

## Appendix 2 (iv)

<b>Contract title:</b>	Health and Care Related Equipment Service
<b>Contract Number:</b>	EC09/01/2862
<b>Service Provider(s):</b>	Nottingham Rehab Ltd T/A NRS Healthcare
<b>Commissioning Organisation:</b>	Southampton City Council and Portsmouth City Council
<b>Contract start date:</b>	1 July 2020
<b>Current contract end date:</b>	30 June 2025
<b>Maximum contract end date:</b>	30 June 2027
<b>Current financial year value £:</b>	£1.5m

### Service Summary

The current service provider was appointed following a tender process in 2019-20. The service was re-commissioned in partnership with Portsmouth City Council, based on the previously successful cooperation between the authorities.

The contract payment mechanism comprises two components - a small element of fixed costs (mainly relating to overheads such as staffing, premises, transport) and then a larger variable cost element which relates to payment by piece of equipment and includes delivery, installation, collection and cleaning. Funds are also credited back to commissioners when equipment is returned to the store in a useable condition. This payment mechanism was also in place for the previous contract and enables much greater visibility of the amount of equipment being purchased, enabling commissioners to track and scrutinise demand. Spend will therefore always be influenced by the amount of equipment issued and this is directly generated by the demand from health and care prescribers who make the requests for their clients.

The prescribers who request equipment from the contract are health and care staff across the Council, hospital and Solent NHS Trust. At the start of the contract an equipment catalogue was agreed with the service ensuring that each item was the most appropriate and cost effective. Prescribers make requests from that catalogue and where there is a need to go off the catalogue owing to a particular bespoke client need, there is a process in place which commissioners oversee.

In order to provide additional scrutiny to this contract, an operational manager who is an experienced practising OT, works alongside commissioners in the Integrated Commissioning Unit. This person monitors prescribing team activity and picks up on any changes along with high spend and unusual requests on a daily basis. This provides commissioners with assurance that all spend on the contract is legitimate.

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The Operational Manager holds regular sessions with prescribers to make sure they are up to speed with the latest equipment and to ensure that the contract is meeting their need.

A further area of commissioning focus is on the recycling of equipment. Recycling levels are monitored each month and the operational manager will formally sign off any equipment to be condemned if it is over a certain level of value.

The change-over between providers and mobilisation of the service occurred during the pandemic and presented numerous challenges. However, a good working relationship and cooperation between the authorities and the provider meant that the provider was ready for the go-live date of 1 July 2020.

### **Contract Performance**

The contract has been performing well since the start and both customer and prescriber satisfaction is reported as high this has been against a backdrop that includes the mobilisation period being undertaken in parallel with the beginning of COVID 19 and subsequent challenges associated with sourcing materials required from abroad to maintain equipment. However, since July 2021 there has been a slight decrease in the KPI performance, mostly affecting deliveries and collections of equipment. This is due to three NRS experienced driver/fitters leaving NRS Southampton very suddenly. The employment market for drivers has become very competitive and the staff left due to finding other (more highly paid) driving positions. NRS are reporting driver/fitter vacancies across all of their contracts due to the current market conditions.

NRS have recognised the dip in performance and have advised commissioners of measures they are undertaking to rectify the situation, such as recruitment open days, internal transfers of staff, re-training of staff to undertake additional duties. They anticipate being able to operate to full capacity again in 6-8 weeks.

### **Financial Data**

The contract is structured so that the expenditure on equipment fluctuates according to demand for equipment. The analysis of spend for the first year of the contract indicates a much higher need for specialist and complex equipment.

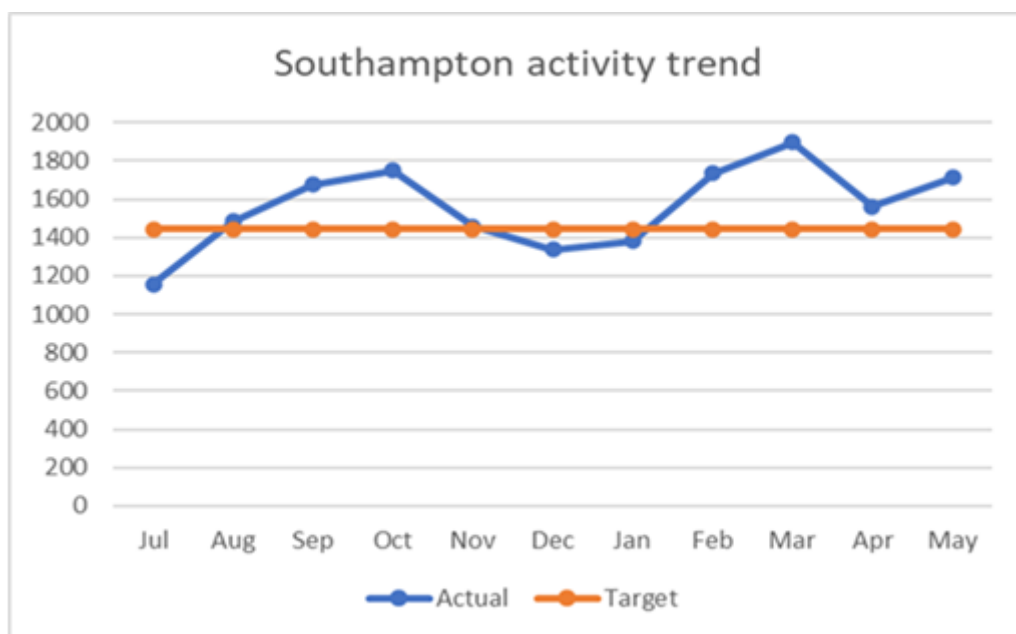
There has been detailed analysis of this over-activity which would appear to be significantly influenced by Covid and the new national hospital discharge policy which came into force in March 2020, meaning that people are being discharged from hospital sooner. Data is showing:

- There has been an increase in the number of complex patients and high cost equipment being provided this year compared to previous years  
NRS are providing approximately 5000 fewer items per year but significantly more complex/expensive equipment, averaging £113.42 per item, a £43 per item increase on the highest previous year. This includes equipment such as:

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- Profiling beds – 203 more provided this year compared to previous year
- Bariatric beds – which cost £1154 per bed – there were 22 last year which, although we no longer have access to the historical records held by the previous JES provider, was felt to be a substantial increase.
- Dynamic mattresses – which are only prescribed for the most dependent individuals who have skin pressure damage or who are at high risk of skin breakdown. There has been a 334% increase (302 more) in the demand for dynamic mattresses on previous year's average.
- The specials equipment spend has also been high - The special equipment spend is also the highest it's been, approximately £20,000 more than the previous three years average,

The chart below compares the actual activity trends from July 2020 (contract start) to May 2021 with the original pre-COVID projection. Whilst Covid demand may fluctuate, the new national discharge policy will continue to have an impact on activity levels.



Commissioners are responding to this increased demand by putting in measures for tighter monitoring, e.g. the operational lead is checking all special equipment which is purchased off catalogue and directly authorising all children's equipment, bath lifts, ceiling track and gantry hoists which tend to be more expensive in addition to authorising any collective order or adaptation exceeding authorised limits for prescribers.

### Operational Issues and Good Practice

Since the start of the contract, a good working relationship has been established with the new provider. The provider has proved willing to go the extra mile, both on an organisational level as well as the individual level. Below are some examples of the operational good practice observed and recorded by the SCC operational lead for the service.

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- Customer service staff and management being utilised and delivering items on their way home after work if the driver technicians are overloaded.
- Excellent communication and organisational abilities, sourcing items at the last minute and transferring from other sites nationally.
- Driver technicians will work over their allocated hours to get the job done. For instance, on Saturdays when they have had multiple last-minute urgent orders placed, working past 12pm to make sure the patient gets the equipment needed and target dates activities are completed (Saturday contracted hours 9am – 12pm)
- Excellent collaboration and communication with the Clinical Advisory team, source items that are not on the catalogue.
- All complaint, concerns, issues, queries are dealt with quickly and professionally, every concern is responded to.
- Communication between Management and Commissioner is good, great working relationship, honest and transparent.
- A culture of finding a solution to solve problems that arise, for example using spare parts to quickly make an item serviceable whilst waiting for a permanent replacement part or repair.
- Good customer service - when family members are collecting from the warehouse, NRS will always offer to take the equipment to the customer's vehicle.
- The NRS Service Manager is passionate about doing a great job and working as a team. They realise that it's an important job, take pride in the role and find it satisfying and rewarding.
- The NRS specials technician was a key role that we requested in the specification. This role is very responsive, and the technician will upload an item to the digital catalogue urgently and has specialist knowledge so that we can utilise the recycled special stock and save money.
- The NRS Service Manager is knowledgeable and quick to respond to any queries with regards to legacy stock compatibility etc.
- Recently an NRS technician raised concerns regarding the condition of a returned item of a child's equipment. The item appeared very badly soiled and dilapidated. This was notified to the commissioner, who took photographs and notified children's services. This prompted a home visit by a social worker, where serious safeguarding issues regarding neglect were discovered. This resulted in the child being removed from the home environment for their safety.

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Contract Summary

		2020/21				2021/22			
		Year 1				Year 2			
Performance Indicator number	Service Specification reference/descriptor/target	Year 1 Target	YTD Performance	YTD Difference to Target	Direction of Travel (against previous YTD)	Year 2 Target	YTD Performance	YTD Difference to Target	Direction of Travel (against previous YTD)
1	Equipment delivery timescales met for 3 working days, 5 working days, Next Day, Same Day and 3 Hour deliveries. As detailed within the service specification.	98%	96%	2%	↔	98%	98%	0%	↑
2	Equipment delivery timescales met for 7Working Day deliveries. As detailed within the service specification.	95%	95%	0%	↔	95%	93%	-2%	↓
3	Equipment delivery of standard equipment in the catalogue	100%	92%	-8%	↔	100%	99%	-1%	↑
4	Equipment collection timescales met for all requested collections. As detailed within the service specification	95%	100%	5%	↔	95%	99%	4%	↓
5	Service Provider achieves recycling levels submitted in tender proposal for new stock	90%	79%	-11%	↔	90%	77%	-13%	↓
6	Combined recycling level achieved, new stock and recycled equipment.	80%	73%	-7%	↔	80%	73%	-7%	↔

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The two KPIs below are reported annually and data has been received for year 1 as below.

Nottingham Rehab Services	Joint Equipment Store	Service Users reporting their experience of service has been satisfactory, good or excellent.	80%
Nottingham Rehab Services	Joint Equipment Store	Prescribers reporting their experience of service has been satisfactory, good or excellent	90%