

North Somerset Council Decision



Decision Of: Councillor Mike Bell - Deputy Leader of the Council & Executive Member for Adult Services, Health and Housing
With Advice From: Director of Public Health & Head of Strategic Procurement
Directorate: Public Health & Regulatory Services

Decision No: PH059 2021/2022

Subject: In Home Lift Procurement Plan

Key Decision: No

Reason: This procurement plan is covering the route to market only, the Commissioning Plan covered authority to proceed with the project. This commission will not affect more than one community/ward significantly.

Background:

The proposal is to procure a contract to deliver in house lifts (stair lifts, through floor lifts, platform lifts and step lifts) in North Somerset, in support of the Disabled Facilities Grant programme.

The Disabled Facilities Grant delivers housing adaptations, enabling elderly and disabled residents remain living safely and independent in their own homes. These adaptations in the main provide access both to the property and to essential facilities within the property. The provision of access is often provided through installation of a stair lift, through floor lift or similar.

The grant process is prescribed in law which usually requires two estimates to accompany each application unless the local authority otherwise direct. Good practice guidance encourages councils to use tendered contracts to improve the customer journey for applicants.

There is considerable operational advantage to the council and applicants when using a contract approach. It simplifies the process by enabling streamlined delivery and a competitive price through formal procurement, delivering value for money.

The proposal is to continue operating the contract through the established in-house agency for delivering adaptations.

Decision:

Approve this Procurement Plan, to proceed with calling off the Eastern Shires Purchasing Organisation (ESPO) Stairlift Framework via a mini competition (2 lots)

Reasons:

Introduction

Contract is for the provision of stair lifts, through floor lifts, platform lifts and step lifts
The current contract, which has run successfully in North Somerset since 2012 ends at the end of May 2022. The estimated value over the lifetime of the contract is £1,765,000; based on an anticipated contract length of 3 years with an option to extend for a further 2 years. The current contractor is Handicare.

The current contract with Handicare includes a lifetime warranty, termed a Total Stairlift maintenance (TSM) agreement, whereby for all Handicare products that have been installed during the life of the contract, a working lift is maintained in that property for as long as the service user requires it. Upon termination of this contract, these agreements, which are between the contractor and the service user, will continue. North Somerset Council will continue to monitor this. For all non-Handicare lifts (third party lifts) installed under the current contract a 5-year warranty is supplied. These warranties will continue until the 5 years are up, after which the responsibility for maintaining and servicing the lift returns to the service user or the homeowner.

Commissioning Plan

Commissioning Plan – Agreed at the 20 October 2021 Executive Meeting.

Lessons Learned from previous projects

Close contract monitoring and good communication has made this contract very successful, although performance dipped at the end with the challenges of the global pandemic and Brexit.

Requirement

Each year, as part of the Disabled Facilities Grant programme, approximately 46 lifts are installed in people's homes, to give them safe access to facilities in their property and enable them to remain living safely in their own home.

The Disabled Facilities Grant is a mandatory means tested grant. The grant is fully funded through the Better Care Fund. The annual value of the contract will be in the region of: Stairlifts: £263,000 / through floor lifts £90,000 (demand led). Overall value being £1,765,000 over the 5-year period. The new contract will start on 1 June 2022. In addition to the specification set out by ESPO, we will be adding the following items to the mini competition:

- All installations shall come with a minimum of a 10-year warranty to include annual servicing and rapid response for repairs or breakdowns. The cost of subsequent removal, if the lift is no longer required within the 10 years, is included. The providers will cost this requirement in addition to their fixed pricing on the framework.

- Additional weighting will be given to any company able to offer a lifetime warranty, i.e. a commitment to keep a working lift in the client's property for as long as the client for whom the lift was installed requires it.
- On removal of equipment the contractor is expected to maximise the reuse or recycling of the lift (as a whole or in parts). North Somerset Council would like to see proposals or established policies for the best reuse and / or recycling of equipment. The Contractor is free to store and reuse equipment in the best way they can - no local storage facilities will be provided.
- What Social Value they can offer.
- Other equipment such as perch lifts (lot 1a), step lifts (Lot 2) and inclined platform lifts (Lot 2a) will be secured by direct call off from the contract as needed.

Route to market - Market/Suppliers

A Prior Information Notice (PIN) was released in August 2021 for 2.5 weeks. 26 companies expressed interest with 12 responding to the questionnaire. The aim of the questionnaire was to gauge interest and details around the possible warranty after installation as well as their recycling aspirations.

