

Delegated Cabinet Member Decision Report

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**Decision Maker
and Portfolio area:** **Cllr Brownridge, Cabinet Member for Health & Social Care**

Date of Decision: **15/09/2022**

Subject: **Contract Award: Disabled Facilities Grant (DFG)
Construction Framework**
To seek approval to award the DFG Construction Framework for the supply and installation of level access showers and shower over baths for vulnerable people of all ages.

Report Author: **Commissioning Manager: Fateha Khanom, Oldham Cares**

Ward(s) Affected: All Wards

Reason for the decision:

To seek approval to award the DFG Construction Framework Agreement following a procurement exercise to the four successful Contractors on a rotational basis:

SENSITIVE INFORMATION REMOVED

The Framework Agreement is for the provision of level access showers and showers over baths, which are the most common types of adaptations required where residents have disabilities and require an adaptation to their home to enable them to remain living as independently as possible in their communities. The Framework Agreement is due to expire on the 30th November 2022 with no further option to extend.

Summary:

This service is currently provided under contractual arrangements which commenced on the 25th June 2018 and ends on the 30th November 2022, necessitating a procurement exercise to ensure a new

contract is in place from this date. This report describes the service provision, our commissioning approach and requests approval for Oldham Council to award the contract to the successful provider identified through the tender process.

Commissioning Partnership Board provided approval for Delegated Authority for the Cabinet Member for Health and Social Care to approve the tender procedure *in accordance with Contract Procedure Rules) and award the new Framework Agreement to the successful Contractor on the 17th February 2022.

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

- A) Allow the Contract to expire and cease provision.
This is not the preferred option. National and local policy direction has a focus on providing care closer to home and maintaining independence: the service is integral to achieving this and leads to cost avoidance in other parts of the health and social care system
- B) To seek approval for the contract to be awarded to the successful Contractors with a service commencement date of the 01st December 2022 and to expire on the 30th November 2024 with an option to extend by two further periods of 12 months. This is the recommended option as:
- CPB approved Delegated Authority for the Cabinet Member for Health and Social Care to award the new Framework Agreement approach on the 17th February 2022
 - A comprehensive procurement exercise has been undertaken
 - Service aligns with national and local Policy

Recommendation(s):

Option B: To seek approval for the contract to be awarded to the successful Contractors with a service commencement date of the 01st December 2022 and to expire on the 30th November 2024 with an option to extend by two further periods of 12 months. This is the recommended option as:

- *CPB approved Delegated Authority for the Cabinet Member for Health and Social Care to award the new Framework Agreement approach on the 17th February 2022*
- *A comprehensive procurement exercise has been undertaken*

- *Service aligns with national and local Policy*

Implications:

What are the **financial** implications?

The proposal is to award the Construction Framework Agreement for the provision of level access showers and showers over baths for the period covering 1st December 2022 until 30th November 2024, with the option to extend up to 2 further years. The agreement will award the contract to four preferred providers on a rotational basis.

The contract will continue to be financed by the ringfenced Disabled Facilities Grant (DFG) capital allocation which is funded through the Better Care Fund.

The DFG allocation for Oldham Council for 2022/23 is £2.343m as notified by the Department for Levelling Up, Housing and Communities dated 10th May 2022.

The estimated cost arising from the Framework Agreement is approximately £0.5m per annum and the service expects to deliver the works within available resources.

(Chris Curran, Accountant)

What are the **procurement** implications?

A below threshold open independent tender has been conducted to establish a four year framework for the delivery of the works; awarding call-off contracts/packages of work on a rotational basis with four contractors. There was no suitable third party solution/framework for the Council to use, and an independent tender gave local SMEs a direct opportunity to bid for Council business. The strategy was informed by detailed formal market engagement to which 14 companies responded, and was approved by the Head of Joint Commissioning and Quality and Head of Procurement.

Prices for the works are fixed by the Council. These will be reviewed after six months of the Framework going live (at which point prices will be 12 months old), and annually thereafter owing to the current and continuing market conditions and feedback. Costs will be reviewed on the basis of benchmarking, contractor engagement (open-book) and against the CPI.

On the basis of pricing being fixed by the Council, the tender evaluation criteria was 95% Technical and 5% Commercial, the latter being based on the bidder's offer in respect of the Council's Oxygen Early

Payment Scheme. Technical criteria covered an evaluation of resource and expertise, project delivery and management, cost management, health and safety, safeguarding, performance management, business continuity, environmental management and social value, with acceptance of the contract terms and ability to meet the requirements specification being pass/fail.

