

## **Report to Keith Hinkley, Executive Director Adults and Health**

**August 2021**

### **Community Reablement Service Contract Extension**

#### **Report by Jane Walker, Operations Manager – Independent Living Services**

**Electoral division(s): All**

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#### **Summary**

West Sussex County Council (WSSCC) has a contract with Essex Cares Limited (ECL) for the provision of Community Reablement Services. Reablement is the term to describe services to support residents following a change in ability, most likely due to a medical condition or episode. A Community Reablement Service (CRS) is essential to prevent people requiring longer term support, enabling people to retain/regain independence and remain at home.

The Service was re-procured in 2017 for an initial term of 3+2 years. With the full two-year extension period being utilised the contract will run until 30 November 2022.

Following the recommendation from an independent diagnostic assessment in summer/autumn 2019 that if the capacity of the service was increased this could deliver marked benefits in terms of outcomes for residents and financial benefits the service capacity was increased by 58% in April 2021. An additional 12-month period to enable the full contract re-commissioning to incorporate the challenging requirements of the Department of Health's 'Urgent Community Response' standards and to comprehensively evaluate the impact of this capacity increase is required, with the mechanism for this being a single tender waiver for a 12-month contract extension with ECL.

#### **Recommendation**

The Executive Director of Adults and Health is asked to approve a modification to the current Community Reablement Service contract to extend the contract by 12-months via a single tender waiver. In 2021/22 prices the value of this is a maximum of £4.053m. Effective from 1 December 2022 to 30 November 2023.

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#### **Proposal**

##### **1 Background and context**

- 1.1 The West Sussex County Council (WSSCC) reablement service enables the Council to deliver on key West Sussex Plan priorities such as 'keeping vulnerable people safe' and 'helping people and communities fulfil their

potential'. It also forms part of the joint 'Community Response and Reablement' (CR&R) programme (being delivered by WSCC and NHS partners) and contributes to supporting the health and care system to manage hospital discharge flow and preventing unnecessary admission to hospital.

- 1.2 Reablement falls within the range of duties of social service authorities under Section 2 of the Care Act (under the duty to contribute towards preventing or delaying the development by adults, in its area, of needs for care and support) and should be offered free to the customer for up to 6 weeks.
- 1.3 The service is currently provided through a combination of the WSCC Regaining Independence Service (RIS) Occupational Therapists (OT) and a contracted independent provider - Essex Cares Limited (ECL).
- 1.4 ECL receive referrals directly for both customers living in the community and those being discharged from hospital. More recently these hospital referrals are being received from HomeFirst through the Discharge to Assess (D2A) pathway.
- 1.5 ECL provides specialised reablement care (which may include some traditional domiciliary care tasks) within the home.
- 1.6 The contract for the 'Community Reablement Service' (the element with ECL) is due to end (following the 3+2 years contract term) on 30 November 2022, with the full two year extension period being utilised.
- 1.7 The NHS Long Term Plan states: Over the next five years all parts of the country will be asked to increase the capacity and responsiveness of community and intermediate care services to those who are clinically judged to benefit most. Extra investment and productivity reforms in community health services will mean that within five years all parts of the country will be expected to have improved the responsiveness of community health crisis response services to deliver the services within two hours of referral in line with NICE guidelines, where clinically judged to be appropriate. In addition, all parts of the country should be delivering reablement care within two days of referral to those patients who are judged to need it. This will help prevent unnecessary admissions to hospitals and residential care, as well as ensure a timely transfer from hospital to community. (The NHS Long Term Plan is provided as a Background Paper to this report)
- 1.8 An independent diagnostic assessment on behalf of WSCC (in summer/autumn 2019) proposed that increasing the capacity of the WSCC Reablement service could deliver marked benefits in terms of outcomes for residents and financial benefits.
- 1.9 This service capacity increase (of 58%) was implemented in April 2021 and is intended to deliver the benefits referred to in paragraph 1.8. It was also predicated on a transition away from a more costly therapy-led service (to drive value for money and spread therapy resource across a larger customer base to ensure their expertise is focused on those residents who most require it). ECL's role has therefore been expanded to include assessment and goal setting tasks.
- 1.10 This capacity increase is a key element contributing to the Adult Social Care savings plan and it is of course crucial that we evaluate its impact and effectiveness as well as the revised service delivery model to drive value for

money and enhance customer and financial benefits.

- 1.11 The total budget per annum for the WSCC reablement service is currently a maximum of £4.053m.
- 1.12 In terms of performance, in 2019/20 76.75% of customers exited the service requiring no ongoing care support and a further 11.36% reduced their package of care by more than 10%. This benchmarks very high nationally.

## **2 Proposal details**

- 2.1 The proposed modification will extend the Community Reablement Service by 12-months via a single tender waiver. Effective from 1 December 2022 to 30 November 2023.
- 2.2 This will enable the full contract re-commissioning to incorporate the challenging requirements (for the health and social care system) of the Department of Health's 'Urgent Community Response' standards where reablement services may require deployment within a 2 day period to support admission avoidance and timely discharge from hospital (The NHS Urgent community response – two-hour and two-day response standards is provided as a Background Paper to this report). These standards require at a minimum significant alignment of social care commissioning with health and potentially joint arrangements requiring WSCC to work in partnership with health to create a 'crisis response service' and then develop a pathway from that service into reablement. In addition, considerable work is required to ensure that the optimum model of service delivery is in place to achieve customer outcomes and value for money across the full suite of reablement services commissioned by the West Sussex health and social care system.
- 2.3 The single tender will also enable sufficient time for the comprehensive evaluation of the capacity increase and revised service model in order to enable the optimum decision to be made on the commissioning strategy for the next competitively tendered contract.

