CABINET

Contract award for the provision of stairlifts, ceiling track hoists and vertical and step lifts

Portfolio Holder: Councillor Jenny Harrison, Adult Social Care and Public Health

Officer Contact: Director of Adults & Children’s Services

Report Author: Lynda Megram, Planning and Commissioning Manager
(Ext: 8113)

15 December 2014

Reason for Decision
To seek approval to award a contract for the provision of stairlifts, ceiling track hoists and vertical and step lifts to properties where residents have disabilities, following a joint tender process with Tameside Council.

Recommendations
That the contract for the provision of stairlifts, ceiling track hoists and vertical and step lifts be awarded to the following suppliers:
Lot 1 - Stairlifts to Platinum Stairlifts Limited
Lot 2 - Ceiling Track Hoists to Prism UK Medical Limited
Lot 3 - Vertical and Step Lifts to Wessex Lift Co Ltd

That the contract will commence on or after 19th January 2015 and expire on 18th January 2017 with an option to extend by an additional 2 years on 1 year increments.
Contract award: for the provision of Stairlifts, Ceiling Track Hoists and Vertical and Step Lifts

1 Background

1.1 The Capital Investment Programme Board (CIPB) recommended a review of the Aids and Adaptations service which is funded via Disabled Facilities Grant (DFG), in order to gain a better understanding of the way the service operates and to identify where efficiency savings/better value for money could be achieved. A small project team was established including Officers from Commissioning and Corporate Procurement.

1.2 A DFG helps towards the cost of adapting a person’s home to enable the occupant to continue to live independently, and can reduce the ongoing requirement for Social Care support. The legislative framework governing DFGs places a statutory and mandatory duty to approve an application within 6 months. An application cannot be refused because of insufficient funds, provided that the Council considers the adaptation is:

- necessary and appropriate to meet the disabled applicant’s needs
- reasonable and practicable in relation to the property

An assessment by an Occupational Therapist is usually undertaken to establish if the works are necessary and appropriate, and by a surveyor to establish if the work can be done to a particular property. The maximum grant is currently £30,000 (inclusive of VAT and fees).

1.3 DFG funding is received by the Council as a capital grant. Although not ring fenced, the Council has adopted a passport policy, channelling the grant to meet the capital costs associated with providing adaptations to eligible properties. In 2013/14, the Council received £749,717 DFG allocation from Government. The grant increased to £771,382 in 2014/15 supplemented by £100k allocation from the Council. The total allocation in 2014/15 is therefore £871,382.

1.4 For 2015/16, the allocation of DFG is £925,000 and is to be included in the Better Care Fund (formerly referred to as the Integration Transformation Fund). The fund will operate under section 75 pooled budget arrangements between CCGs and Councils, and is expected to transform local services to provide better integrated care and support and a significant expansion of care in community settings. However, the statutory duty on local housing authorities to provide DFGs to those who qualify will remain, therefore, each area will have to allocate the funds to their respective housing authorities from the pooled budget to enable them to continue to meet their statutory duties. The inclusion
of DFGs in the fund is to ensure that the provision of adaptations is incorporated in the joint strategic planning of investment.

1.5 The rest of this report relates to the procurement process undertaken jointly with Tameside Council for the provision of stairlifts, ceiling track hoists and vertical and step lifts to properties where residents have disabilities, and requests approval to award the contract to providers identified through the tender process.

2 Current Position

2.1 The Procurement and Commissioning Board endorsed the short-term goal of achieving better value for money and ensuring procurement compliance from our contractual arrangements, and the longer-term strategic goals embedded within the wider older people’s commissioning project.

2.2 To address the short term goals the procurement arrangements for delivering DFGs were assessed. Service delivery can be segmented into three main areas:

- Major adaptations (e.g. level access showers, extensions etc.)
- Provision of equipment i.e. stairlifts, ceiling track hoists and vertical and step lifts
- Minor adaptations (such as fitting grab rails, stair rails etc.)

