

10 July 2019		ITEM: 13
Decision: 110514		
Cabinet		
Procurement of Disabled Adaptations Services		
Wards and communities affected: All	Key Decision: Key	
Report of: Councillor Barry Johnson, Portfolio Holder for Housing		
Accountable Assistant Director: Carol Hinvest, Assistant Director for Housing		
Accountable Director: Roger Harris, Corporate Director for Adults, Housing and Health		
This report is Public		

Executive Summary

This report sets out the proposals to re-procure contracts to provide works and services in residents' homes where disabled adaptations are required. Primarily the contracts will be utilised for Thurrock Housing properties; however, in some instances where owner occupiers are eligible for adaptations funded by the Disabled Facilities Grant (DFG) and the individuals concerned are unable to manage the project themselves; then in these cases it is proposed the client role will be covered by the Council, using these contracts.

The procurement will be divided into two contracts as follows:

Supply, installation, service and repair of mechanical aids (stair lifts, ceiling hoists, step and through floor lifts etc.)

Major adaptations (building works) over £1,000 per home but outside of the scope of the Transforming Homes Programme

The reason for having two distinct contracts is that the works are generally delivered by different specialist contractors.

1. Recommendation(s)

Cabinet is recommended to:

1.1 Agree the proposed process for procurement of the Disabled Adaptations works and services for a period of up to five years for a contract with a whole life cost valued above £1,425,000.

1.2 Approve delegation to award the contracts to the Corporate Director of Adults, Housing and Health in consultation with the Portfolio Holder.

2. Introduction and Background

2.1 The current contracts provide disabled adaptations work for Thurrock Council Housing properties and both expire on 30 November 2019.

2.2 There are in addition contracts already in place for the delivery of the Housing Transforming Homes programme which includes undertaking any internal adaptations required to the areas where the programme is undertaking works such as bathroom adaptations. This contract will cover properties outside the Transforming Homes programme.

2.3 There is a contract in place with Essex Council - Integrated Community Equipment Service (ICES) shared service agreement (section 101) that provides minor adaptation work to a value up to £1,000. The Council has reviewed all the processes in relation to the operation of DFGs following feedback from an LGO Inspection in February 2016 (Case ID – 15006306).

2.4 Delivery of these services ensures our residents and home owners are able to remain in their property which enables independent living, privacy, confidence and dignity for the individuals and their families. By providing adaptations or lifting equipment the service implements an individual solution for each person's requirements.

3. Issues, Options and Analysis of Options

3.1 There are no specific issues associated with the provision of disabled adaptations. The service provided is to a high standard and is regularly monitored in terms of KPIs.

3.2 The options available under this procurement are to advertise the procurement under the current EU procurement regime through the Official Journal of the European Union (OJEU) or to use an available framework. An analysis of available frameworks has shown that local providers will not be able to be involved in the procurement process and it has been agreed the EU procurement regime will be used. The contracts would be awarded for a three year period with the option to extend up to a further two years.

4. Reasons for Recommendation

Bidders can submit tenders for one or both contracts, with the opportunity to offer a discount if awarded both. The contracts are as shown below:

Contract 1 – Services	Supply, installation, inspection/testing, servicing and repairs ¹ of mechanical aids and adaptations. This includes stair lifts, ceiling/track hoists, step and through floor lifts. It will also include building works where this is needed for an installation.	One supplier
Contract 2 – Works	Major adaptations (building works) from ramps, conversions, extensions, and including Kitchen and Bathroom Works where this falls outside of the Transforming Homes Programme. Public access ramps for Sheltered Schemes	One supplier

- 4.1 Subject to Cabinet approval a full procurement process will be undertaken in accordance with the Council's Contract Procedure Rules and Public Contract Regulations 2015.
- 4.2 The re-procurement of this contract ensures continued delivery of best value over potentially a five year period (although volumes of work are not guaranteed).
- 4.3 The timetable for the procurement is as follows:

Action	Date
Issue Tender through Oracle (the Council's e-procurement tendering portal)	22 July 2019
Tender Return	23 August 2019
Evaluation Period Ends	13 September 2019
Voluntary Standstill Period Concludes	27 September 2019
Award of Contract	1 November 2019
Contract Start Date	1 December 2019

4.4 Service and Costs

The Council has reviewed all the processes in relation to the operation of DFGs following feedback from a Local Government Ombudsman (LGO) inspection in Feb 2016. These contracts will provide the ability for the Council to project manage DFG works using contractors that also deliver within the Housing portfolio – thus ensuring consistency.

Note that servicing and repairs will only apply to Council owned aids and adaptations. The majority of equipment supplied through DFG funding transfers to the client (owner occupier) on completion of installation along with the responsibility for maintenance. Clients may decide to enter into a direct maintenance arrangement with the installing contractor, or choose an alternative

- 4.5 Across the contractors currently used for individual Disabled Adaptation Projects, the identified cumulative spend is in the region of £1,315,000 over the contract period. Adding the DFG element will increase spend further, but as each case differs, this is difficult to estimate.
- 4.6 Current spend is estimated to be in the region of £350k per annum for the first two years split approximately £150k for new installations, replacements and building works and £55k for servicing of lifting equipment and £150k for the upgrade of the access to sheltered schemes. The spend is estimated to be £225k per annum from year 3 once the works to upgrade sheltered complexes is complete.

4.7 Contract Model

The contract model for this type of contract would be the JCT Measured Term Contract (2016 Edition) This is seen as the most suitable contract for this type of work A comprehensive and robust set of key performance indicators will be included in the contract documentation as will notice and termination clauses. The insurance levels applicable will be appropriate for this type of work.

5. Consultation (including Overview and Scrutiny, if applicable)

- 5.1 The proposed procurement has been jointly consulted between Housing and Adult Social Care.
- 5.2 The Excellence Panel have been consulted on the proposals on 4 June 2019.

6. Impact on corporate policies, priorities, performance and community impact

- 6.1 These contracts aims to meet corporate priorities through the delivery of high quality services and the provision of facilities that enable independent living. Promoting pride in Thurrock properties and an environment that encourages residents to reach their aspirations.
- 6.2 The Council's Social Value Framework will be set out in the tender documents and bidders will be asked to propose added value initiatives that will enhance their bid and which will be subsequently incorporated into the contractual requirements. Typically with this type of service provision apprenticeships and using local suppliers would feature in the evaluation criteria.

7. Implications

7.1 Financial

Implications verified by: **Julie Curtis**
HRA and Development Accountant

The procurement aims to secure two contracts with fixed rate prices within or below the current annual rates. Savings in relation to these services have already been factored into the HRA Business plan.

7.2 Legal

Implications verified by: **Kevin Molloy**
Solicitor

This report is seeking approval from Cabinet to tender the contracts noted in the report. The proposed procurement being considered is estimated at above EU thresholds for the supplies and service contract. This means that there is a legal requirement to competitively tender the contract via the Official Journal of the European Union (OJEU) for the servicing element. The works procurement will be Sub-OJEU as it will be below the £4,551,413M threshold, this contract will be advertised publicly but not under OJEU. Legal Services note that the above OJEU tender will be conducted in accordance with the Public Contract Regulations 2015 (the 'Regulations') using the Open Procedure.

Taking the above into account, on the basis of the information in this report, the proposed procurement strategy should comply with the Regulations and the Council's Contract Rules.

The report author and responsible directorate are advised to keep Legal Services fully informed at every stage of the proposed tender exercise. Legal Services are on hand and available to assist and answer any questions that may arise.

The value of the Disabled Adaptation Service requires full compliance with EU Procurement Regulations and therefore a tender for the services element will be advertised in OJEU and follow the established timescales.

7.3 Diversity and Equality

Implications verified by: **Rebecca Price**
Community Development Officer

These contracts deliver services specifically intended to improve the living environment of residents who have physical disabilities. Contractors will be required to ensure they meet all requirements set out in the Equality Act 2010 and have not only the technical skills to deliver the required elements, but also have a strong customer focus making adjustments where required to support vulnerable or physically disabled individuals.

The contract model supports Thurrock Council's Social Value aspirations through promotion of a local responsive supply chain for the individual elements and bidders will be asked to submit proposals within their tenders to enhance this further.

7.4 **Other implications** (where significant) – i.e. Staff, Health, Sustainability, Crime and Disorder)

None specific

8. **Background papers used in preparing the report** (including their location on the Council's website or identification whether any are exempt or protected by copyright):

None

9. **Appendices to the report**

None

Report Author:

Wendy White

Contract Manager

Housing