

Report of Chief Officer, Access and Care

Report to Director of Adult Social Care

Date: July 2014

Subject: Report to request to waive CPRs 9.1 and 9.2 using the authority set out in CPR 1.3 to enter into a new contract for the Supply, Maintenance and Repair of Wheeled Shower Chairs with Prism Medical UK for a period of 12 months with an option to extend for a further 2 x 6 months

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number 9.1 and 9.2: Appendix number:	<input type="checkbox"/> Yes	<input type="checkbox"/> No

Summary of main issues

1. The current contract for the supply, maintenance and repair of Modular Wheeled Shower Chairs expired on 31st May 2014.
2. The contract is for the supply, maintenance & repair of the shower chairs that are delivered to the service user's homes following an assessment.
3. Under the previous tendering process Prism Medical Ltd. were the only company who were prepared to repair and re-use other companies' shower chairs in addition to ones they supply.
4. The contract has enabled efficiencies through the recycling of previously purchased component parts.

5. An Option Appraisal (appendix 1) has been undertaken to identify the option which meets both the short and long term service requirements.
6. Approving the waiver of Contract Procedure Rules 9.1 and 9.2 using the authority set out in CPR 1.3 will allow the council to bring key elements of the service 'in-house' as Leeds Community Equipment Service move into Assistive Living Leeds (ALL), thus making effective use of the internal service provider. The annual value of the contract averaged over a period of 3 years equates to £62,000 per annum. The overall contract value of the proposed extension is estimated at £124,000. We would then undertake a procurement exercise at the appropriate time for a new contract for the supply only of new Modular Wheeled Shower chairs.

Recommendations

7. **The Director of Adult Social Services is recommended to approve the waiver of Contracts Procedure Rules 9.1 and 9.2 using the authority set out in CPR 1.3** to enter into a short term contract for the supply, maintenance and repair of Modular Wheeled Shower Chairs with Prism Medical UK on a 1 year + 2 additional extension period of 6 months each.
8. **The Director of Adult Social Services is recommended to approve** the availability of this contract on a city wide basis across all Leeds City Council departments. This will allow departments other than Adult Social Care to use the benefits of this contract.
9. The Service Manager- Leeds Community Equipment and Tele Care Services will be the officer responsible for the implementation.

1 Purpose of this report

- 1.1 The purpose of this report is to request the waiver of Contract Procedure Rules 9.1 and 9.2 using the authority set out in CPR 1.3 to enter into a short term contract with Prism Medical UK for the supply, maintenance and repair of Modular Wheeled Shower Chairs.

2 Background information

- 2.1 The contract is for the supply, maintenance & repair of shower chairs that are delivered to the service user's homes following an assessment.
- 2.2 The shower chairs are funded from revenue in the pooled budget. The shower chairs are delivered and collect from customers' homes by to Leeds Community Equipment Service. Prism Medical UK collect from the service to service, repair and store under the terms of the contract.
- 2.3 The estimated contract value is £62,000 per annum.

3 Main issues

Reason for Contracts Procedure Rules Waiver

- 3.1.1 The Option Appraisal (Appendix 1) identified four possible options available:

OPTION TITLE	ADVANTAGES	DISADVANTAGES
1. Do nothing	<i>Financial savings achieved by not providing the service.</i>	<i>Statutory service – would put council at risk. Implications for service users Additional financial implications due to the potential increase in demand on the NHS and other council services.</i>
2. Undertake a procurement exercise	<i>Secures a new contract at the earliest opportunity.</i>	<i>We would not be able to effectively utilise the opportunities available to us when the new ALL opens as we would be tied into a fixed contract with an external supplier.</i>
3. Undertake a collaborative procurement exercise	<i>Potentially increases savings available under the contract by aggregating the spend and utilising economies of scale.</i>	<i>There are different charging structures used by other authorities. Other authorities use different types of chairs. No guarantees about who gets 'the best stock'.</i>
4. Enter into a short term contract until the ALL is completed	<i>Allows for the benefits of the new ALL to be realised. This would allow for the efficiency savings that could be realised by using our own in-house provider to be realised. It is a requirement of the council's CPRs that we must use the internal service provider where appropriate. Allows for the service to be continued to be provided until the internal provider are in a position to undertake this service.</i>	<i>We would not be seeking a fully competitive exercise. We could only be certain that value for money was being achieved by undertaking a benchmarking exercise.</i>

- 3.1.2 The existing contract has been running well and the arrangements have been continually monitored. In addition, the performance of the supplier has been subject to formal evaluation using the Public Private Partnership and Procurement Unit's Performance Report. The report invited the lead officer (Katie Cunningham, Service Manager, Leeds Community Equipment and Telecare Services) to comment on the performance of the supplier. The performance of the supplier has been consistently satisfactory.
- 3.1.3 The average number of modular shower chairs provide on an annual basis is 190.
- 3.1.4 The existing contract was tendered in 2009 and enabled the re-using of used stock. Prism Medical UK were the only company that tendered who were prepared to repair and re-use other companies shower chairs in addition to ones they have supplied. Prism Medical UK were the only provider taking part in the tender prepared to repair and re-use other companies' shower chairs.
- 3.1.5 The existing contracts include a 10% discount on new items from the supplier and this will also be available under any new contract.
- 3.1.6 The Council currently does not have the capacity to undertake the maintenance & repair of shower chairs. The Council currently deliver and collect the shower chairs to/from customers home address. Prism Medical Ltd collects the returned shower chairs from the Council, repair them and return them to the Council for further use.
- 3.1.7 When the Council locates to Assistive Living Leeds (ALL) site there will be capacity for the repairs and maintenance functions to be undertaken in-house. This will result in equipment being delivered in a timelier manner to the customer.
- 3.1.8 Once the repairs and maintenance functions are in-house, the Council will only require the supply of new shower chairs and parts. Therefore, a short term interim contract is required to ensure service and maintenance continuity until the ALL site is operational and those tasks are undertaken in house. Bidders will have an opportunity to tender for the supply only element of the shower chairs under a competitive tendering exercise. This tender exercise will need to be undertaken in January 2016 to be awarded for 1st June 2016.

