision; and / or whether the outcome will have an impact, for better or worse, on the amenity of the community or quality of service provided by the authority to a significant number of people living or working in the locality (two or more wards) affected.</p>
A notice was served in accordance with Part 3 (Key decisions) of The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.	
General exception or special urgency (as defined in the constitution)	No
Purpose	<p>To award a five year contract for the Integrated Community Equipment Service (ICES) for Herefordshire for both the council and Herefordshire Clinical Commissioning Group (CCG) and to approve the proposed model of operation.</p> <p>The existing Integrated Community Equipment Service contract comes to an end on 31 March 2020. This report details the intention to appoint a provider to deliver a joint service from 1 April 2020 onwards to fulfil the statutory requirements of the council and health bodies in relation to the provision of equipment. These duties are primarily set out through legislation in the Care Act 2014</p>

	<p>and the Children and Families Act 2014. The council is the lead commissioner for the service which is funded 35% by the council and 65% by the NHS Herefordshire CCG.</p> <p>The service supports over 6,500 people per year by loaning a variety of equipment from simple aids for a short period such as; a raised toilet seat for post-operative recovery, to very complex bespoke seating or hoisting equipment. The most frequently prescribed items are to address pressure care needs, hospital beds and equipment to aid moving and handling requirements.</p> <p>The need to facilitate earlier discharges from hospital and to support more people within the community has increased the need for efficient and appropriately resourced equipment services.</p> <p>The demand on the service is expected to grow over the next contract period, with a continued focus on equipment provided to people in their own homes to reduce the need for interventions such as domiciliary care, care home placements or avoidable hospital admissions. Soft market testing and stakeholder engagement activities have taken place over the last 12 months in order to inform the future model of operation, and the detailed proposals for the next contract period are in line with the changing demands.</p>
<p><b>Decision</b></p>	<p><b>That:</b>  <b>(a) a five year contract for the delivery of the Integrated Community Equipment Service is awarded to Supplier A outlined in Appendix 1 at a total cost of no more than £9m over the lifetime of the contract.</b></p>
<p>Reason for the decision</p>	<p>As set out in the report. Documents relating to this decision are available at  <a href="http://councillors.herefordshire.gov.uk/mgIssueHistoryHome.aspx?IId=50031926">http://councillors.herefordshire.gov.uk/mgIssueHistoryHome.aspx?IId=50031926</a></p>
<p>Options considered</p>	<ol style="list-style-type: none"> <li>1. Do not appoint a provider and extend the current contract. This option is not recommended as the contract has reached the end of the term, including the available extensions. Therefore extension would not comply with procurement regulations and place the council and CCG at risk of a legal challenge. In addition, opportunities to test and adjust the quality and value for money under the contract provided by a procurement would not be taken up.</li> <li>2. End the service. This option is not recommended as it is a statutory function for social care and health to supply equipment free of charge to anyone with an eligible need.</li> <li>3. Do not appoint a provider to deliver this service and join with Worcestershire to form a service which covers the whole Sustainability and Transformation Partnership (STP) footprint. This option is not recommended as there are a number of challenges to such an approach including the timescale and</li> </ol>

	<p>various operational differences, which would require significant realignment. This option is also likely to incur significant costs which would be unrecoverable.</p> <p>4. Do not appoint a provider and bring the service in house for direct delivery by the council. This option is not recommended as it would not align with the existing timescales, it would require significant capital investment and present wide ranging logistical challenges which could not necessarily be encompassed.</p> <p>5. Do not appoint a provider and allow Herefordshire CCG to act as the lead commissioner. This option is not recommended due to VAT rules that do not allow the CCG to recover VAT for health equipment and services, thereby increasing the cost to both the council and the CCG by a further 20%. This would apply if the CCG were a provider or commissioner of such services. This option would also not align with the timescales.</p>
Declarations of interest (see below)	None
Call-in expiry date (decisions are not subject to call-in where special urgency provisions apply)	30 December 2019

Councillor: .....	Date 19 December 2019
Leader of the Council (Councillor David Hitchiner)	

- a record of any conflict of interest declared by any executive member who is consulted by the member which relates to the decision;
- and
- in respect of any declared conflict of interest, a note of dispensation granted.