

<b>Decision Maker</b>	<b>Commissioning Partnership Board</b>
<b>Date of Decision:</b>	<b>29<sup>th</sup> April 2021</b>
<b>Subject:</b>	<b>Contract extension request, provision of stairlifts, ceiling track hoists, vertical and step lifts and gantry hoists in domestic properties where residents have disabilities.</b>
<b>Report Author:</b>	<b>Lynda Megram, Commissioning Manager, Oldham Cares</b>

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**Reason for the decision:** To seek approval to extend a contract for the provision of stairlifts, ceiling track hoists, vertical and step lifts and gantry hoists. The initial term of the contract ends on 31st May 2021: this report requests approval to extend the contract by a further year, from 1<sup>st</sup> June 2021 to 31st May 2022.

**Summary:** The Commissioning Partnership Board agreed that the Council award, on behalf of Oldham Cares, a contract for 'provision of stairlifts, ceiling track hoists, vertical and step lifts and gantry hoists in domestic properties where residents have disabilities', on 28<sup>th</sup> March 2019, to commence on or after 1<sup>st</sup> June 2019 for two years with an option to extend by an additional two years on one-year increments. The contract is held by four suppliers who each hold one of four Lots.  
The provision is funded from the Disabled Facilities Grant (DFG) Capital allocation within the Better Care Fund. The legislative framework governing DFGs places a statutory duty on Local Authorities to approve an 'eligible application': the provision must therefore be available. Oldham council led on the procurement for the Council and for Tameside Council, who confirm their support for the requested extension.

***What are the alternative option(s) to be considered? Please give the reason(s) for recommendation(s):***

a) Not to approve the contract extension and allow the service to cease. This option is not recommended, as the legislative

framework governing DFGs places a statutory duty on Local Authorities to provide DFGs to those who qualify: the provision must therefore be available.

- b) Not to extend the current contract and retender the provision for Oldham. This is not the preferred option, as the current joint arrangements with Tameside provide better value than tendering for one borough alone.
- c) To extend the contract for provision of stairlifts, ceiling track hoists, vertical and step lifts and gantry hoists in domestic properties where residents have disabilities, by a further year, from 1<sup>st</sup> June 2021 to 31<sup>st</sup> May 2022. This is the preferred option, as this enables continuity of provision which enables Local Authorities to meet their statutory duty to provide DFGs to those who qualify. Tameside have confirmed that they support the preferred option.

**Recommendation(s):**

*To approve option c, i.e.*

To extend the contract for provision of stairlifts, ceiling track hoists, vertical and step lifts and gantry hoists in domestic properties where residents have disabilities, by a further year, from 1<sup>st</sup> June 2021 to 31<sup>st</sup> May 2022.

**Implications:**

*What are the **financial** implications?*

The commissioning team are seeking approval to extend the contract for stairlifts, ceiling track hoists, step lifts and gantry hoists for 1 year until May 2022.

The contract is costed to the Disabled Facilities Grant (DFG) capital fund, which is part of the Better Care Fund, a pooled budget with the CCG.

The costs of the contract which includes the 4 suppliers shown at paragraph 2.2 are summarised in table 1 below. The table also shows the total DFG spend per year with the month 10 monitor forecasting an outturn of £2.1m spend this year. Projected spend is within

budget and whilst the service is somewhat demand-led, expenditure is consistent with previous years activity. The 2021/22 DFG allocation has yet to be notified but it is anticipated that it will be similar to that for 2020/21 and a budget for 2021/22 is £2m assumed. Access to an additional £1.006m carried forward from 2020/21 is also available if required which is currently phased in to the 2021/22 budget.

There are no adverse effects to the overall budget expected in 2020/21 or 2021/22.

Table 1:

	<b>2019/20</b>	<b>2020/21 (up until 31/01/21)</b>	<b>2020/21 Forecast Outturn</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Cost of Contract</b>	652	409	543
<b>Total DFG Spend</b>	1,953	1,531	2,113

What are the **procurement** implications?

Provision exists in the original procurement exercise to extend this contract in line with the recommendations in this report. Commercial Procurement therefore supports the recommendations in this report. The commercial procurement also recommends the following future actions:

- a. A clear KPI's must be agreed with the provider and the commissioning team manages and monitors KPI's.
- b. A contract variation document must be agreed and includes full financial information such as rates we pay i.e. per hourly or daily; not just the financial envelope.
- c. Set up a working group involving Procurement team at early stage ensuring no further requests will be made to extend these contracts in the future.
- d. Ensure appropriate consultation is undertaken at pre-procurement stage with the provider market that will entail us targeting local suppliers.

(Interim Sourcing, Mohammad Sharif  
10.02.2021)

What are the **legal** implications?

There is provision in Rule 17.1 (a) of the

Council's Contract Procedure Rules for the Council to modify a contract in circumstances where the originally tendered contract includes clauses which list the scope and nature of the possible modifications and when they can be used and the modifications would not alter the overall nature of the contract. The circumstances outlined in the body of the report would support the proposed modification under Rule 17.1.(a). (Elizabeth Cunningham Doyle)

*What are the **Human Resources** implications?*

N/A

**Equality and Diversity Impact Assessment** attached or not required because (please give reason)

No: an EIA has not been completed as the proposals enable continuity of statutory provision of adaptations to improve the independence, health and wellbeing of people with disabilities, and to enable them to remain living for as long as possible in their own homes. The provision is available to disabled children and adults with an assessed / eligible need.

