



Oldham
Council

Report to CABINET

Award of Contract: framework for the provision of adaptations for construction-related works to domestic properties where residents have disabilities

Portfolio Holder: Councillor Chauhan, Cabinet Member for Health and Social Care

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25th June 2018

Reason for Decision

To seek approval to award a framework contract following a tender process. 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.

Recommendations

- 1) That the framework agreement for the provision of adaptations for construction-related works to domestic properties where residents have disabilities, be awarded to the recommended suppliers as detailed at Item 13 of the Cabinet agenda.
- 2) That the framework agreement will commence on or after 23rd July 2018 and expire on 31st May 2020 with the provision to extend for a further two x 1 year periods.

Award of contract: framework for the provision of adaptations for construction related works to domestic properties where residents have disabilities**1 Background**

- 1.1 This report requests approval to award a framework agreement for the provision of construction works to domestic properties where residents have disabilities, and require an adaptation to their home. The suppliers in the framework 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 mainly installing level access showers and showers over baths, which are the most common types of adaptations required.
- 1.2 The legislative framework governing DFGs places a statutory duty on the council to approve an eligible application within 6 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 property
- An 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).
- 1.3 DFG funding was traditionally received by councils as a capital grant from Government, but since 2015/16 the allocation was included in the Better Care Fund (BCF). The BCF operates under section 75 pooled budget arrangements between Clinical Commissioning Groups (CCGs) and Councils, 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 has to allocate funds from the pooled budget to their respective housing authorities to enable them to continue to meet these duties. In 2015/16 the allocation of DFG to Oldham was £925,000. This rose to £1,618,419 in 2016/17 and to £1,766,154 in 2017/18.

2 Current Position

- 2.1 Cabinet initially awarded a similar framework on 22nd April 2014, following a tender process. The framework commenced on 19th May 2014 and was extended to its full term to 31st March 2018. Prior to this, a small number of suppliers had been used to provide adaptations, but that provision had not been tendered. The previous framework was awarded to six contractors, and operated by awarding work under £8,000 via a call-off contract offered to the supplier who offered the best price for that type of job. More complex work over £8,000 was awarded through mini competition from the successful contractors. The framework achieved considerable savings, and initially worked well in the main areas of high-volume work, but the suppliers preferred to undertake these quick turnaround installations, rather than complex work such as large extensions. The two most competitive suppliers also won most of the available work, which resulted in other framework suppliers becoming increasingly disengaged and less supplier capacity. Latterly increased resources were allocated to all Local Authorities for adaptations, leading to high demand for these types of suppliers and pressure for increased prices.
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- 2.2 The new framework differs in that it will be awarded to six contractors who will be allocated work on a rota basis, with prices defined via a fixed pricing schedule issued in the tender documents. It is anticipated that this will ensure greater stability of provision, as each successful supplier should be offered enough work to keep them engaged. The estimated annual spend under these arrangements is £275,000: whilst the framework covers the most common, high volume adaptations (level access showers and showers over baths) separate contractual arrangements are in place for other areas of activity such as provision of complex/large extensions, and works involving 'proportionate grants' which are often undertaken with the clients own choice of contractor. The intended duration of the Contract is from 23rd July until 31st May 2020 with the provision to extend for a further two x 1 year periods.

3 **Options/Alternatives**

- 3.1 Option A: Allow the contract to expire and cease provision. This is not the preferred option as the legislative framework governing DFGs places a statutory duty on the council to approve an 'eligible application'. The provision must therefore be available to those who qualify.
- 3.2 Option B: To award the tender for a revised framework contract. This is the preferred option as this ensures that the council can meet its statutory duty to approve an eligible DFG application, and provide adaptations to those residents who need them in order to remain living as independently as possible in their own homes and communities.
- That the framework agreement for the provision of adaptations for construction-related works to domestic properties where residents have disabilities, be awarded as detailed at Item 13 of the Cabinet agenda.
 - That the framework agreement will commence on or after 23rd July 2018 and expire on 31st May 2020 with the provision to extend for a further two x 1 year periods

4 **Preferred Option**

- 4.1 Option B: That the framework agreement for the provision of adaptations for construction-related works to domestic properties where residents have disabilities, be awarded as detailed at Item 13 of the Cabinet agenda.

That the framework agreement will commence on or after 23rd July 2018 and expire on 31st May 2020 with the provision to extend for a further two x 1 year periods

5 **Consultation**

- 5.1 Internal consultation with the Equipment and Adaptations service manager informed the procurement approach and the recommended option in this report.

6 **Financial Implications**

- 6.1 Under the new framework the six contractors will be allocated on a rota basis, with work estimated to be up to £275k in value across all six suppliers. The budget allocated for DFG within the capital programme for 2018/19 is £2.660m, this includes unspent allocations from earlier years. All works completed as a result of this tender form only a small part of the full allocation and are therefore expected to be delivered within budget.
- 6.2 The framework agreement will expire on 31 May 2020 with an option to extend for a further two years. The BCF is secure until 2020 and although it is assumed funding will
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continue beyond this date, consideration as to budget availability needs to be made if a contract extension is applied. (Danny Jackson, Senior Accountant)

7 **Legal Services Comments**

7.1 The Council has followed its own Contract Procedure Rules and the Public Contracts Regulations 2015 in procuring this framework agreement for adaptations and construction related work to domestic properties where residents have disabilities. Therefore, the Council can approve the recommendation outlined in the body of the report with minimum risk of legal challenge. (Elizabeth Cunningham Doyle)

8. **Co-operative Agenda**

8.1 The procurement arrangements outlined in the report align to the following co-operative outcomes:

An Inclusive Economy where people and enterprise thrive

- #ourbit: Attracting investment and encouraging business and enterprise to thrive

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

Co-operative Services with people and social value at their heart

- #ourbit: Putting social value and transformational outcomes at the heart of all our services

Creating the right opportunities for a healthier borough, ensuring the right support and advice about health and wellbeing is available when needed: specifically the arrangements should increase stability of provision, enabling DFG resources to support more people with disabilities to remain living as independently as possible in their own homes and communities. The procurement process incorporated the councils Social Value approach and these elements will be monitored as part of contract management.

9 **Human Resources Comments**

9.1 N/A.

10 **Risk Assessments**

10.1 N/A

11 **IT Implications**

11.1 None

12 **Property Implications**

12.1 None

13 **Procurement Implications**

13.1 The Procurement Process has been conducted in line with to the EU Treaty principles of non-discrimination; free movement of goods; freedom to provide services; and freedom of establishment. In addition to these fundamental treaty principles, the procurement process was carried out with equality of treatment; transparency; mutual recognition;

proportionality; and complied with the Public Contract Regulations 2015 and the Councils Contract Procedure Rules. (Dan Cheetham)

14 **Environmental and Health & Safety Implications**

14.1 The framework arrangements will support the provision of adaptations to the homes of people with disabilities, who require these adaptations to enable them to remain living with increased safety and independence in their own homes.

15 **Equality, community cohesion and crime implications**

15.1 The framework arrangements should enable DFG resources to support more people with disabilities to remain living independently in their own homes and communities, who may otherwise have to consider moving to a care home or supported accommodation.

16 **Equality Impact Assessment Completed?**

16.1 No: The provision is to support people with disabilities who have a statutory right to request this support.

17 **Key Decision**

17.1 Yes

18 **Key Decision Reference**

18.1 SCS-18-17.

19 **Background Papers**

19.1 N/A

20 **Appendices**

20.1 N/A
