

Decision maker:	Director of adults and communities
Decision date:	Tuesday, 31 March 2020
Title of report:	Telecare Monitoring Contract
Report by:	Senior Commissioning Officer

Classification

Part exemption

Appendix 1 is exempt from publication by virtue of paragraphs 3 and 5 of Schedule 12A of the Local Government Act 1972 and it is considered that the public interest in maintaining the exemption outweighs the public interest in disclosing the information

Decision type

Non-key

Wards affected

All wards

Purpose

To approve a direct award of contract for up to 2 years to the current provider to deliver the management of a telecare monitoring service (Careline). There are no further options for extension within the current contract and therefore a direct award is the most effective and appropriate way to ensure continuation of this service.

Recommendation(s)

That:

- (a) A contract be awarded to Connexus to deliver the management of a telecare monitoring service on a spot purchase basis, from 1 April 2020 for up to two years, with a maximum cost of £110,000**

Alternative options

1. Not to continue the service. This option is not recommended as it would leave vulnerable people without potentially vital support, and would undermine or invalidate the provision of much technology equipment. This would lead to potential harm to individuals and potential increases in admissions to hospital or long term care. The council would also find itself in breach of duties under the Care Act 2014.
2. To undertake a procurement through a competitive tender process to select a provider for up to two years. This option is not recommended as a change of provider would cause disruption during a short period and the current service is regarded as providing good value for money. The review, design and governance for new models and arrangements is expected to take around 12 to 15 months. Procurement and mobilisation of new services and contracts will then be required. Re-procuring for a short period of interim service delivery would involve disproportionate time and process.
3. To award a contract of a fixed, shorter duration to enable a procurement exercise to be undertaken. This option is not recommended as the wider work around the redesign of a TEL service (Technology Enabled Lifestyles) would not have concluded and as outlined above, re-procuring for a short period of interim service delivery would involve disproportionate time and process.

Key considerations

4. The call monitoring service supports the provision of technology equipment to many hundreds of people living in the community, providing a helpline function. The provision of Technology Enabled Lifestyles (TELS) equipment is managed separately through another contract and this will continue until the redesign and procurement of alternative arrangements is complete. The review and redesign of community equipment and TELS pathways and services is commencing and will consider options for future delivery.
5. Connexus is the current provider of this service and delivery and performance have been satisfactory overall. The service was originally commissioned as part of a much larger service, incorporating re-ablement provision. When the re-ablement service was brought into direct management by the council in 2016, the call monitoring service was continued separately. The current one year contract will expire in March 2020, with no further options for extending.
6. The council is committed to using TELs to their full potential to help people be independent and healthy and transform their experience of care and support. It can help target support to the most vulnerable people by predicting risk and crisis, promote independence and reduce reliance on formal, cost intensive packages of care. The review and development of a new technology strategy will be accompanied by innovative new pathways to maximise appropriate use of technology. This work will also incorporate a review and redesign of existing, established TELS services.
7. The council commissions two services from two different providers currently to deliver telecare and assistive technology: Nottingham Rehab Solutions Ltd (NRS Healthcare) for the provision of telecare equipment and Connexus for the management of a telecare monitoring service (Careline). NRS, the current Integrated Community Equipment Service

provider has been awarded the new contract to commence on 1st April 2020. This has provision for the technology equipment element to be changed or removed upon written notice in line with the provision in the contract with no additional governance required. Extending the management of the telecare monitoring service will also enable a whole service review to ensure that telecare and assistive technology is being commissioned in the most effective way possible to support people in their own homes, prevent hospital admissions and delay the need for long term care.

8. A call monitoring service is required to provide security and peace of mind for vulnerable adults within Herefordshire, by raising an alert in the event of an incident and arranging the appropriate response. Without the provision of this service some vulnerable adults would not safely be able to remain at home or return there from hospital. The service is provided to disabled people, older frail people and those at risk of falls, along with learning disabled people and people with a sensory impairment. It gives those individuals and their carers confidence and assurance that they can be safe whilst living independently.
9. The pricing of the service provided by Connexus is regarded as competitive and good value for money following some initial research. However, it is difficult to demonstrate this through detailed evidence as models of delivery and contract form vary considerably around the country. In practice, few councils commission telecare call monitoring separately and so pricing is usually for supply of the equipment and monitoring combined. Analysis is further complicated by the diversity of different equipment items used in different areas.
10. A contract period of up to two years is required. This is to enable transition to a new integrated provision, implementing the TELS strategy. The council will retain options to end the contract earlier to align with the strategy and integration work as it progresses. Any provision in the contract for its early termination by the provider will be managed to reduce any threat to continuity of the service. This would involve a notice period of no less than nine months.