Consequences if the proposed action is not approved

- 3.2.1 The Council would have no contract in place for the supply, repair or servicing of shower chairs resulting in disruption to supply and response to customers and placing customers at possible risk.

- 3.2.3 There is a risk at there may be an increase in cost as we would not have an agreed contract pricing schedule. This would cause a budget pressure and could result in a waiting list for customers. This would affect The Council's aim of providing the right equipment quickly to enable people to live independent and inclusive lives.

Advertising

- 3.3.1 The original tender was advertised in OJEU (Official Journal of the European Union) and through the council's Supplier Contract Management System (SCMS) as part of a competitive tender exercise as required by the council's Contract Procedure Rules. The advert stated the contract period and options to extend. There was only one supplier available. As the contract requires the maintenance of different manufactured chairs the market is extremely limited.
- 3.3.2 ASC intend to advertise the new tendering process through YORtender, OJEU (wider market) to attract new entrants because competition is required to secure the supply of shower chair equipment and parts beyond the interim contract of 16 months.

3.4 Implementation

- 3.4.1 The proposed timescale for implementation is July 2014.
- 3.4.2 The Service Manager- Leeds Community Equipment and Tele Care Services will be the officer responsible for the implementation.

4 Corporate Considerations

4.1 Consultation and Engagement

- 4.1.1 The Option Appraisal process included officers from Adult Social Care, the Provider and Assessment Services from Leeds City Council and Leeds Community Healthcare. A Service User from the User Involvement Group attends the regular Equipment Review Group which considers the range and quality of products used by the Council on a continual basis.

4.2 Equality and Diversity / Cohesion and Integration

- 4.2.1 An Equality Impact Assessment screening tool has been undertaken for the purposes of this recommendation, and has indicated that an EIA does not need to be carried out. There will be no adverse effect on any particular groups of people within the city by the proposal.

4.3 Council Policies and City Priorities

- 4.3.1 The service provided contributes to National Indicator 142: the percentage of vulnerable people supported to achieve independent living.
- 4.3.2 The service provided contributes to the City Priority Plan 2011 to 2015, Best City for health and wellbeing: Supporting more people to live safely in their own homes and give people choice and control over their health and social care services.
- 4.3.3 The service provided contributes to the Council Business plan 2011 to 2015, Adult Social Care Directorate Priorities and Performance Measures by ensuring more people with poor physical or mental health remain living at home longer.
- 4.3.4 The service provides support to adults whose circumstances make them vulnerable to live safe and independent lives.
- 4.3.5 The service provides easier access to joined-up health and social care services.

4.4 Resources and Value for Money

- 4.4.1 The average annual spend on modular shower chairs over the past three financial years has been £62,000. The average number of modular shower chairs provided on an annual basis is 190.
- 4.4.2 The average spend would be considerably more without the ability to recycle existing stock which this contract offers.
- 4.4.3 There will be some resource implications in terms of undertaking a procurement exercise and similarly within the monitoring and reviewing of any future contract. These resources will be provided from within the existing Leeds Community Equipment and Telecare Services team.

4.5 Legal Implications, Access to Information and Call In

- 4.5.1 This is a significant operational decision which is not subject to call-in. There are no grounds for keeping the contents of the report confidential under the Access to Information Rules.
- 4.5.2 Awarding a contract directly to Prism Medical UK in this way could leave the Council open to a potential challenge from other contractors to whom this contract could be of interest. The existing contract tendered in 2009, Prism Medical UK were the only provider prepared to repair and re-use other companies' shower chairs.
- 4.5.3 Although there is no overriding legal obstacle preventing the waiver of CPRs 9.1 & 9.2 using the authority set out in CPR 1.3, the above comments should

be noted. In making their final decision, the Director of Adult Social Care should be satisfied that the course of action chosen represents Best Value for the Council.

4.6 Risk Management

4.6.1 Without the contract in place, the Council would not be able to meet the demand for modular wheeled shower chairs and would have to rely on buying off contract. The Council would not be able to recycle used equipment. This would result in an increase spend and waiting list for equipment.

5 Conclusions

5.1 Agreeing to enter into a short term contract for the supply, maintenance and repair of modular wheeled shower chairs with the existing provider will enable the Leeds Community Equipment Service to continue to meet the demand for Community Equipment for the people of Leeds.

6 Recommendations

6.1 The Director of Adult Social Services is recommended to approve the waiver of Contracts Procedure Rules 9.1 and 9.2 using the authority set out in CPR 1.3 to enter into a short term contract for the supply, maintenance and repair of Modular Wheeled Shower Chairs with Prism Medical UK on a 1 year + 2 additional extension period of 6 months each.

6.2 The Director of Adult Social Services is recommended to approve the availability of this contract on a city wide basis across all Leeds City Council departments. This will allow departments other than Adult Social Care to use the benefits of this contract. The proposed timescale for implementation is 20th June 2014.

6.3 The Service Manager- Leeds Community Equipment and Tele Care Services will be the officer responsible for the implementation.

7 Background documents¹

7.1 None

¹ The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.