**Update on NRS situation – Provided by the LGA – For circulation to CPA members and wider cascade where appropriate. Sent through on the 14th August 2025**

**NRS Company Situation**

* When this situation first came to light, NRS indicated they would continue to operate until 31st July. The lead up to this date saw the sort of issues to be expected from a business in this situation (e.g. suppliers not being paid, customers ending their contracts, service disruption). During July, it was apparent to local government that a hard stop by NRS on 31st July would create issues as NRS had not taken necessary steps to support a safe transfer (e.g. shared TUPE information) and some LA transfer plans could not begin by 1st August.
* On 1st August, the Court appointed the Official Receiver to take over the running of NRS and appointed PWC as Special Managers (essentially a resource to help run the company). The decision for the OR to became involved and operate the business is understood to be a reflection of the important role community equipment plays in people’s lives, the scale of NRS and some LAs reliance on their continued operation.

**LA situation**

* Prior to this situation becoming known to LAs, 42 LAs were part of community equipment contracts with NRS. These contracts were typically joint with the local ICB/s and in some cases consortia of more than 1 LA / ICB. The rest of this briefing will refer only to LAs but where we know that LAs and ICB colleagues at a local level have been working very closely on alternative arrangements that have come into effective before, on or soon after 1st August. Here is a summary of the situation:
	+ 21 of the LAs affected were outside London and ALL terminated their NRS contract by 1st August. Almost all transferred their contracts to either Medequip or Millbrook.
	+ A further 21 of the LAs affected made up a London consortium. None had terminated their contract by 31st July and some currently use elements of NRS provision as they step up alternative arrangements. Most of these LAs / ICBs are creating sub-regional arrangements, which typically involve LATCOs.
	+ In addition to these 42 LAs, around 10-15 other LAs / ICBs had a TEC only contract with NRS.

**Operational Situation**

* The end of NRS in one form and the takeover by the Official Receiver did NOT cause the significant and immediate issues some feared (e.g. locked warehouses, IT systems going down etc). However, NRS service delivery is much reduced and the LAs / ICBs that terminated their contract with NRS are now totally reliant on alternative provision.
* A standard contract transfer would take around 3 months. Given that LAs / ICBs / new suppliers had around 2-3 weeks, their current service is focussed on ‘urgent and critical’ as the new supplier steps up provision. The exact detail of this varies between area, but most new services focus on supporting hospital discharge / preventing admission, repairing existing equipment and end of life situations. There is also a much-reduced catalogue (commonly c20 items) and operational changes (e.g. deliveries / collections taking longer).

**Supply chain**

* PCH is in regular contact with the relevant trade associations, TSA (that represent TEC companies) and British Healthcare Trade Association (that represent community equipment suppliers). The way that NRS operated was that they either purchased equipment from manufacturers or sub-contracted services from other suppliers.
* These trade associations have reported to PCH that some of their members who supply to NRS are now creditors, with a small number being owned significant amounts that could lead them to close. However, overall, the supply chain is not seeing significant numbers of closures and / or shortages and all parties are operating as normally as they can.

**Provider considerations**

* The impact on care and support providers is likely to depend on factors such as their geographical location, type of services they provide and their own use of equipment:
	+ Geography – Community equipment contracts with NRS are mostly in London and surrounding areas towards the south coast and towards the Midlands. Areas from the Midlands and further north are relatively unaffected with only a few LAs / ICBs in these areas having community equipment contracts with NRS.
	+ Type of service – Providers that support people in their own home may see some disruption. For instance, in the short-term people may be waiting longer for equipment or have less choice of equipment, than previously. Some people leaving hospital may see some delays if they require equipment (though these cases are being prioritised) or bring equipment home with them, where this may have previously been delivered. It is possible that visits to maintain equipment currently in use may be delayed. TEC suppliers are reporting that their services should be unaffected, so for instance, pendants and alarm response services are continuing as normal.
	+ Use of equipment – There will likely be care and support providers (e.g. care homes) that purchase community equipment, in some cases from NRS. They will have first-hand experience of the impact of this situation on them. For organisations that purchase equipment from other suppliers, the trade associations are reporting that this should be mostly unaffected by this situation.

**Communication**

* In potential provider closure situations, LAs / ICBs are acutely aware of the importance of respect for legal restrictions and the potential operational consequences of wider information sharing. As a result, during July 2025, they shared very little information about this situation despite their strong desire to communicate with people who rely on equipment and NRS staff.
* Since this situation became public, LAs / ICBs have focussed their communication to people that receive community equipment. This has typically highlighted possible disruption and provided practical information such as changed contact numbers etc.
* The level and focus of recent communication between LAs / ICBs and care and support providers will be mixed. This is mainly because many LAs are either unaffected by this situation or the impacts are minimal or confined to specific groups of people. Cleary, this situation is requiring all staff involved to focus on managing the transfer and development of services.
* If people have direct questions or concerns they should raise these directly with CPA using info@careprovideralliance.org.uk and they will be collated for the LGA to respond to – either directly, or through the provision of a FAQ or webinar.