

## Wiltshire Council

### Cabinet

17 September 2024

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**Subject:** ICB Community Health Service Procurement

**Cabinet Member:** Cllr Jane Davies – Cabinet Member for Adult Social Care, SEND and Inclusion

**Key Decision:** Key

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#### Executive Summary

Community Health services in Wiltshire are currently provided by Wiltshire Health and Care and Medvivo (Access to Care). The contracts are funded by the ICB and the Better Care Fund (BCF). BCF funding is managed as a pooled budget, with spending agreed between the ICB and Wiltshire Council, the governance of which is defined by national guidelines and supported by a S.75 agreement.

The ICB will be tendering a BSW-Wide Community Services Health contract, to start from 1 April 2025 with a proposed length of 7 plus 2 years. The Integrated Care Board's (ICB) community health contract re-tender will have cost and service implications for Wiltshire Council Social Care and management of the BCF.

This report seeks approval to commit £9,668,776 of the BCF in 2024/25 to the ICB Community Healthcare Services Contract (ICB contract). This was previously agreed in principle at the July Cabinet based on provisional figures.

As agreed in the July Cabinet the HomeFirst service currently operated by Wiltshire Health & Care will be removed from ICB Community Health Care contract as per the table below. This reduces the BCF contribution to the ICB Community Health Care contract by £2,322,017 (incl. 2024/25 Uplift).

Cabinet is asked to approve the amended financial contribution to be committed from the BCF for the new Community Health Services contract from 1 April 2025, until 31 March 2032, with a possible further 2-year extension. The contribution of £9,668,776 includes the removal of the HomeFirst service as per above and the addition of £0.310m for the new Wiltshire Health & Care In Reach service.

#### Proposals

That Cabinet approve:

- 1) To commit Better Care Funding of £9,668,777 to the ICB Community Health Contract from 2025-2032 (with a potential for a further 2 years to 2034). See Table 1 Below.

- 2) To delegate authority to Director of Commissioning in consultation with the Director of Finance to approve the revised S.75 agreement and the Collaborative Commissioning agreement that will cover the period of the Community Health Services contract.
  
- 3) To delegate authority to the Director of Commissioning to authorise all activities related to the procurement up to and until award.

Table 1

	<b>Base Budget</b>	<b>2024/25 Budget</b> (Incl. Annual uplift)
	<b>£</b>	<b>£</b>
WH&C	10,453,157	10,594,274
Access to Care (Medvivo)	1,073,054	1,086,519
<b>Total previously agreed to transfer to ICB Contract</b>	<b>11,526,211</b>	<b>11,680,793</b>
Removal of HomeFirst	-2,291,088	-2,322,017
WH&C In Reach (new service)	310,000	310,000
<b>Revised Total to ICB Contract</b>	<b>9,545,123</b>	<b>9,668,776</b>

**Lucy Townsend**  
**Chief Executive**

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### **Purpose**

1. This report seeks approval to commit £9,668,776 of the BCF in 2024/25 to the ICB Community Healthcare Services Contract (ICB contract). This was previously agreed in principle at the July Cabinet based on provisional figures.
2. As agreed in the July Cabinet the HomeFirst service (currently provided by Wiltshire Health & Care) will be removed from the BCF contribution to the ICB Community Health Care contract as per the table below. This is to allow the HomeFirst hospital discharge service to be brought in-house. This reduces the BCF contribution to the ICB Community Health Care contract by £2,322,017 (incl. 2024/25 Uplift).
3. Cabinet is asked to approve the amended financial contribution of £9,668,776m to be committed from the BCF for the new contract from 1 April 2025, until 31 March 2032, with a possible further 2-year extension.