Benchmarking was completed and the ESPO framework was identified as the best option for the council. The ESPO framework includes majority of the lift suppliers in the market and has secured very competitive rates (compared with our current rates and benchmarking other frameworks/contracts). We are able to add specific criteria to the mini competition (e.g. warranty / climate emergency & social value). It is proposed to run a mini competition from 2 of the available lots. Lot 1: Seated Stairlifts: Handicare Accessibility Ltd.; Stannah & Thyssenkrupp Home Solutions. Lot 3: Vertical Through Floor Lifts: Terry Group Ltd; Thyssenkrupp Home Solutions & Wessex Lift Co Ltd. It is anticipated that all suppliers will respond as they all expressed an interest in our PIN.

Timescales

- Release Mini Competition: 28 March 2022
- Tender Return: 25 April 2022
- Evaluate Responses: 25 April – 29 April 2022
- Moderation Session: 3rd May 2022
- Award Report Approved by Director: May 2022
- 10 Day Standstill Period: May 2022
- Contract Start: 1 June 2022

Governance

- Contract Manager: Private Sector Housing Manager
- Procurement: Procurement Officer & Procurement Support Officer
- Finance: Principal Accountant Corporate Services and Public Health
- The contract award report will be signed off the Director of Public Health, The S151 Officer & The Head of Strategic Procurement.

Social Value, TOMs, Sustainability & VCSE

In discussion with the project team, it has been agreed to utilise the full Social Value Portal (SVP) option as recommended by the Procurement Team in line with the recently updated Social Value Policy. SVP uses the TOMs (themes/outcomes/measures) method which attributes monetary value to each social value commitment offered by suppliers. SVP will carry out both the evaluation of social value along with contract management of the commitments following award. There will be a 10% weighting associated to social value within the overall criteria.

Example of TOMs that will be used (but not limited to):

- More local people in employment
- More opportunities for disadvantaged people
- Improved employability of young people
- More opportunities for local MSMEs and VCFSEs
- Improving staff wellbeing and mental health
- Vulnerable people are helped to live independently
- More working with the Community
- Carbon emissions are reduced

Evaluation

The mini competition will be evaluated as follows:

Price

40% Price

Quality

30% Customer Journey
 20% Climate Emergency
 10% Social Value

The standard NSC scoring method will be used to evaluate method statements (excluding social value):

Score	Classification	Award Criteria
5	Excellent	A response that inspires confidence; specification is fully met and is robustly and clearly demonstrated and evidenced. Full evidence as to how the contract will be fulfilled either by demonstrating past experience or through a clear process of implementation.
4	Good	A response supported by good evidence/examples of the Bidders' relevant ability and/or gives the council a good level of confidence in the Bidders' ability. All requirements are met and evidence is provided to support the answers demonstrating sufficiency,

		compliance and either actual experience or a process of implementation.
3	Satisfactory	A response that is acceptable and meets the minimum requirement but remains limited and could have been expanded upon.
2	Weak	A response only partially satisfying the requirement with deficiencies apparent. Not supported by sufficient breadth or sufficient quality of evidence/examples and provides the council a limited level of confidence in the Bidders' ability to deliver the specification.
1	Inadequate	A response that has material omissions not supported by sufficient breadth and sufficient quality of evidence/examples. Overall, the response provides the council with a very low level of confidence in the Bidders' ability to deliver the specification.
0	Unsatisfactory	No response or response does not provide any relevant information and does not answer the question.

Price - 40%

All contractors have confirmed prices under the terms of the ESPO contract. In addition, contractors will submit costings for the extended 10 year or lifetime warranty (scenario based). It has been agreed that maximizing the warranty is critical; therefore, a high % has been allocated to the price assessment of this mini competition to encourage suppliers in this area. The Evaluation Team: Private Sector Housing Manager, Head of Private Sector Housing, Senior Housing Improvement Officer, Procurement Officer & Procurement Support Officer.

Contract Management

The contract will be managed by the Private Sector Housing Manager. A Contract Management Plan will be produced following contract award. Contract monitoring meetings will be held every 2 months, with KPIs provided by the contractor a week prior to each meeting. The ESPO contract contains specific contract timescales and response times which can be closely monitored. The performance of the current contract was impacted by the global pandemic and supply chain issues caused by both the pandemic and Brexit. Lessons learned can be used to reduce the impact of similar event should they occur.

Options Considered:

As part of the procurement process consideration was given to the following options:

- Do Nothing
- Run a full procurement to create a new contract
- *(proposed)* Use an existing Framework and run a mini competition

As outlined in our proposal above, the preferred option is to run a mini competition from the ESPO framework as their secured rates are competitive and it allows us to include our climate emergency and social value commitments.