### **Key dates:**

<b>DATE</b>	<b>ACTIVITY</b>
<i>August '21</i>	Officer Key Decision Report published
<i>1 December '22</i>	Contract variation to take effect
<i>30 November '23</i>	Contract expiry (inclusive of 12-month single tender extension)

## **3 Other options considered (and reasons for not proposing)**

- 3.1 Full details below:
  - Do nothing (do not extend the contract by 12-months):
  - If a 12-month contract extension via single tender waiver is not approved this will mean the full contract re-commissioning is unable to incorporate the challenging requirements of the Department of Health's 'Urgent Community Response' standards where relevant reablement services will require

deployment within a 2 day period to support admission avoidance and timely discharge from hospital. The Council would risk non-compliance with these standards. The incorporation of these standards is required to ensure that the optimum model of service delivery is in place to achieve customer outcomes and value for money across the full suite of reablement services commissioned by the West Sussex health and social care system.

- It will also impact on the Council’s strategic aims with insufficient time available to comprehensively evaluate the revised service model and ROI benefits, potentially leading to a suboptimal re-commissioning strategy/model of service delivery being put in place.

#### **4 Consultation, engagement and advice**

- 4.1 Comprehensive consultation has taken place with internal stakeholders (and with NHS stakeholders) through the CR&R programme.
- 4.2 Procurement, Finance and Legal Services have been consulted and informed through the appraisal of options and this paper.
- 4.3 ECL have also fully contributed towards this proposal to ensure that they are in full agreement with it and their role in the proposal. They have also agreed to fully engage with any pilot models and ways of working which will contribute towards WSCC Adult Services Improvement vision and the system wide Community Response and Reablement (CR&R) vision.

#### **5 Finance**

##### **5.1 Revenue consequences**

- 5.2 The value of the 12-month extension for the period 1 December 2022 to 30 November 2023 will be £4.053m, which is the current cost of the service. Unless any inflationary uplifts are agreed in line with the provisions of the contract, this will be the maximum that is spent during the extension period. As a result, the proposal is affordable within the budget, as the table below shows:

	Year 1 2022/23 £m	Year 2 2023/24 £m
Contract cost	1.351	2.702
Revenue budget	1.351	2.702
Remaining budget	Nil	Nil

##### **5.5 The effect of the proposal:**

- (a) **How the cost represents good value**

- The increase in reablement capacity implemented in April 2021 was based on an anticipated return on investment of £2.15 for every £1 spent, which is expected to be maintained during the extension. This, in turn, is the basis of the savings target called 'non-residential customers to remain at home with a reduced package', under which recurring benefits of £3.5m are due to be generated from 2022/23. Monitoring of outcomes is a key element of the contract, so the extension period will allow for enhanced evaluation of the actual return before the service is reprocured.

(b) **Future savings/efficiencies being delivered**

As above

(c) **Human Resources, IT and Assets Impact**

N/A

## 6 Risk implications and mitigations

<b>Risk no.</b>	<b>Risk description</b>	<b>Mitigation</b>
1	The Council would risk non-compliance with the key health and social care requirements of the Department of Health's 'Urgent Community Response' standards. The Council would also risk poorer outcomes for customers and reduced value for money for the Council and the wider West Sussex health and social care system with a suboptimal re-commissioning strategy/model of service delivery put in place.	Request for a modification to the current Community Reablement Service contract to extend the contract by 12-months via a single tender waiver. Effective from 1 December 2022 to 30 November 2023.
2	Re-commissioning/procurement is not completed in a timely manner.	Early re-commissioning activity is already being progressed. Potential slippage will be monitored by the Project Steering Group and Commissioning/Procurement leads. Overall governance will be through the Adult Services Portfolio Board.

## 7 Policy alignment and compliance

- 7.1 There is no provision within the current contract for further extension. Consideration has been given to Regulation 72 of the Public Contracts Regulations 2015. Regulation 72 clarifies what is a "substantial modification" to a contract and sets out six scenarios where a public contract can legally be

modified without the need for a new procurement. On consideration of these scenarios, the conclusion is that this extension is not within any of the permissible contract variations. Therefore, there is the risk of legal challenge from another provider in the market as the Council would be directly awarding a contract to a provider without following a competitive procurement procedure. However, this risk should be mitigated by the fact that the Council will be undertaking a full re-procurement of the service soon. Recent market testing in October 2020 suggests that the potential bidder pool is limited.

7.2 The West Sussex County Council (WSSCC) reablement service enables the Council to deliver on key West Sussex Plan priorities such as 'keeping vulnerable people safe' and 'helping people and communities fulfil their potential'. It also forms part of the joint CR&R programme and contributes to supporting the health and care system to manage hospital discharge flow and preventing unnecessary admission to hospital.

7.3 Equality duty and human rights assessment:

Assessed when contract was awarded, as previously considered in report [ASCH7 16/17](#) – no changes/further impacts noted. There are no Human Rights implications arising from this contract variation.

7.4 Social Value and Climate Change:

Assessed when contract was awarded – no changes noted.

7.5 There are no crime and disorder or public health implications.

**Jane Walker**

Operations Manager - Independent Living Services

**Contact Officer:**

Chris Jones, Service Development Officer, Tel: 033 022 28249

**Appendices** None

**Background papers:** [NHS Long Term Plan](#)

[NHS Urgent community response – two-hour and two-day response standards](#)