Community impact

11. The proposed continuation of telecare call monitoring will directly support the ambitions of the council's County Plan (2020-2024). Specifically this decision relates directly to protecting the lives of vulnerable people and using technology to support home care and extend independent living. Understanding Herefordshire, the local joint needs assessment (JSNA) provides detailed information about the numbers and distribution of vulnerable older and disabled people, the rates of admission to and discharge from hospital. These all support the optimisation of effective and appropriate TEL provision, including call monitoring and response.
12. There are no particular implications for looked after children or care leavers or for the council's role as corporate parent.
13. The council is committed to providing a healthy and safe environment for all individuals affected by the council's activities. Therefore the council seeks to ensure that the work it and its partners undertake, does not adversely affect the health, safety or welfare of vulnerable adults or the workforce supporting them. The commissioning of a call monitoring service supporting use of TELS equipment is designed in part to protect the health and safety of residents in their own homes.

Equality duty

14. Under section 149 of the Equality Act 2010, the 'general duty' on public authorities is set out as follows:
A public authority must, in the exercise of its functions, have due regard to the need to -
 - (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
 - (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
 - (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
15. The public sector equality duty (specific duty) requires us to consider how we can positively contribute to the advancement of equality and good relations, and demonstrate that we are paying 'due regard' in our decision making in the design of policies and in the delivery of services. Our providers will be made aware of their contractual requirements in regards to equality legislation.
16. The Equality Act 2010 established a positive obligation on local authorities to promote equality and to reduce discrimination in relation to any of the nine 'protected characteristics' (age; disability; gender reassignment; pregnancy and maternity; marriage and civil partnership; race; religion or belief; sex; and sexual orientation). In particular, the council must have 'due regard' to the public sector equality duty when taking any decisions. The current call monitoring service benefits people sharing protected characteristics, notably disabled people and older people. Whilst there are few specific equality implications arising from this decision, it does extend the support available, and this is likely to benefit certain protected characteristics.
17. The proposed contract award provides for a continuation for up to two years of existing essential support to disabled people with no change to delivery. It is intended that the service will be reviewed, redesigned and in some form re-procured with effect from April 2022. Governance to authorise the recommissioning TELS and community equipment services will be accompanied by a full equality impact assessment in 2021.

Resource implications

18. The revenue costs of the service are derived from unit costs of calls on a spot purchase model. The current standard unit cost per call is £0.43. The estimated cost for 2019/20 is £44k. There has been a notable increase in activity in 2019/20 and some year on year cost increase can be anticipated. Whilst it is not practical to cap the spending under the spot purchase arrangements, it will be monitored closely. Any overspend will be highlighted and alternative funding identified from wider budgets for technology enabled lifestyles.
19. The council makes a charge for the telecare monitoring service after an initial 6 week period which is provided free of charge.
20. Expenditure on the service is incorporated into the base budget for the Adults and Communities Directorate and included in the medium term financial strategy (MTFS).
21. There are no capital costs arising from this decision.

Revenue or Capital cost of project (indicate R or C)	2020/21	2021/22	Future Years	Total
Revenue expenditure	£51k	£59k	£000	£110k
TOTAL	£51k	£59k	£000	£110k

Legal implications

22. The new contract is expected to be worth £110K. The existing contract (ending 26th March 2020) is worth £46k. The aggregated value is therefore £156k. This falls below the EU threshold of £663,540 for social or other related services and so the EU Procurement Regulations would not apply, although the council would need to comply with its Contract Procedure Rules.
23. An exemption from standing orders will be required in order to achieve the awarding of a new contract.

Risk management

24. The risks arising from not adopting the recommendation in this report are outlined below;

Risk / opportunity	Mitigation
The recommendation for a direct award is not approved with no contact or service in place. This could lead to an increase in long term care, hospital admissions and failure to meet statutory duties under the Care Act 2014	The evidence of the impact of not approving the direct award is clearly outlined in the report. Some of our most vulnerable service users would be significantly impacted upon independence and wellbeing.
Continue service without contract in place. This would represent a breach of procurement regulations and the council's own contract procedure rules.	A contract is ready to be issued upon completion of governance.
The telecare and telephone support markets are rapidly evolving, with growth. Merges and acquisitions are commonplace so that contracted services may change hands or "novate" during a contract period. This could	The contract will provide for any novation to a third party to require prior approval from the council. Provision for terminating or varying the contract will protect the council from price rises as far as possible, as well as from peremptory termination.

lead to falling quality or rising prices for the council.	
Maintaining the service is vital to supporting residents to remain in their own homes.	The service will be extended and the recommissioning approach will be developed building on the county plan ambitions.
The service is not delivering value for money.	The current service appears to be cost effective with the limited number of comparable examples to compare to. The cost and impact of the equipment is being reviewed alongside this through the integrated community equipment service.

25. Risks will be managed at a service level, in liaison with other relevant service areas.
26. The proposed decision provides an opportunity to ensure continuity of service for a significant number of vulnerable people, whilst allowing time to develop a more comprehensive, economic approach which helps manage demand for care and support in the long term.

Consultees

21. None

Appendices

Appendix 1 – additional considerations (Exempt)

Background papers

None identified