

**Report of: Head of Service – Access and Care**

**Report to Interim Director of Adult Social Services**

**Date:** 22<sup>nd</sup> January 2015

**Subject:** REQUEST APPROVAL TO UNDERTAKE A PROCUREMENT EXERCISE FOR CALLING OFF AN EXISTING FRAMEWORK (FRAMEWORK FOR ASSISTIVE TECHNOLOGY EQUIPMENT) USING CONTRACT PROCEDURE RULE 3.1.8.

Are specific electoral Wards affected? If relevant, name(s) of Ward(s): All Wards	<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 checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

**Summary of main issues**

- 1 The Leeds Community Equipment Service operates under a Section 75, Partnership Agreement between Leeds City Council and NHS. Adult Social Care is the lead organisation in the Partnership and delivers the service with Leeds Community Healthcare.
- 2 The service provides a range of equipment to meet daily living and nursing needs for disabled adults, older people and children. Equipment purchased by the Council, including that purchased through the Pooled Fund, is subject to procurement through Leeds City Council's procurement arrangements.
- 3 A Framework for Assistive Technology Equipment for the Leeds Community Equipment Service was awarded in April 2013. A Framework agreement is an agreement with providers which sets out the terms and condition under which specific purchases (call-off) can be made throughout the term of the agreement.
- 4 Lot 1- 121 lines of high volume, generally lower value stock awarded for two years with the option to extend for two further twelve month periods.
- 5 Lot 2 - Specialist beds and mattresses. These items were awarded for the first time and for one year with the option to re-evaluate the equipment from the companies placed on the framework annually for three further twelve month periods.

- 6 Lot 3- A framework for the purchase of any required items outside Lot 1 and Lot 2 awarded for two years with the option to extend for two further twelve month periods.

## **Recommendations**

- 7 The Director of Adult Social Services is requested to approve the undertaking of a procurement exercise from calling off an existing framework (framework for Assistive Technology equipment) using contract procurement rule 3.1.8. in order to re-evaluate the equipment listed in Lot 2 Specialist beds and mattresses.
- 8 Implementation discussions will take place with the suppliers once the contract is awarded.
- 9 The proposed timescale for implementation is 1<sup>st</sup> April 2015.
- 10 The Service Delivery Manager- Assisted Living Leeds will be the officer responsible for the implementation of Lot 2 of the framework from the companies already listed in Lot 2.

### **1 Purpose of this report**

- 1.1 The purpose of this report is to request the approval to undertake the second procurement exercise for calling off an existing framework and seek delegated decision by the Director of Adult Social Services to enable the procurement of the Supply of Specialist beds and mattresses for Disabled People from the Assistive Technology framework from suppliers listed on Lot 2.
- 1.2 The current contract expires on 31<sup>st</sup> March 2015.

### **2.0 Background Information**

- 2.1 The framework is for the supply of Assistive Technology for Daily Living to Leeds Community Equipment Service. The estimated contract value is approx. £886,000 per year based on 2012/13 expenditure. The framework was allocated into three "Lots". Within the framework Lot 1 and Lot 3 will be awarded for two years with the option to extend for a further two twelve month periods. Lot 2 was be awarded for twelve months with the option to re-evaluate the equipment from the companies listed on the framework on an annual basis for three further twelve month periods. The initial contract period was from 1<sup>st</sup> May 2013 until 31<sup>st</sup> March 2014. The first call off period being 1<sup>st</sup> June 2014 until 31<sup>st</sup> March 2015.
- 2.2 NHS and the Local Authority are the commissioning partners in the Leeds Community Equipment Service Partnership Agreement under the Health Act Section 75 flexibilities. This agreement allows NHS organisations and Local Authorities to pool money they intend to spend, in this instance on the purchase of community equipment. Additionally the agreement allows one of the agencies to make all purchases from the pool on behalf of both partners. In Leeds the lead agency is the Local Authority.
- 2.3 The estimated value for Lot 2 of the contract for this call off is approx. £300,000.00. The same quantities used in the existing framework will be used as a guideline for call off in this tender process.
- 2.4 As described in 2.1 above companies were invited to tender for three Lots within the Framework;
- Lot 1 – Equipment for Daily Living, estimated value £608,512.00 based on 2012/13 figures. This was further broken down into ten categories, eg bathing equipment, mobility equipment and so on.

- Lot 2 – Supply of Beds and Mattresses, estimated value £220,000.00 based on 2012/13 figures. This was broken into two categories, beds and standard mattresses and powered mattresses.
- Lot 3 - Other items not covered in Lot 1 and 2 which are infrequently ordered as one off in small quantities. The same ten categories as in Lot 1 were applied.