Only four tenders were received, two of which were incumbents. Following extensive clarifications on health and safety matters, all four passed the Stage 1 Selection Criteria. The outcome of the Stage 2 Award Criteria is as follows:

SENSITIVE INFORMATION REMOVED

All four contractors can be awarded a place on the four year Framework. All four contractors are SMEs; one being operationally based in Heywood, two in Manchester and the fourth incumbent in Kirkby. (Emma Tweedie, Senior Category Manager, Commercial Procurement)

*What are the **legal** implications?*

The opportunity has been procured in accordance with the Contract Procedure Rules and, therefore, provided the Council enters into a Framework Agreement with each contractor largely on the advertised terms and conditions and provided all orders are placed and formalised in accordance with the terms and conditions of the Framework Agreement, there are no known legal implications at this time.
(Sarah Orrell, Commercial & Procurement Solicitor)

*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 proposal enables 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.

*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.

Co-operative agenda

The decision supports the Council's co-operative agenda by supporting our aim for Thriving Communities where everyone is empowered to do their bit. #ourbit: 'Working proactively with residents and partners in promoting healthy, independent lifestyles and providing the right level of care at the right time'


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

Has the relevant Finance Officer confirmed that any expenditure referred to within this report is consistent with the Council's budget? Yes

Are any of the recommendations within this report contrary to the Policy Framework of the Council? No

Reason(s) for exemption from publication: 1. Information relating to the financial or business affairs of any particular person including the Council.

Background papers for this report

Description	Papers
CPB Report: Approval for delegated authority for Cabinet Member to award Contract	 Construction Framework Report f

Report Author Sign-off:	Fateha Khanom
Date: 12.09.2022	

Please list any appendices:-

Appendix number or letter	Description
N/A	N/A

1. Background:

- 1.1 The Framework is for the provision of adaptations to domestic properties where residents have disabilities and require an adaptation to their home to enable them to remain living as independently as possible in their communities.
- 1.2 The successful Contractors will provide adaptations under Disabled Facilities Grant (DFG) arrangements. A DFG helps towards the cost of adapting a person's home to enable the occupant to continue to live as independently as possible in their community and can reduce the requirement for Health and Social Care support. The adaptations delivered via the Framework Agreement are installing level access showers and showers over baths, which are the most common types of adaptations required. Separate arrangements are in place for other areas of activity such as provision of stairlifts, ceiling track hoists etc and for complex/large extensions to properties.
- 1.3 The legislative framework governing DFGs places a statutory duty on the council to approve an eligible application within six months. An application cannot be refused because of insufficient funds, provided that the adaptation is deemed:
 - 'necessary and appropriate' to meet the disabled applicant's needs
 - 'reasonable and practicable' in relation to the individual propertyAn assessment by an Occupational Therapist is usually undertaken to establish if the works are 'necessary and appropriate' and by a surveyor / technical officer to establish if the work can 'reasonably and practicably' be done to a particular property. The maximum grant is currently £30,000 (inclusive of VAT and fees).
- 1.4 DFG funding is included in the Better Care Fund (BCF). The BCF operates under section 75 pooled budget arrangements between Integrated Care Systems (previously referred to as Clinical Commissioning Groups) and is expected to facilitate better integrated care and joint strategic planning of investment. However, the statutory duty on local housing authorities to provide DFGs to those who qualify remains, therefore each area must allocate funds from the pooled budget to their respective housing authorities to enable them to continue to meet these duties. The DFG grant allocation to Oldham for 2022/23 is £2.343m. The Framework includes an annual price review.

2. Current position:

- 2.1 A project team was formed to guide the retendering of the provision with representation from Commissioning, Procurement, Legal, and the Equipment and Adaptations team from Miocare. Consultation and benchmarking with neighbouring local authorities and has taken place and pre-tender market engagement exercise which resulted in 14 responses.
- 2.2 The responses have guided the procurement exercise such as the number of Contractors on rotation, management of sub-Contractors, performance management options and fixed based prices (current pricing approach). The new Framework Agreement will include an annual price review starting from the 01st June 2023 which will take into account variances in Contractor costs, market conditions and bench marking.

3. Conclusions and recommendations:

- 3.1 The Cabinet Member for Health and Social Care is asked to award the new Framework Agreement to the recommended Contractors as this enables:
 - The Council to meet its statutory duty to provide Disabled Facility Grants
 - Commissioning Partnership Board approved Delegating Authority for the Cabinet Member for Health and Social Care to award the new Framework Agreement approach on the 17th February 2022
 - A comprehensive procurement exercise has been undertaken
 - Service aligns with national and local Policy

Relevant Strategic Director/Director _____Date:_____