### **Relevance to the Council's Business Plan**

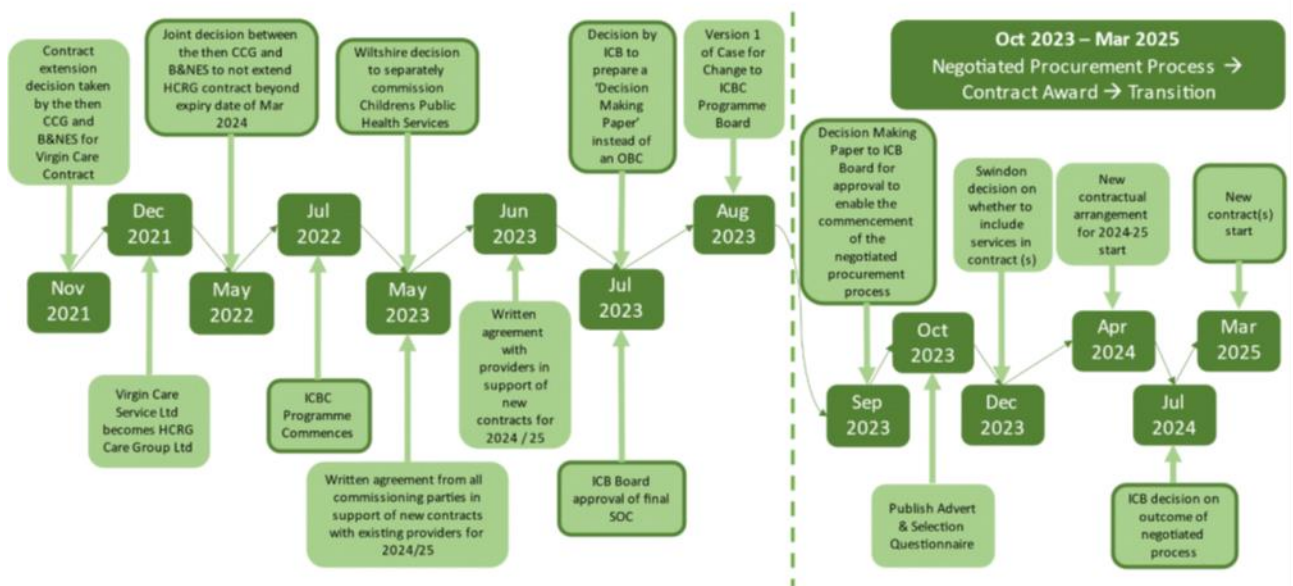
4. Community Health services are key to keeping people safe and well and support our policy to help people remain independent and in their own homes for as long as possible.
5. Thriving Economy - We would expect the ICB to have consulted with providers to ensure that any contractual arrangements meet realistic commercial priorities for the local market while still supporting the Council's requirement to deliver best value.
6. Decisions that are evidence based – We would expect the ICB proposals to be informed by comprehensive supply and demand modelling, spend and activity analysis and further analysis of best practice in managing demand for care services and shaping care markets sustainably.

### **Background**

7. Community Health services in Wiltshire are currently provided by Wiltshire Health and Care and Medvivo (Access to Care). The contracts are funded by the ICB and BCF. BCF funding is managed as a pooled budget, with spending agreed between the ICB and Wiltshire Council, the governance of which is defined by national guidelines and supported by a S.75 agreement.

8. The ICB will be tendering a BSW-Wide Community Services Health contract, to start from 1 April 2025 with a proposed length of 7 plus 2 years. The Integrated Care Board's (ICB) community health contract re-tender will have cost and service implications for Wiltshire Council Social Care and management of the BCF.
9. The total to be committed to the ICB Community Services contract is £9,668,777 from the BCF. This and all values are at the 2024/25 uplifted values. This total is made up of the following schemes. Wiltshire Health and Care (£10,594,275) Access to Care commissioned from Medvivo (£1,086,519) from the BCF. This no longer includes the Home First service budget of (£2,322,017). This was approved by the BCF governance arrangements in place and by Cabinet at their meeting in July to be removed. In addition, a new WH&C in reach new service of has been included (£310,000).
10. The overall contract is a fixed financial envelope. Within this there will be annualised uplifts by the cost uplift factor for the NHS and BCF element in line with National operating guidance as published.
11. To date the ICB and Local Authorities (the Commissioners) have jointly reviewed the services, both in scope and potentially in scope (on reserve list) over the lifetime of the contract, The commissioners have provided detail for the ambitions for transformation of services and carried out consultation with both service users, providers, acute and primary care and BANES, Swindon, and Wiltshire local authorities. The timeline below (figure 1) shows the programme development as well as key future dates.