In Lot 2 one company was awarded the bed contract and one company the powered mattress contract each for a twelve month period but all companies whose product was evaluated have been added to the Framework to allow the annual re-evaluation of their products against the specification

### **3 Main issues**

#### **3.1 Contract Background**

3.1.1 As the lead for the LCES Partnership Agreement the Council is responsible for all equipment purchases from the pooled fund on behalf of the partners. This means that some purchasing of equipment previously bought by the NHS using NHS purchasing arrangements comes under Local Authority procurement rules.

3.1.2 A Framework for Assistive Technology Equipment for the Leeds Community Equipment Service was awarded in April 2013. A Framework agreement is an agreement with providers which sets out the terms and condition under which specific purchases (call-off) can be made throughout the term of the agreement.

3.1.3 Call-offs are subject to the terms and condition under the agreement. Under a framework arrangement contracts are “framed” when services call off under the agreement.

3.1.4 The advantage of using a Framework contract is that it reduces the number of procurements, and it standardises the documentation and processes.

#### **3.2 Tender Exercise**

3.2.1 The call-off (tender) will be advertised to the suppliers listed on Lot 2 of the existing framework.

3.2.2 TENDER EVALUATION CRITERIA - Tender submissions will be assessed on the basis of the most economically advantageous tender, using a price quality evaluation. Below are the criteria against which responses will be evaluated.

- The maximum amount of marks available for quality is 500 points/50%.
- The maximum amount of marks available for price is 500 points/50%.

#### **3.3 Consequences if the proposed action is not approved**

3.3.1 The service would have to purchase equipment from Lot 2 “off contract”. There would be no contract prices which would be very likely to result in higher costs for equipment.

3.3.2 The effect higher unit costs on the budget would have a direct impact on customer waiting times for equipment

3.3.3 The aim of the Service to provide the right equipment quickly to enable people to live independent and inclusive lives would be compromised.

### **3.4 Advertising**

3.4.1 The existing framework agreement was advertised in the European Union through the OJEU and the Council's tendering system YORtender. Therefore only the organisations appointed to lot 2 will be notified of the call-off opportunity under the agreed conditions of the contract.

### **3.5 Implementation**

3.5.1 Implementation discussion will take place with the suppliers once the contract is awarded.

3.5.2 The proposed timescale for implementation is 1<sup>st</sup> April 2015.

3.5.3 The Service Delivery Manager- Assisted Living Leeds will be the officer responsible for the implementation.

## **4 Corporate Considerations**

### **4.1 Consultation and Engagement**

4.1.1 The Procurement process to establish the framework included officers from both Adult Social Care and Leeds Community Healthcare. Officers involved are from the Provider and Assessment services. 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 service on a continual basis. An invitation was made for a member of the Service User Group to be part of the panel but this was unfortunately not achieved.

4.1.2 The Procurement process for Lot 2 will include officers from both Adult Social Care and Leeds Community HealthCare. A service User from the User Involvement group will be invited.

### **4.1 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. This is attached at Appendix 1

### **4.3 Council Policies and City Priorities**

4.3.1 The service contributes to National Indicator 142: the percentage of vulnerable people supported to achieve independent living.

4.3.2 The service 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 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 supports 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 purchase and maintenance of Assistive Technology Equipment from April 2014 is within S75 budgets.
- 4.4.2 Using the Assistive Technology Framework will ensure items of community equipment are purchased at best value rates. The service will be able to purchase equipment in a more timely method and plan the year's expenditure. Officer time will be saved by working to the framework rather than obtaining competitive quotes for individual items and orders.

#### **4.5 Legal Implications, Access to Information and Call In**

- 4.5.1 The Procurement Unit advertised the service in the Official Journal of the European Union to comply with the Procurement Regulations of 2006. The contract was also advertised on the Council's tendering website formerly Supplier Contract Management System.
- 4.5.2 This is a key decision and is listed on the forthcoming key decisions.

#### **4.6 Risk Management**

- 4.6.1 Without the Framework agreement in place, the service would not be able to meet the demand for Assistive Technology equipment, and would have to rely on buying off contract and recycling used equipment. This would result in a waiting list for equipment and the service not being able to purchase up to date equipment particularly to meet the needs of customers with more individual and complex needs.

### **5 Conclusions**

- 5.1 Agreeing to the procurement to Lot 2 of the Framework for Assistive Technology Equipment 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 requested to approve the undertaking of a procurement exercise from calling off an existing framework (framework for Assistive Technology equipment) using contract procurement rule 3.1.8. in order to re-evaluate the equipment listed in Lot 2 Specialist beds and mattresses.
- 6.2 Implementation discussions will take place with the suppliers once the contract is awarded.
- 6.3 The proposed timescale for implementation is 1<sup>st</sup> April 2015.
- 6.4 The Service Delivery Manager- Assisted Living Leeds will be the officer responsible for the implementation of Lot 2 of the framework from the companies already listed in Lot 2.

### **7 Background documents <sup>1</sup>**

- 7.1 none

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<sup>1</sup> 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.