Financial Implications:

Costs and funding

The value of this contract is in the region of £353,000 per annum which will be met from the Better Care Fund (DFG) annual allocation.

The value over the lifetime of the contract would be in the region of £1,765,000.

The price will be fixed for at least the first year of the contract and subject to inflationary price increases thereafter. The proposal will support in-house agency service and contribute to income generation through this service.

Legal Powers and Implications:

The Disabled Facilities Grants is a mandatory grant, introduced by the Housing Grants Construction and Regeneration Act 1996. Good practice guidance encourages Local Authorities to use procured contracts to help streamline and speed up service delivery. We will be using the ESPO framework terms and conditions.

Climate Change and Environmental Implications:

A Climate Risk Register was completed by the project team & reviewed by the climate emergency project manager.

The following method statement question will be included in the mini competition to address the climate emergency (and will be monitored in contract management throughout the contract):

Question Number	Question	Weighting
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(Minimising Carbon)	<p>North Somerset Council aims to be carbon neutral by 2030, following declaration of a climate emergency in February 2019. See: https://www.n-somerset.gov.uk/my-services/environmentalprotection/climate-change/climate-emergency/</p> <p>By submitting elements 1, and 2 below, bidders are being asked to set out what measures you will implement to minimise the climate impact of the project and ensure environmental net gain for the region. <u>Please include details of delivery methods/recycling/removal of equipment.</u></p> <p>Details of the elements you must submit and what will be assessed by the council:</p> <ol style="list-style-type: none"> 1. How you will ensure reduced greenhouse gas emissions are considered in the delivery of the goods/services/works 2. How you propose to reduce greenhouse gas emissions throughout the lifecycle of the goods/services/works (e.g. production/installation/travel) 	20%
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Consultation:

Market engagement was conducted through a PIN & a questionnaire, which received 12 responses and enabled us to gauge the level of interest in this opportunity. It also helped inform the Council’s commissioning intentions and inform our further competition off the ESPO framework.

The service consulted with the following groups:

- Disability Access Group Presentation
- Occupational Therapists (Internal - Adult Social Services and Disabled Children’s Team)
- External stakeholders e.g. Alliance Homes

Risk Management:

There are several risks that have been established and mitigated, they are:

Risk	Mitigation
No or limited interest from the market	The team have conducted analysis of the market and done some market engagement (PIN & Survey). The ESPO framework will be used via a mini competition.

Unaffordable bids are received resulting in no award	The pricing is already set in the ESPO framework documentation and meets with our expectations.
The service does not meet the expectations of the Council	The evaluation process will ensure that all aspects of the service are tested. The contract management plan and associated KPIs will ensure that the contract is effectively managed by the Contract Manager with the provider held accountable.
The quality of the product does not meet the expectation of the council and the users of the service	All providers have been pre-qualified on the quality of their proposed equipment.
The requirement for the contract increases or decreases over time	The contract is set up with this in mind. Tenderers understand that they might be required to ramp up or down as and when required by customers.
Brexit	Brexit is currently having a negative impact on both supply and delivery within the sector, this impact will need to be managed and minimised by the contractor.
The ongoing impact of the COVID19 pandemic	The uncertainty of pandemic may have an impact on being able to deliver installations in people's homes. The impact can be minimised by developing robust risk assessments and through good communication between the contractor and client.
TOMs & Climate Emergency	Consider throughout the procurement process (include risk assessments) and during Contract Management.
Reputational implications	Proposal is to use a national framework potentially excludes local market. Majority of lift suppliers are national companies (or subsidiaries thereof). The ESPO framework rates are very competitive, and not running a full procurement exercise will save council officers a lot of time and subsequent costs associated. Social value (TOM's) will encourage suppliers to focus on North Somerset local outcomes.

Equality Implications:

Have you undertaken an Equality Impact Assessment? Yes

Corporate Implications:

The provision of disabled adaptations supports a number of corporate strategies and maintaining independence is a key part of the draft Housing Strategy for 2022 – 2027 (currently out to consultation).

Appendices:

N/A

Background Papers:

Commissioning Plan – Agreed at the 20 October 2021 Executive Meeting.

Signatories:

Executive Member for Adult Services, Health and Housing with advice from the Director of Public Health & the Head of Strategic Procurement

Decision Maker(s):

Signed: 

Title: Executive Member

Date: 24 March 2022

With Advice From:

Signed: 

Title: Director of Public Health and Regulatory Services

Date: 24 March 2022

Signed: 

Title: Head of Strategic Procurement

Date: 24 March 2022

Footnote: Details of changes made and agreed by the decision taker since publication of the proposed (pre-signed) decision notice, if applicable: