
Report of: Shona McFarlane, Deputy Director Social Work & SC Service

Report to Director of Adult & Health

Date: 8th August 2018

Subject: To approve the award for the supply of Telecare equipment

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| 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: 9.2 and 10.4 (3) Appendix number: 2, 4 & 6 | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |

Summary of main issues

The Tele Care service provides a range of telecare equipment to disabled adults, older people and children within Leeds. There are currently 16,000 people connected to the service. The telecare sensors are used to monitor the environment (for example to detect smoke or gas) or the person themselves (for example to detect a fall or to alert that the person has left their home).

Assessors across health and social care make recommendations for the provision of telecare with each telecare package designed to meet the need of the individual person. It can make a significant reduction in the risks for people at home and contributes to reducing and delaying the need for home care and residential services.

In October 2015 the Director of Adult Social Services gave approval authorising a procurement strategy of setting up four consecutive separate framework agreements with the first being set up in year one, followed by subsequent tendering exercises in years two, three and four. This effectively gives new suppliers in the market an opportunity to be appointed to one of these framework agreements and allows the council to expand the number of items available to service users by asking bidders to submit new prices against a revised schedule of items. This was recorded as a Key Decision on the 2nd September 2015.

This procurement strategy provides the flexibility and innovation required by the service to ensure customers' needs are met by the most up to date product .The first framework agreement commenced on the 1st September 2016 until 31st August 2017 and the fourth and final framework agreement will be procured next year to expire 31st August 2020.

The purpose of this report is to seek approval to appoint the suppliers listed in appendix 2 to the framework agreement for year 3 following a competitive tendering exercise.

Recommendations

The Director of Adult & Health is requested to –

- (i) Approve the appointment onto a 12 month framework agreement (for the supply of Telecare Equipment listed in appendix 2) of the eight suppliers listed in appendix 5.
- (ii) Approve the undertaking of the final tendering exercises in year four to create a further framework agreement which effectively gives new suppliers in the market an opportunity to supply the goods and allows the council to expand the number of items available to service users by asking bidders to submit new prices against a revised specification.
- (iii) Note that –
 - (a) Implementation discussions will take place with the suppliers once the contract is awarded;
 - (b) The proposed timescale for implementation is 1st September 2018;
 - (c) The Service Delivery Manager - Assisted Living Leeds will be the officer responsible for the implementation; and
 - (d) The estimated value of the framework is £500,000 during the twelve month period.

1 Purpose of this report

- 1.1 The purpose of this report is to seek approval via delegated decision by the Director of Adult & Health to approve the following –
- (i) The appointment onto a 12 month framework agreement (for the Supply of Telecare Equipment listed in appendix 2) of the eight suppliers listed in appendix 5
 - (ii) To undertake the final tendering exercise in year four to create a further framework agreement which effectively gives new suppliers in the market an opportunity to supply the goods and allows the council to expand the number of items available to service users by asking bidders to submit new prices against a revised specification.
- 1.2 This procurement strategy provides the flexibility and innovation required by the service to ensure customers' needs are met by the most up to date product .The third framework agreement will commence 1st September 2018 until 31st August 2019 and the fourth and final framework agreement will expire 31st August 2020.

2 Background information

- 2.1 On 8th October 2015, approval was given via delegated decision by the Director of Adult Social Services for the permission to procure four consecutive 12 month framework agreements for the supply of Telecare Equipment.
- 2.2 A number of Telecare products were specified in the framework. The framework has 2 lots;
- Lot 1 will be for the frequently required telecare products (framework items)
 - Lot 2 will be a discount from price list for less commonly required products.
- 2.3 Companies were invited to tender for the two Lots within the Framework;

3 Main issues

- 3.1 This framework contract is for the supply of telecare sensors to Leeds City Council. The estimated contract value is approx. £1,600,000.00, over the four years based on expenditure in 2015/16.
- 3.2 The advantage of this procurement framework is:
- It allows new entrants into the market to be appointed on to the framework should they submit a successful bid.
 - An annual product specification refresh, allowing for any upgrades to the technology or changes to the equipment required.
 - New innovations – allows the frameworks to keep up with current and new technologies

- 3.3 Service user need is the key driver for the Tele Care Service and the allocation of equipment. Customers are provided with a range of products purchased from a number of different suppliers. Some of these products will have very similar functionality, however by having access to a range of products the customer's individual needs and circumstances can be met. For example; there are currently, three different suppliers of fall detectors. Each of these products have very similar functionality, however a person's weight and height effects how well the fall detector works for that individual. If a person is less than five feet tall and weighs less than 6 stones, two of the current products on the market do not alert when that person falls.
- 3.4 Connectivity is also a key feature of the products purchased as there needs to be interdependencies between the equipment purchased and the call monitoring system. Case studies were used in the specification, to illustrate that service user requirement is the key driver for the allocation of devices and not just price.
- 3.5 The Tele Care Service is often asked by suppliers to trial new products and give feedback before the products go out to the open market. Telecare is an area of assistive technology where there is a rapid development of products and systems.
- 3.6 The tender was advertised on the Council's tender website www.yortender.co.uk and in the EU via an OJEU (Official Journal of European Union) Contract Notice on 28th April 2018 under the open procedure that enabled all interested providers including the incumbents to submit a tender.
- 3.7 Consultation took place with other Local Authorities with Middlesbrough, Kirklees and Hartlepool Borough Council expressing an interest in utilising the framework once it was in place. The OJEU notice was appropriately advertised that will enable these Local Authorities to utilise the framework under a collaborative exercise.
- 3.8 In order that the resulting framework has as much equipment as possible, the equipment pricing schedule was structured in such a way that suppliers were encouraged to propose more than 1 item of equipment per product specification.
- 3.9 Each product item required had essential elements that all proposed items must meet and desirable elements for additional functionality. Bids were assessed against individual product specifications utilising the supplier's catalogues to identify if the proposed product was suitable. The tender was evaluated in 2 stages.
- 3.10 A two stage product evaluation was conducted (refer to Appendix 3 that lists the items that summaries the overall evaluation process).
- (a) **Stage 1 – Desktop evaluation** to review the proposed products against the specification, utilising the catalogues or web links provided. Each product which met or exceeded the individual product criteria passed the desktop assessment and was requested for sampling.
- (b) **Stage 2 - Product samples** were assessed against the individual essential and desirable product criteria and its compatibility with other

equipment and the call centre where applicable. Each item that passed the assessment would be placed onto the framework.

- 3.11 11 companies submitted bids for a variety of equipment. There were 35 individual product items in the pricing schedule with 48 items in total proposed. The additional 13 items relate to spare parts that may be required for some of the proposed awarded items i.e. replacement batteries, power cables etc. Under the first phase of the evaluation process (desktop assessment) out of the 35 individual items 3 suppliers were eliminated following the desktop assessment. The remaining 8 suppliers provided a total of 68 individual items for sampling that resulted in a proposal of 28 awards and 7 non awards that will be awarded on a line by line basis to multiple suppliers.
- 3.12 Appendix 2 - lists the items for award and itemises the companies to which it is recommended that each award is given.
- 3.13 Appendix 3 Product quality evaluation summary - provides the evaluation results of all items considered.
- 3.14 Appendix 4 Savings summary - shows the annual cost difference between the current price and the lowest tendered items that will be purchased over the next 12 months. The total savings based on purchasing the estimated quantities over 12 months as detailed in the price schedule equates to a saving of £60,450.48
- 3.15 Appendix 5 List of Suppliers - contains the details of all suppliers with items awarded for Lot 1.
- 3.16 Appendix 6 Discount from Price List - contains the details of the discount offered by companies on the Framework
- 3.17 Equipment will be ordered through the Council's Financial Management System. The equipment ordered will be determined by the service user requirements as defined in the service specification.

Consequences if the proposed action is not approved

- 3.18 The Service would have to purchase all equipment as "non contract" due to no contracts being in place. There would be no contract prices which would be very likely to result in higher costs for equipment.
- 3.19 The higher unit costs on the budget would have a direct impact on customer waiting times for equipment
- 3.20 The aim of the Service, to provide the right equipment quickly to enable people to live independent and inclusive lives, would be compromised.
- 3.21 If bidders are not appointed to the framework agreement following a proper procurement process, the Local Authority must provide justifiable reasons for abandoning the process or risk legal challenge.

4 Corporate Considerations

4.1 Consultation and Engagement

- 4.1.1 The Procurement process included officers from Tele Care Services, Occupational Therapist services, ICT Services, Kirklees Council representatives and the process was overseen by Procurement and Commercial Services.
- 4.1.2 A detailed Communications and Engagement Plan was developed to ensure that all relevant stakeholders were informed / consulted to appropriate levels of information at the appropriate times in the procurement process.

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. Appendix 1

4.3 Council policies and Best Council Plan

- 4.3.1 The service contributes to National Indicator 142: the percentage of vulnerable people supported to achieve independent living.
- 4.3.2 Council Business Plan – this work contributes the target to increase the number of people successfully completing a programme to help them relearn the skills for daily living; increase proportion of older people (65 and over) who were still at home 91 days after leaving hospital into rehabilitation services; increase the percentage of service users who feel that they have control over their daily life.
- 4.3.3 Best Council Plan 2015 – 20 – this work contributes to the Better Lives programme and to the breakthrough project of making Leeds the best place to grow old.

4.4 Resources and value for money

- 4.4.1 A full procurement process has been undertaken in order to ensure that the Council obtains best value for money, in terms of fit for purpose products at the best price.
- 4.4.2 Using a contract will ensure items of Telecare equipment are purchased at best value rates. The service will be able to purchase equipment in a timelier manner 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 On 28th April 2018 the Procurement and Commercial Services (PACS) advertised the service in the Official Journal of the European Union to comply with the Public Contracts Regulations 2015. The contract was also advertised on the Council's tendering website www.Yortender.co.uk

4.5.2 The information contained in appendices 2, 4 & 6 are exempt from publication under Access to Information Procedure Rules 9.2 and 10.4 (3) as they contain financial details and evaluation scores of all organisations based on information given in confidence by those organisations. The information is exempt if and for so long as in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

4.5.3 This decision is the implementation of a Key Decision dated 2nd September 2015 and subsequent delegated decision dated 13th October 2015 and as such is a consequence of that previous Key Decision so it is not subject to call-in and will be treated as a Significant Operational Decision.

4.6 Risk Management

4.6.1 Without the framework agreement in place, the service would not be able to meet the demand for Telecare 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 The Leeds Tele Care Service has a responsibility to provide high quality telecare equipment for the people of Leeds.

5.2 There is currently no suitable contract or arrangement in place that the Tele Care Service can utilise for the purchase of Telecare equipment, which meets the needs and requirements of both the service and the service users.

5.3 The proposed framework will provide contractual security for the Tele Care Service, whilst allowing the Service to purchase a range of products that meet service user requirements without stifling innovation or technological advancements.

6 Recommendations

6.1 The Director of Adult Social Services is requested to –

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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.