

North Somerset Council Decision



Decision Of: Director of Public Health & Regulatory Service

With Advice From: S151 Officer & Head of Strategic Procurement

Directorate: Public Health & Regulatory Services

Decision No: PHRS001 2022/2023

Subject: Award of the In-Home lifts Contracts

Key Decision: Yes

Reason: The total value of this contract award is over £500,000

Background:

These contracts are for delivering 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 contracts through the established in-house agency for delivering adaptations.

Decision:

It is requested that two contracts for In Home Lifts be awarded to Handicare Accessibility Ltd – Company Reg: 4109393; Registered Address: 82 First Avenue, Kingswinford, West Midlands, DY6 7FJ for (Lot 1) and Wessex Lift Company Ltd; Registered Address: The Maltings Business Centre, Roydon Road, Stanstead Abbots, Ware, Hertfordshire, SG12 8HG – Company Reg: 1269836 for (Lot 3) for a period of 3 years with an optional 2-year extension.

Reasons:

Introduction

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 new contracts is £1,765,000; based on an anticipated contract length of 3 years with an option to extend for a further 2 years, starting on 1 June 2022.

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, e.g., through floor 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.

In addition to the specification set out by ESPO, we have added 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

The Commissioning Plan was signed off at the 20 October 2021 Executive Meeting. The Procurement Plan was signed off by the Executive Member on 24 March 2022.

Lotting

In (add month) we ran a mini competition from the ESPO Stairlifts, Steplifts, Vertical Through Floor Lifts and Hoists Framework using 2 of their Lots;

Lot 1: Supply and Installation of seated stair lifts (straight, curved and compact)

Lot 3: Vertical Through Floor Lifts

* We install a low number (1 or 2 per year) of other lifts (step/platform) - we did not run a mini-competition for the installations of these but will use a direct award through the ESPO contract to order as and when the need arises.

Market Engagement Actions

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).

Procurement Procedure & Publishing Information

A mini competition was run via the OJEU compliant ESPO framework, tenders were returned on 25 April 2022.

Evaluation Panel Members

The evaluation meeting took place on Tuesday 3 May 2022 and included the following panel members;

- Private Sector Housing Manager - Housing Adaptations and Improvements Team
- Head of Private Sector Housing
- Senior Housing Improvement Officer
- Procurement Officer (Moderation)
- Procurement Support Officer (Moderation)

Evaluation Outcome

As presented within the Procurement Plan, the mini competition was evaluated (Lot 1 and Lot 3) with the criteria as follows:

Price

40% Price

Quality

30% Customer Journey

20% Climate Emergency

10% Social Value – Social Value Portal evaluated both Lots using the TOMs (themes/outcomes/measures)

The standard NSC scoring method was 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.

The scoring outcome was as follows;

Lot 1 Supply and Installation of seated stair lifts (straight, curved and compact)			Lot 3 Vertical Through Floor Lifts (Homelifts)		
	Handicare Accessibility Ltd			Wessex Lift Company Ltd	
	Max Score	Score Achieved		Max Score	Score Achieved
Customer Journey	30%	24.00%	Customer Journey	30%	24%
Climate Emergency	20%	16.00%	Climate Emergency	20%	12%
Social Value Score	10%	8%	Social Value Score	10%	6%
Price Score	40%	40%	Price Score	40%	40%
Total Score		88%	Total Score		82%

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*One bid was received for each Lot, following a full evaluation of both bids, both were deemed to have achieved a high enough quality by the panel.

Social Value

The full Social Value Portal (SVP) option as recommended by the Procurement Team in line with the recently updated Social Value Policy was followed. SVP uses the TOMs (themes/outcomes/measures) method which attributes monetary value to each social value commitment offered by suppliers. SVP carried out the evaluation of social value and will contract manage the agreed commitments.

Contract Management

The contracts will be managed by the. Following the contract award, a Contract Management Plan will be produced. Contract monitoring meetings will be held every 2 months, with KPIs provided by the contractors 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.

Once the new contracted is awarded the Private Sector Housing Manager will meet with both Handicare and Wessex to agree transitional arrangements to try and ensure as smooth a journey as possible from one contract to another.

Options Considered:

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

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

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

Financial Implications:

Costs and Funding:

The value of these contracts are in the region of £353,000 per annum which will be met from the Department for Levelling Up, Housing and Communities (part of the Better Care Fund [DFG]) annual allocation.

The value over the lifetime of these contracts will be in the region of £1,765,000.

The price will be fixed for at least the first year of these contracts 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 are using the ESPO framework terms and conditions in conjunction with the Councils Legal Service.

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 was included in the mini competition to address the climate emergency (and will be monitored in contract management throughout the contracts):

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
- Regular service user feedback

Risk Management:

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

Risk	Mitigation
No or limited interest from the market	Market Engagement completed (PIN & Survey). The ESPO framework was 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 ensured that all aspects of the service were 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 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	Considered throughout the procurement process (include risk assessments) and during Contract Management.

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 20th October 2021 (EXE 56), Procurement Plan - PH059 2021/2022 and the Tender Documentation.

Signatories:

Decision Maker(s):

Signed:



Title: Director of Public Health & Regulatory Services

Date: 20 May 2022

With Advice From:

Signed:



Title: Head of Strategic Procurement

Date: 20 May 2022