2.3 A new contract for major adaptations work was let in April 2014 as this forms the largest element of DFG spend. The provision of equipment is the second largest area of spend and is currently sourced as follows:

- Stairlift provision via an existing ‘Life of Client’ contract
- Ceiling track hoists and vertical and step lifts via spot purchasing arrangements

As the existing ‘Life of Client’ contract proved a successful solution for stairlift provision, the officers involved in the procurement process took the opportunity to test the market to see if we could procure ‘Life of Client’ arrangements for all aspects of equipment provision. The tender responses received indicated that the market was mature enough to deliver a ‘Life of Client’ contract for all 3 lots. By entering into a Life of Client arrangement, the Council will pass the responsibility (and costs) for equipment maintenance to suppliers for the life of the client. The contractual arrangements will reflect this and the Legal Team have been closely involved in the process.

3 Procurement process

3.1 A tender process commenced in July 2014 for provision of equipment which was split into 3 lots: Lot 1: stairlift provision, Lot 2: ceiling track hoists, and Lot 3: vertical and step lifts. The tender closed on 22nd August 2014.

3.2 It is anticipated that savings will be achieved through the new contractual arrangements, however due to the unpredictability of demand for certain types of equipment it is not possible to give an overall savings figure, though we
would estimate savings in the region of 20% based on existing costs/usage: this will ensure improved value for money is achieved and should enable scarce DFG resources to support more people with disabilities to continue living independently in their own homes.

3.3 The new arrangements should:

- improve value for money
- ensure compliance with council CPR’s (contract procedure rules)
- deliver Social Value benefits

3.4 Social Value has been considered in the tender process. The evaluation model was weighted 60% on price and 40% on technical ability: this took account of experience working in disabled/vulnerable peoples properties. From the 40% weighting on the technical score, 5% was allocated to social value. The highest scoring suppliers recommended to be awarded the contract have committed to a range of social value benefits outlined at 14.1. These elements would form part of the contract and be monitored.

3.5 The outcome of the evaluation process is detailed below:

**Lot 1 - Stairlifts**

<table>
<thead>
<tr>
<th>Bidder</th>
<th>Technical Weighting (40%)</th>
<th>Price Weighting (60%)</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Handicare Accessibility</td>
<td>31.1%</td>
<td>45.0%</td>
<td>76.1%</td>
</tr>
<tr>
<td>Platinum Stairlifts Limited</td>
<td>32.8%</td>
<td>60.0%</td>
<td>92.8%</td>
</tr>
<tr>
<td>Prism UK</td>
<td>29.3%</td>
<td>57.0%</td>
<td>86.3%</td>
</tr>
<tr>
<td>Tameside Healthcare</td>
<td>3.3%</td>
<td>0.0%</td>
<td>3.3%</td>
</tr>
<tr>
<td>Thyssen Krupp</td>
<td>31.0%</td>
<td>39.0%</td>
<td>70.0%</td>
</tr>
</tbody>
</table>

**Lot 2 – Ceiling Track Hoists**

<table>
<thead>
<tr>
<th>Bidder</th>
<th>Technical Weighting (40%)</th>
<th>Price Weighting (60%)</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prism UK Medical Limited</td>
<td>30.3%</td>
<td>60.0%</td>
<td>90.3%</td>
</tr>
</tbody>
</table>

**Lot 3 – Vertical and Step Lifts**

<table>
<thead>
<tr>
<th>Bidder</th>
<th>Technical Weighting (40%)</th>
<th>Price Weighting (60%)</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pollock Lifts</td>
<td>24.0%</td>
<td>49.0%</td>
<td>73.0%</td>
</tr>
<tr>
<td>Wessex Lift Co Ltd</td>
<td>27.0%</td>
<td>60.0%</td>
<td>87.0%</td>
</tr>
</tbody>
</table>

3.6 It is recommended that the contract is awarded to:
Lot 1 - Stairlifts to Platinum Stairlifts Limited
Lot 2 - Ceiling Track Hoists to Prism UK Medical Limited
Lot 3 - Vertical and Step Lifts to Wessex Lift Co Ltd

4 Options/Alternatives

4.1 Not to tender: this was not considered a viable option because this would not address existing issues of:
- compliance with Council CPRs
- ensuring value for money

4.2 To undertake a tender process in order to deliver best value and ensure Contract Procedure Rules (CPR) compliance.

5 Preferred Option

5.1 That the contract for the provision of stairlifts, ceiling track hoists and vertical and step lifts be awarded to the following suppliers:
- Lot 1 - Stairlifts to Platinum Stairlifts Limited
- Lot 2 - Ceiling Track Hoists to Prism UK Medical Limited
- Lot 3 - Vertical and Step Lifts to Wessex Lift Co Ltd

5.2 That the contracts will commence on or after 19th January 2015 and expire on 18th January 2017 with an option to extend by an additional 2 years on 1 year increments

6 Consultation

6.1 Internal consultation with strategic housing, capital investment programme manager, and the equipment and adaptations service manager has informed the approach and the recommended option: in addition, the appropriate officers from Tameside council were fully engaged throughout the process.

7 Financial Implications

7.1 The work the suppliers have tendered for is funded by the DFG capital allocation. In 2014/15 this allocation is £871,382 rising to £925,000 in 2015/16.

7.2 The outcome of the tendering process is assumed to be cost neutral and not have any financial impact on Oldham Council. Paragraph 3.2 states that there are efficiencies of an estimated 20% however this refers to an increase in throughput for the same expenditure and therefore the saving is not cashable. The service management expect to deliver the works within budget.

7.3 From 2014/15 onwards the budget allocation will be discussed as part of the Better Care Fund plans in conjunction with colleagues from the Clinical
Commissioning Group. The agreed spending plan for 2015/16 includes the allocation referred to in 7.1.

Paul Clarke / Andrew Davison

8 Legal Services Comments

8.1 The Invitation To Tender comprised bespoke terms that address the peculiarities of utilisation of the call-off contract by both Oldham Council and Tameside Council and the “Life Of Client” arrangement i.e. equipment supported for so long as the user requires the equipment as opposed to a fixed term support arrangement. The terms cater for the specified terms and extension options as described above. (Mark Hope)

9 Cooperative Agenda

9.1 The new procurement arrangements should increase value for money and improve flexibility and so enable scarce DFG resources to support more people to stay living independently in their own homes. The procurement process took full account of the councils Social Value approach.

10 Human Resources Comments

10.1 N/A

11 Risk Assessments

11.1 N/A

12 IT Implications

12.1 None

13 Property Implications

13.1 None

14 Procurement Implications

14.1 The tender has been carried out in line with EU Regulations and Oldham Contract Procedure Rules.

   Social Value has been considered in the tender process. The highest scoring suppliers recommended to be awarded the contract have committed to a range of social value benefits:

   Platinum Stairlifts Limited
   • Employ 1-2 local resource for both councils
   • Offer 1 x traineeship/apprenticeship for Oldham and/or Tameside borough residents
• All employees are paid above the minimum local wage.
• Continue to improve skills levels of existing staff by training more employees to Levels 2/3/4.
• Contribute 8 hours business planning support/financial-advice/legal advice/HR advice to community/voluntary organisations through an Employer-Supported Volunteering scheme.
• Provide 10 days of meaningful work experience for either boroughs resident’s.
• Energy consumption initiatives (Platinum ensure their stairlifts are one of the cheapest appliances to operate in a user’s household).

Prism UK Medical Limited
• Employ 1 trainee apprenticeships recruited from local resources for both councils.
• Provide 10 days of meaningful work experience for either boroughs resident’s.
• All Employees are paid above the minimum local wage.
• Offer free moving and handling training to both Oldham and Tameside staff.

Wessex Lift Co Ltd
• Recruit locally to support contract
• Use local sub-contractors (where appropriate)
• Staff orientated (flexible working, training etc.)

15 Environmental and Health & Safety Implications
15.1 None

16 Equality, community cohesion and crime implications
16.1 The new procurement arrangements should enable scarce DFG resources to support more people with disabilities to stay living independently in their own homes.

17 Equality Impact Assessment Completed?
17.1 No

18 Key Decision
18.1 Yes

19 Key Decision Reference
19.1 ASCPH-05-14.

20 Background Papers
20.1 None

21 Appendices

21.1 None