Figure1



12. In July 2024 a decision was taken by Cabinet to endorse the continued engagement and involvement of relevant officers in the procurement process for the Integrated Community Based Care programme, including the approach to selection, and

timelines for community services beyond April 2025. This noted, any future commissioning decisions will be in accordance with existing delegations.

## **Main Considerations**

### Integrated Care Board – The Case for Change

13. The purpose of an Integrated Care System is to bring partner organisations together to:
  - Improve outcomes in population health and healthcare
  - Tackle inequalities in outcomes, experience and access
  - Enhance productivity and value for money
  - Help the NHS support broader social and economic development
14. The Integrated Care Board (ICB) developed a detailed Memorandum of Information (MOI) (agreed in Autumn 2023) which set out the main ambitions for delivery of a new model of care in support of these objectives with a Case for Change which demonstrated that current provision of services is unsustainable and unequitable.
15. The Integrated Community Based Care programme is seeking to maximise the opportunity for transformational change in the way that services are designed and delivered across the three communities of Bath and Northeast Somerset (B&NES), Swindon and Wiltshire. It presents a significant opportunity and is a key part of delivering the agreed Integrated Care Partnership strategy.
16. The programme is therefore a contract for much more than the traditional NHS Community Services contract. The focus is upon prevention, addressing health inequalities and enabling the left shift away from hospital-based care into the community. By commissioning Integrated Community Based Care for Children, Young People, and Adults across all life stages; Starting Well, Living/Ageing Well and Dying Well, BSW ICB and its Local Authority partners wish to ensure provision of health and care services that work seamlessly and harmoniously with primary care, secondary care, mental health services, local authorities (in particular Public Health and Social Care) and third sector organisations. The intention is to support local people to stay healthy, well and independent in the community.
17. The ICB and BSW Local Authorities are looking for a lead community partner to deliver this new vision for community care. The way in which they deliver these services will have a key role in transforming the out of hospital care setting in a way that delivers proactive care and person-centered outcomes.
18. One of the transformative changes in the contract is to focus on outcomes for the population as opposed to specifications for the delivery of individual services. There is an outcomes framework jointly agreed by Local Authority colleagues and ICB colleagues; to support this to ensure we deliver across Children and Adults integrated community based care.

### Scope of Services

19. This is the culmination of more than a year's work developing detailed services scope, specifications, priority transformation and outcomes.
20. The work has been done with full engagement across ICB and BSW Local Authorities working together.
21. The process being followed is under Public Contracts Regulation (PCR) light touch regime, which is a competitive procedure with negotiation. To support this negotiated procurement, process the ICB and Local Authorities have reviewed the scope of the

services they wish to procure. This has resulted in the creation of three lists: a core service list, a reserve service list, and an excluded service list

22. To date the ICB and Local Authorities have jointly reviewed the services, both in scope and potentially in scope (on reserve list) over the lifetime of the contract and have provided detail for the ambitions for transformation of services.
23. The proposed core services are aligned across BSW and must be delivered within the contract. These will cover key elements of community-based health services for adults and children, plus any additional services that the ICB and Local Authorities decide to include in the contracts from 1st April 2025. For services identified within the core list there is a requirement that these will be harmonised across BSW, ensuring equity of access across all local authority areas, with only warranted variation.
24. The identification of a reserve services list provides the commissioners with greater flexibility as these services could be introduced into the contract with the selected provider(s) after the date the contract commences without impacting on the contract awarded as a result of the ICBC procurement. This reserve services list includes services that are currently commissioned outside of the five main community services contracts, or where the model of future provision is not yet determined.

#### Integrated Care Board Procurement Process and Next Steps

25. There have been several stages of the procurement process. The first stage was a selection qualification process in line with traditional procurement. Invitation to Negotiate (ITN1) required a bidder's submission before entering the dialogue phase and ITN2 which was launched in July is the final stage and will conclude with a traditional evaluation process during August. Evaluators include ICB and Local Authority representatives and the lived experience voice.
26. The dialogue phase was a very successful step in the process and ensured bidders had a greater opportunity to understand the requirements.
27. All steps have been robust and followed procurement and legal requirements and approved by the Integrated Community Based Care Programme Board (joint membership of ICB and Local Authority officers). Assurance has been through the Integrated Care Board Finance and Investment Committee (including Local Authority representation) on behalf of the ICB.
28. The ICB Board will consider any recommendation for contract award in late September 2024. After any decision there will be the required 10-day standstill period before the contract award. There is a necessary six-month mobilisation period for a contract of this nature and scale, this period would then take us up to the contract starting on 1 April 2025.
29. Public announcements and briefings will follow the standstill period. A full Equality Quality Impact Assessment (EQIA) has been undertaken throughout and is updated iteratively. The EQIA will be shared as part of those briefings.
30. Public engagement and co-production on the delivery of transformation priorities will be led by the provider with ICB and Local Authority engagement, the earlier planned public engagement, was deferred by the ICB due to the announcement of the general election. The ICB does believe that this will still allow for meaningful collaborative engagement when the known bidder is in place.

### Wiltshire Funding Contribution

31. The table below lists the Wiltshire funding contribution to the Integrated Community Based Care for Children, Young People, and Adults contract from April 2025. This funding has been confirmed by the council's finance team and reported through the Integrated Care Board Finance and Investment Committee in July 2024.
32. In November 2023 we reported to cabinet that the total amount requested from the BCF for the ICB contract was £11,526,211. This was before the removal of HomeFirst, the WH&C in reach new service added, and the 2024/25 uplift. With these adjustments from the core list, the funding required for the ICB contract from the BCF fund would be £9,668,777 (uplifted to 2024/25 prices). This reconciles to the agreed 2024/25 BCF budgets and the funding available from the council.
33. The overall contract is a fixed financial value envelope. Within this there will be annualised uplifts by the cost uplift factor for the NHS and BCF element in line with National operating guidance as published.

	<b>Base Budget</b>	<b>2024/25 Budget</b>
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*\*BCF planning assumptions and uplift will be subject to annual planning cycle led by ICB as lead commissioners.*

### Consultation

34. There has been extensive collaborative consultation between Wiltshire Council with BSW Local Authorities and the Integrated Care Board throughout the delivery of the Community Services Transformation programme to date.
35. Representatives from the Council have been involved in all applicable Integrated Community Based Care Programme Board meetings and have provided comments and review of all preparatory documentation to inform the Integrated Care Board led procurement process and Collaborative Commissioning Agreement.
36. The Integrated Care Board have led a series of engagement sessions with providers prior to commencement of the procurement process.

### **Safeguarding Implications**

37. The Wiltshire Reablement Service trains and monitors staff in the use of the Wiltshire Council safeguarding policies and processes. All new staff TUPE'd into the in-house service will undertake training and have regular supervision to assure that they understand their safeguarding duties as relevant to Wiltshire Council processes. Staff will be monitored in the early transition of the service to ensure the correct safeguarding protocol is followed. Staff will be managed as part of the CQC regulated service and the Registered Manager works closely with Wiltshire Council's established.

### **Public Health Implications**

38. There are no public health concerns arising from the approach, but a HomeFirst approach is beneficial to residents' health and wellbeing.

### **Procurement Implications**

To commission the most appropriate provider(s) and services through the framework the ICB have undertaken a negotiated procurement process, in accordance with the Public Contract Regulations 2015 (PCR2015), over an eleven-month period.

39. Due consideration has been given to the Councils constitution and policies and the Procurement Team have been kept up to date.

### **Equalities Implications**

40. An Equalities Quality Impact Assessment has been completed by BSW Integrated Care Board for Integrated Community Based Care for Children, Young People, and Adults services and this has been shared with Wiltshire Council and approved at the Integrated Community Based Care Programme Board.

41. It is expected that Integrated Community Based Care for Children, Young People, and Adults services will provide equitable access to services across BSW and take account of vulnerable groups and those experiencing health inequalities, with warranted variation where appropriate.

### **Environmental and Climate Change Considerations**

42. The contract has a significant potential to influence carbon emissions, which will largely be due to travel and buildings associated with the contract. In addition, the delivery could have potential to help relevant individuals and communities become more resilient to the impacts of climate change. The Council will influence the tender evaluation criteria and contract terms and conditions to include sections on environmental and climate change impact to ensure this is appropriately considered, within social value. We would expect the new supplier(s) to consider how they will contribute to the Council's Climate Strategy and Business Plan commitments to net zero and to plan for the impacts of climate change, as well as the wider BSW Together Green Plan 2022-25.

### **Workforce Implications**

43. There are no workforce implications for the Council

### **Legal Implications**

44. The Integrated Community Based Care contract arrangements will be covered by a Collaborative Commissioning Agreement (CAA) between the Integrated Commissioning Board and Local Authorities as co-commissioners. This will refer to Section 75 arrangements in the BSW localities and will set out the governance to ensure oversight of the ICB commissioned contract.

45. Section 75 of the NHS Act 2006 allows partners (NHS bodies and councils) to contribute to a common fund which can be used to commission health or social care related services. This power allows a local authority to commission health services and NHS commissioners to commission social care. It enables joint commissioning and commissioning of integrated services. The Section 75 agreements will be updated to



reflect the new ICBC arrangements. This will include an agreed change process (building on what we have used currently) and continued joint governance as we have currently with the ICBC Programme Board.

## Financial Implications

46. The Wiltshire Council and Wiltshire Better Care Funding (BCF) funding contribution to the Integrated Community Based Care is set out in the table below. The base budget is the values prior to the 2024/25 uplift being applied.

	<b>Base Budget</b>	<b>2024/25 Budget</b> (Incl. Annual uplift)
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47. Schemes previously in the BCF were managed through the section 75 agreement and any over or underspends shared as per the pooled budget liabilities set out in the agreement.
48. The contribution to the new community services contract from the BCF is a fixed financial envelope and therefore removes the risk of any overspend on the schemes going into the new contract. However, this does also mean there would be no potential underspends within the BCF on this element.

### Risks that may arise if the proposed decision and related work is not taken

49. Should Cabinet decide not to commit the BCF resources to the Community Health Services procurement this would negatively impact on the ICB's ability to proceed with the procurement with the potential for reputational damage and legal challenge.

### Risks that may arise if the proposed decision is taken and actions that will be taken to manage these risks

50. A risk assessment relating to the issue and recommendations has been undertaken, in compliance with the Council's decision-making risk management guidance.
51. The ICBC Risk Register is reviewed as part of the Integrated Community Based Care Programme Board meeting.
52. The key risks identified for Wiltshire are:

<b>Key Risk</b>	<b>Mitigation</b>
There is a risk of misalignment between ICB and LA commissioning, governance and procurement approaches resulting in fragmented provision, delay in decision	<ul style="list-style-type: none"> <li>Detailed ICBC programme plan includes formal governance gateways for ICB and Local Authorities</li> </ul>

making with potential impacts on patient care.	<ul style="list-style-type: none"> <li>• A Collaborative Commissioning agreement is being prepared to ensure joint oversight of the programme</li> </ul>
There is a risk if we do not carefully plan all stages of the programme within the required timeline and deliver against this, then we may be unable to provide a minimum 6 months mobilisation period which would risk the 1 <sup>st</sup> April 2025 start date.	<ul style="list-style-type: none"> <li>• ICBC Programme Board oversee a robust project plan and work programme</li> <li>• Locality governance in place, and Collaborative Commissioning agreement in progress</li> <li>• Programme of briefings with oversight from ICBC Programme Board are planned</li> <li>• New ICB structure and team to oversee the mobilisation and commencement of new contract award</li> </ul>

## Overview and Scrutiny Engagement

Briefings have been regularly conducted with Chairs and Vice-Chairs

### Options Considered

53. All feasible options have been considered by the Integrated Care Board and reviewed at the Integrated Community Based Care Programme Board for approval of the strategic outline case for the delivery of integrated community services across Bath and North East Somerset, Swindon and Wiltshire as of April 2025.

### Conclusion

54. Bringing the HomeFirst service in-house is the preferred option for the future delivery of the service. This has been agreed at the Wiltshire Locality Commissioning Group who has delegated powers to approve the spending of BCF funds.

55. The service will continue to be funded through the Better Care Fund and no change to the budget is proposed. The fund is governed by a S.75 agreement between the Council and BSW ICB.

56. Wiltshire Council can evidence its experience in delivering an efficient and cost-effective service that provides optimum outcomes for individuals, meeting the Council's objective to keep people independent and in their own homes for as long as possible. We are confident we can deliver the service as a single provider.

### **Emma Legg, Director - Adult Social Care**

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### Appendices

None

## **Background Papers**

None