*What are the **property** implications?*

None: the provision is installed in recipients own domestic properties.

**Risks:**

There are no risks identified from pursuing the preferred option.

Has the relevant Legal Officer confirmed that the recommendations within this report are lawful and comply with the Council's Constitution/CCG's Standing Orders?

Yes

Has the relevant Finance Officer confirmed that any expenditure referred to within this report is consistent with the S.75 budget?

Yes

Are any of the recommendations within this report contrary to the Policy Framework of the Council/CCG?

No

**Reason(s) for exemption from publication:**

3. Information relating to the financial or business affairs of any particular person including the Council

**Reason why this Is a Key Decision**

(1) to result in the local authority incurring expenditure or the making of savings

which are, significant (over £250k) having regard to the local authority's budget for the service or function to which the decision relates; and

- (2) to be significant in terms of its effects on communities living or working in an area comprising two or more Wards or electoral divisions in the area of the local authority.

The Key Decision made as a result of this report will be published within **48 hours** and cannot be actioned until **five working days** have elapsed from the publication date of the decision, i.e. **before 12th May 2021**, unless exempt from call-in.

This item has been included on the Forward Plan under reference: **CPB - 01 - 21**

### **There are no background papers for this report**

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<b>Report Author Sign-off:</b>	
<b>Date:</b> LV Megram	<b>Date:</b> 18.02.21

Please list any appendices: -

<b>Appendix number or letter</b>	<b>Description</b>
N/A	N/A

#### **1. Background:**

- 1.1 This report seeks approval to extend a contract for provision of stairlifts, ceiling track hoists, vertical and step lifts and gantry hoists in domestic properties where residents have disabilities. The Commissioning Partnership Board awarded the contract on 28<sup>th</sup> March 2019, to commence on or after 1<sup>st</sup> June 2019 for two years with an option to extend by an additional two years on one-year increments. The initial term of the contract ends on 31st May 2021: this report requests approval to extend the contract by a further year, from 1<sup>st</sup> June 2021 to 31st May 2022. The contract is held by four suppliers who each hold one of four Lots.
- 1.2 The provision is funded from the Disabled Facilities Grant (DFG) Capital allocation within the Better Care Fund operating under section 75 NHS Act 2006 pooled budget arrangements between Clinical Commissioning Groups and Councils. This provides funding to adapt a disabled person's home - where an assessed need has been identified - to enable the occupant to continue to live as independently as possible in their own homes. The legislative framework governing DFGs remains,

and places a statutory duty on Local Authorities to provide DFGs to those who qualify: i.e. where the council considers the adaptation to be 'necessary and appropriate to meet the disabled applicant's needs' and 'reasonable and practicable in relation to the age and condition of the property'. The provision must therefore be available.

- 1.3 Oldham Council led on the procurement exercise for Oldham and Tameside boroughs and hold the contract: however, there is no pooling of budgets between the two authorities, with each area paying for its own activity. Oldham has a history of collaboration with Tameside Council on contracts relating to DFG provision, as we have similar local arrangements, demands and requirements. It is considered by both local authorities that the advantages gained through economy of scale in letting larger contracts across both areas has resulted in better value for money, and more robust and well-run contracts, to the benefit of both Authorities. Tameside have confirmed that they also want to extend the contract.

## **2 Current position:**

- 2.1 The contract was awarded to four suppliers who each hold one of four Lots:

- Lot 1 - Stairlifts: Platinum Stairlifts Ltd
- Lot 2 - Ceiling track hoists: Handicare Accessibility Ltd
- Lot 3 - Vertical and step lifts: Wessex Lifts Ltd
- Lot 4 - Temporary free standing and pressure fit Gantry hoists: Prism UK Medical Ltd

Each Lot of the contract includes the supply and installation of the provision, all with '*life of client*' warranty: this places responsibility for the maintenance/replacement of installed equipment on the contractor for as long as the recipient needs the provision, thus securing long term revenue savings for each local authority, who would otherwise have to fund this aspect from revenue.

- 2.2 The provision is primarily demand-led so levels of activity/spend can vary, however they are in line with expectations apart from this financial year, where Covid-19 and lockdown impacted on delivery of all types of installations/adaptations. Prior to these contractual arrangements, spend in 2018/19 on this provision was £384,868 for Oldham and £382,433 for Tameside.

- 2.3 The suppliers have provided added value in the form of holding 'training days' on their products for occupational therapists and technical officers from Oldham and Tameside. They have also taken part in career days and mock interviews for students across both boroughs, however it has proven difficult to employ local people given that the suppliers are mainly specialist, nationally based organisations. Both boroughs consider that the current contract is working very well in terms of efficiency, quality of the provision and customer after care.

## **3 Conclusions and recommendations:**

- 3.1 The Commissioning Partnership Board is asked to approve the contract extension, as this enables:
- cost avoidance in the wider health and social care system - by ensuring continuity of provision that supports people with disabilities to better manage their conditions and remain living as independently as possible in their own

homes, helping to avoid the need for increased care packages or residential care

- the current joint arrangements with Tameside to continue, which provides continued economies of scale from a contract across a larger footprint