

Title of report: Sensory impairment contract

Decision maker: Cabinet member health and adult wellbeing

Decision date: Monday, 5 July 2021

Report by: Commissioning officer

Classification

Open

Decision type

Key

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

Wards affected

(All Wards);

Purpose

To approve a competitive market tender for the provision of a sensory impairment contract due to the current contract cessation on 31 January 2022.

Recommendation(s)

That:

- a) **approval is given to go out to tender for a five year contract to deliver a sensory impairment service to commence from 1 February 2022 upon the cessation of the current contract on 31 January 2022.**
- b) **The director for adults and communities is authorised to take all operational decisions necessary to implement the recommendation**

Alternative options

1. **Directly award a contract to the current provider.** This option is not recommended due to the length and value of the proposed tender, it has been advised that a full competitive tender will be required.

2. **Fund through an annual Grant in Aid payment.** This option is not recommended as it would not offer the service provider stability going forward due to the award being subject to annual renewals.
3. **Bring the service in-house.** This option is not recommended as the costs of providing this service, in addition to probable TUPE costs, would offer a poorer level of value for money than an outsourced solution.

Key considerations

4. This service provides a rehabilitation, equipment supply and training service for people with visual impairments. It also provides an equipment supply service for people with a hearing impairment
5. The element in this service dealing with visual impairment is a statutory obligation for the council to provide or contract for. It includes management of the Blind Register which is also a statutory obligation on the council.
6. **Clients seen by the service.**

The numbers of people seen by this service have remained reasonably steady over the past five years with the notable exception of the past year due to the pandemic.

Referrals Total	2016 - 2017	2017 - 2018	2018 - 2019	2019 - 2020	2020 - 2021
Vision Links	138	146	157	167	40
Action Deafness	281	268	333	231	49
Total	419	414	490	398	89

Predicted demand for the service

The RNIB has estimated that there will be the following rise in demand for a vision related service in Herefordshire over the next decade;

Severity of sight loss	2020	2025	2030	percentage increase 2020 to 2030
Partial sight loss	6,830	7,490	8,410	23.13%
Blindness	1,070	1,200	1,370	28.04%
Total	7,900	8,680	9,780	

(Source RNIB sight loss tool report 2020)

The Oxford Brookes University POPPI website predicts the following rise in demand for hearing services over the next 20 years;

	2020	2025	2030	2035	2040	percentage increase 2020 to 2040
Predicted to have some hearing loss	41,999	45,890	50,148	53,669	56,578	34.71%
Predicted to have severe hearing loss	4,558	5,089	5,884	6,409	6,904	51.47%

(Source POPPI website accessed May 2021)

7. **How the service fits into the wider service picture.**

This service forms an important part of a much larger sensory impairment offer across the county. Many people with sight or hearing impairments do not get referred to this service as they can have their problems dealt with by direct interventions or procedures at the Eye Hospital or Hearing Clinic. Others are also able to purchase their own equipment from High Street outlets. There are also complimentary service commissioned by the CCG such as the Low Vision Scheme. Of course many other people, especially those with hearing problems, are unaware that they have a condition and carry on with their life as usual.

8. Clients are referred to this service from a range of sources. For those with vision issues the main referral route is via the Eye Hospital. For those with hearing issues the main referral pathway is via their GP or by self-referral.
9. Although this contract deals with only a part of the total number of people requiring help, it is a service that, in the case of visual impairment, is a statutory requirement that the council must meet. An alternative to an external contract would be to provide this service in house. This has been considered but would be more expensive to provide due to staffing costs and management overheads.

Community impact

10. The provision of this service contributes to the county plan 2020-24 ambition to 'strengthen communities to ensure everyone lives well and safely together' and to 'support an economy which builds on the county's strengths and resources'.
11. The service also supports the wider strategic direction stated within the market position statement to utilise technology and equipment to support people to remain independent within their own homes for as long and safe as possible ensuring they can access their communities to enable independent living
12. As part of the tender the service provider will be required to demonstrate what Social Value their service will add to the county and to its citizens.
13. The contractor will also be expected to work with the growing number of Talk Community hubs across the county to ensure that the service is delivered at a local level.

Environmental Impact

14. Herefordshire Council provides and purchases a wide range of services for the people of Herefordshire. Together with partner organisations in the private, public and voluntary sectors we share a strong commitment to improving our environmental sustainability achieving carbon neutrality and to protect and enhance Herefordshire's outstanding natural environment.
15. Whilst much of this decision relates to back office functions and will have minimal environmental impacts, consideration has been made to minimise waste and resource use in line with the council's Environmental Policy.
16. The environmental impact of this proposal has been considered through the service specification and includes appropriate requirements on the contractor/delivery partner to

minimise waste, reduce energy and carbon emissions and to consider opportunities to enhance biodiversity. This will be managed and reported through the ongoing contract management.

17. As part of the contract the service provider will be expected to demonstrate their commitment to the Council's Green Agenda by encouraging the reuse and recycling of equipment once it is no longer required by a customer.

Equality duty

18. 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.
19. 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.
 20. This service specifically supports a cohort of residents who share a protected characteristics in that they are disabled. Also, in a majority of cases, they are also elderly as hearing loss and physical changes such as macular degeneration are often found in an older population. By providing this service the council is demonstrating that it is taking Public Sector Equality Duties seriously.

Resource implications

21. The annual value of this contract will be £115,000. Over 5 years this equates to an overall value of £575,000.
22. It should be noted that this annual value has been increased by £11,000 to reflect inflation increases to ensure the service is viable and that the market will respond.
23. In addition, there is an equipment budget of £27,500 a year. Over 5 years this will have a value of £142,500. It is important to note that the equipment budget is indicative only. The council has a statutory duty to provide equipment so this budget may have to be increased to meet demand. However, since 2014, the equipment budget has remained relatively stable so the risk of a budget pressure is very low.

Revenue or Capital cost of project (indicate R or C)	2019/20	2020/21 (1 Feb to 31 March 2022) £k	Each full year £k	Final Year (10 months) £k	Total (5 years) £k
Running costs - R	n/a	19	115	96	575
Equipment costs - R	n/a	4.5	27.5	23	137.5
TOTAL	n/a	23.5k	142.5	119	712.5

Legal implications

24. There are no legal issues arising from this report to bring to the attention of the Cabinet Member,

Risk management

25. A potential risk is insufficient interest from the market to provide this service. The previous tender in 2019 provided only one bidder (the current service provider). In mitigation it is felt that the increased value and length of contract will attract bidders as the additional value will make this contract a more attractive proposal to them. A soft market test prior to the 2019 tender resulted in four expressions of interest.
26. The tender will be run in line with the council's contract procedure rules. It is planned that the tender will be advertised at the end of August 2021. Evaluation and scoring of bids will take place in late September and early October. Contract award would be in at the end of October giving three months for mobilisation to contract start date.
27. Once a contract is awarded it will be contract managed by the Adults and Communities directorate through regular contract management meetings with the provider.

Consultees

28. Key political groups have been consulted with and feedback have supported the recommendations. Comments received concerned feedback from service users and for further clarification of the alternative options considered in making the recommendations. Councillors were content with the responses they received.

Appendices

None

Background papers

None identified

Please include a glossary of terms, abbreviations and acronyms used in this report.