

DECISION-MAKER:	CABINET
SUBJECT:	REVISED PARTNERSHIP AGREEMENT FOR A RE-SPECIFIED COMMUNITY EQUIPMENT SERVICE
DATE OF DECISION:	17 JULY 2012
REPORT OF:	CABINET MEMBER FOR ADULT SERVICES
STATEMENT OF CONFIDENTIALITY	
Not applicable.	

BRIEF SUMMARY

On 16 January 2012, an officer delegated decision was made to revise the existing Section 75 Partnership Agreement between Southampton City Council and NHS Southampton for the joint equipment service to enable Southampton City Council to act as host agency for the pooled fund and take on the lead commissioner responsibility for the services which will be re-commissioned against a new service specification from 1 October 2012 for a three year period (with an option of a further two year extension).

We are now seeking to extend the proposed period of the Section 75 Partnership Agreement to five years (with an option of a further two year extension).

RECOMMENDATIONS:

- (i) To approve the revision of the existing Partnership Agreement made under Section 75 (S75) of the National Health Service Act 2006, to enable the City Council to assume lead commissioner responsibility and administer a pooled fund for community equipment services for **a five year period with the option of a further two year extension (increased from a 3 year period with option to extend under the previous terms of Agreement)**, between Southampton City Council and NHS Southampton.

REASONS FOR REPORT RECOMMENDATIONS

1. The longer duration of the Section 75 Agreement is needed to coincide with the contract awarded for the service following the conclusion of procurement processes. It was considered necessary for the contract of this size and complexity to run for 5 years initially, with the option to extend for another 2 years. A longer term will enable the service to achieve the required outcomes and achieve better value for money.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

2. To set the duration of the S75 Agreement at 3 years, with a two year extension. This was rejected on the grounds that the agreement for the equipment needed to be for 5 years with a two year extension in order to match the length of the contract subsequently awarded following tendering of the services.

DETAIL (Including consultation carried out)

3. This service has undergone a radical re-design, to bring it into line with the current thinking and practice in the provision of community equipment, particularly around personalised services. The revised service specification will be advertised for tender in the autumn of 2012.

4. The option to jointly procure the service with Portsmouth City Council was presented as an alternative option within the January decision making report. Although not taken up at that time, Portsmouth CC have since approached Southampton City Council and due to their accelerated work programme are now able to meet joint timescales for tendering and procuring the service. The respective Section 75 agreements would however remain separate. This approach has been approved by the Joint Equipment Store Board.
5. Following the prolonged and complex setting up period, there needs to be a period of stability in which the service can deliver its full benefits. This is particularly relevant for the prescribers, who will have to be trained in their new responsibilities, as well as new online ordering systems likely to be part of the service.

6. **Benefits**

Benefits of the proposed service and added value to be delivered through the pooled fund Section 75 Partnership arrangements are:

- The Section 75 pooled fund continues to integrate services and funding thereby improving economies of scale, efficiencies and outcomes for local people.
- It continues to offer a joined up approach to meeting both health and social care needs to support people achieve rehabilitation and independence, whilst also making the contract clearer and more specific.
- It offers a comprehensive and consistent service, serving all residents of Southampton, regardless of where and how people access the system.
- The change in the lead commissioner arrangement (from NHS Southampton City to Southampton City Council) will enable a local commissioning focus to be maintained during a period of substantial change in the NHS.

Benefits of a 5 year contract (with a 2 year extension) are:

- It enables the service to establish itself following a substantial re-design, continuing to deliver benefits for a minimum of five years.
- It balances the benefits of the service over the life of the contract with the intensive resources employed in the re-design.

7. **Consultation undertaken**

The review of the current service has been undertaken through a project management structure which has involved a number of key stakeholders including NHS Southampton commissioners, Southampton City Council commissioners, Solent NHS Trust existing service provider and prescribers and University Hospitals Services, Foundation Trust. A range of other stakeholders have also been consulted about the current service and new specification through a series of telephone calls and meetings. These have included parents and carers, special schools (Cedars and Rosewood), Specialist teacher advisory Service, Sensory Services Team, Jigsaw joint children's disability team, Contact Centre and OT service, the Red Cross and Housing Services.

RESOURCE IMPLICATIONS

Capital/Revenue

8. The total value of the proposed S75 agreement is £1,220,200 for which SCC will contribute £539,800 and NHS SC will contribute £680,400.
9. The proposals as set out in this report, for the provision of a Joint Equipment Service will be met from within existing ASCH Portfolio and NHS SC resources. The hosting arrangements will not impact financially on existing resources for contractual and financial support.
10. Any future contractual arrangement with a provider will be financially limited to the budget as outlined in Appendix 1. It is anticipated that any re-tendered service will maximise the existing resources to improve the service experienced by its users. A saving is not being anticipated at this time.

Property/Other

11. The current service is delivered from premises rented by the PCT from a private landlord. It is expected that the provider will make their own commercial decision about where they want to set up a warehouse to store the equipment.

LEGAL IMPLICATIONS

Statutory power to undertake proposals in the report:

12. This proposal is for a pooled fund under Section 75 National Health Services Act 2006.

Other Legal Implications:

13. Final service delivery specifications and implementation will be subject to consultation with service users and full environment and equalities impact assessment, including in accordance with the duties imposed under the Equalities Act 2010, in the event of changes to service delivery or specification from those currently being delivered. These will be undertaken as part of the partnership arrangements prior to any changes under service delivery proposed.

POLICY FRAMEWORK IMPLICATIONS

14. The services commissioned will contribute to the Southampton Connect City Challenge for Wellbeing, in particular supporting vulnerable people and promoting long term independence, and specifically support the following two City Council KPIs:
 - Proportion of older people (65 and over) who were still at home 91 days after discharge from hospital into reablement/ rehabilitation services
 - Delayed transfers of care from hospital, and those that are attributable to Adult Social Care

AUTHOR:	Name:	Aleksandra Burlinson	Tel:	023 8083 2795
	E-mail:	aleksandra.burlinson@southampton.gov.uk		

KEY DECISION? Yes

WARDS/COMMUNITIES AFFECTED:	All
------------------------------------	-----

SUPPORTING DOCUMENTATION

Non-confidential appendices are in the Members' Rooms and can be accessed on-line

Appendices

1.	Financial Table
----	-----------------

Documents In Members' Rooms

1.	None
----	------

Integrated Impact Assessment

Do the implications/subject of the report require an Integrated Impact Assessment (IIA) to be carried out.	yes
--	-----

Other Background Documents

Integrated Impact Assessment and Other Background documents available for inspection at:

Title of Background Paper(s)

Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)

1.	Officer Decision Making Report – January 2012
----	---