

AGENDA ITEM: 7

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Meeting	Cabinet Resources Committee
Date	26 September 2005
Subject	British Red Cross two Year extension for the Joint Equipment Contract – LBB/BPCT
Report of	Cabinet Member for Community Services
Summary	This report recommends that the council extend the existing contract with the British Red Cross for a further 2 years until 1 st July 2008.

Officer Contributors	Glynnis Joffe- Assistant Direct Health Partnerships (Older Adults)
Status (public or exempt)	Public
Wards affected	All
Enclosures	None
For decision by	Cabinet Resources Committee
Function of	Executive
Reason for urgency / exemption from call-in (if appropriate)	Not applicable

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1. RECOMMENDATIONS

- 1.1 That the current Integrated Community Equipment provider, the British Red Cross, have their contract to deliver, collect, service and store community and nursing equipment extended by a further two years from the 1st July 2006.
- 1.2 That upon approval of extension, the Legal Department be instructed to produce a formal Deed of Variation to effect the changes that have been recommended by the London Borough of Barnet and the Primary Care Trust and agreed in principle by the British Red Cross.

2. RELEVANT PREVIOUS DECISIONS

- 2.1 On the 20th February 2003, The Cabinet Resources Committee agreed the British Red Cross should be awarded the contract to supply community equipment.

3. CORPORATE PRIORITIES AND POLICY CONSIDERATIONS

- 3.1 Community Plan Priorities - Partnership Working with public, private and voluntary sectors.
- 3.2 Healthy & Caring Community – Ensuring accessibility and responsive health and social care services for all communities.
- 3.3 Promoting independence of vulnerable adults.
- 3.4 Helping the vulnerable in our community.

4. RISK MANAGEMENT ISSUES

- 4.1 Equipment services must comply with manual handling regulations and with the Health and Safety at Work Act (HASAWA) 1974. These regulations require that all equipment, including that in people's homes, must be checked regularly.
- 4.2 Correct procedures need to be in place when purchasing equipment to prevent potential delayed hospital discharges & unnecessary hospital admission.
- 4.3 The BVPI D55 relates to the % of equipment and adaptations delivered within 7 working days. This contract must meet the performance indicator. We have set a target of 85% being delivered within the time scale 05/06 and will seek continuous improvement over future years. We are requiring the Red Cross to develop an action plan to ensure that this target is met. This will be monitored on a monthly basis.

5. FINANCIAL, STAFFING, ICT AND PROPERTY IMPLICATIONS

- 5.1 The contract is jointly funded by Barnet Primary Care Trust and Barnet Social Service under a section 31 agreement.
- 5.2 The British Red Cross (BRC) community equipment service team consists of a manager, 3 admin staff, 2 warehouse staff, 2 driver technicians, 2 drivers, 1 drivers assistant, 2.5 customer care staff & 1 special purchasing order

assistant. The cost of the core service staffing & premises will remain at the agreed rate.

- 5.3 The British Red Cross service provided value for money in the last year. The services delivered 15,000 items of equipment and collected 9,500. These figures show that 63% of equipment is returned after use. Of the items collected 92% are recycled back into the system.
- 5.4 The British Red Cross purchasing team are able to negotiate better purchasing prices because of the level of equipment that is needed for their existing contracts with Leicester, Doncaster and Barnet.
- 5.5 A formal agreement has been received from the Primary Care Trust to the proposed 2-year contract extension with the British Red Cross.

6. LEGAL ISSUES

- 6.1 The existing contract that was originally signed in June 2003 is still legally binding. The contract expires in June 2006. There are two options open to the council, to extend the contract by 2 years from that date or to retender the contract.
- 6.2 Barnet has identified improvement areas for the current contract. These are mainly related to improving the efficient running of the contract to the provision of performance information. We have negotiated 5 improvements which will form an added schedule to the current contract should an extension be agreed. The British Red Cross have acknowledged and agreed to comply with these 5 areas.

7. CONSTITUTIONAL POWERS

- 7.1 Constitution part 3. Responsibility for Functions section 3. Responsibility of the Executive. Paragraph 6 responsibility of the Cabinet Resource Committee.
- 7.2 Contract procedure rules section 5.6 provision for extension of contracts.

8. BACKGROUND INFORMATION

- 8.1 ICES (Integrating Community Equipment Services) is a Department of Health funded initiative across health and social care to develop community equipment services in England, remove unnecessary barriers for users and modernise services. Local Authorities and Primary Care Trusts were required to implement integrated equipment stores by April 2004.
- 8.2 Up until July 2003, the London Borough of Barnet and Barnet Primary Care Trust operated two separate community equipment stores, delivery and collection services.
- 8.3 A project team of therapists, store managers and general managers worked for six months to prepare the joint service specification and contract. In February 2003, the £1.06 million contract to provide the new integrated

contract was let. The contract is currently monitored under the direction of senior health and social services managers.

- 8.4 Integrated community equipment services play an important part in helping people to develop their full potential and to maintain their health and independence. A wide range of equipment and adaptations can now be provided, the majority of items being provided within seven days of a professional decision being made.
- 8.5 In the first two years the integrated community equipment service has achieved the recommendations set by the department of health.
- **Target: to achieve an increase of 50% in the number of service users by April 2004.** Comparing Oct. –Dec. 2003 figures to Jan. – Mar. 2004 quarterly figures showed Barnet ICES has already achieved this with an increase of 53% in the number of people who had an “episode of equipment”.
 - **Target: to recycle 70% of equipment by value.** In 2004-2005 the British Red Cross recycled 92.5% of equipment that was collected.
 - **Target: to achieve 100% of all deliveries within 7 working days**
In year 1 the British Red Cross delivered 70% of equipment within 7 days. In year 2 the British Red Cross delivered 76.8% of equipment within 7 days.
- 8.6 In May 05 LBB purchasers and Primary Care Trusts staff were surveyed in order to get feedback on the current equipment service provided. Overall staff are happy with the service provided by the British Red Cross.
- 8.7 We are currently facilitating service users to set up an equipment service user group in order to ensure that the contractor receives direct feedback from service users and that the outcome of the contract matches their needs. A survey of service users using a nationally devised and recommended form will also be carried out this year.
- 8.8 The current market of externalised equipment providers servicing London authorities is approximately 4 providers, including the British Red Cross. Officers believe that the current performance of the British Red Cross is good. It is likely that more is to be gained for Barnet Residents by continuity and developing the performance of the current provider in partnership with them over the next 3 years rather than re tendering the service.

9 LIST OF BACKGROUND PAPERS

- 9.1 None.

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