

To approve the award of a two-year framework contract for the supply of telecare equipment with the option to extend for a further period of up to 24 months.

Date: 21st July 2021

Report of: Deputy Director Officer, Adults and Health

Report to: Director of Adult Social Services

Will the decision be open for call in? Yes No

Does the report contain confidential or exempt information? Yes No

Access to Information Procedure Rules 10.4 (3) . Information relating to the financial or business affairs of any particular person (including the authority holding that information).

Appendix number: 2,3,4,5, & 6

What is this report about?

Including how it contributes to the city's and council's ambitions

- The purpose of this report is to seek approval via delegated decision by the Director of Adults & Health to award a two year framework contract for DN533901 for the Supply of Telecare Equipment with the option to extend for a further period of up to 24 months.
- Approval was given on 25th March 2020 to undertake a procurement exercise in accordance with Contracts Procedure Rules (CPR) 3.1.7 for a period of 2 years to commence 1st September 2021 until 31st August 2023 with an option for the Council to extend for a further period up to 24 months for the supply of Telecare Equipment. The tender was advertised on the Council's tender website www.yortender.co.uk and within the EU via an OJEU (Official Journal of European Union) notice under the open procedure and everyone invited to tender including all current providers.

A number of Telecare products were specified in the framework. Suppliers were invited to tender for the two Lots within the Framework. Lot 1 – Specified Telecare Equipment (framework goods) where appointed providers are ranked and awarded on a line by line basis and Lot 2 – Discount from Price List which allows the Council to procure additional and/or less commonly required telecare equipment that is not included as a framework item in Lot 1. Contractors who are awarded at least one item on Lot 1 are automatically be appointed to Lot 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.

- 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. Individuals or their families can also self-referral for a basis telecare package, promoting the choice and control over their daily life.

Recommendations

The Director of Adults and Health is requested to –

- a) To approve the award for a two-year framework contract for DN533901 the Supply of Telecare Equipment to the Providers as detailed in Appendix 2 Awarded Items List with the option to extend for a further period of up to 24 months. The anticipated contract value is £2,185,000.
- b) Approve the proposed timescale for implementation from 1st September 2021.
- c) Note that the Service Delivery Manager- Assisted Living Leeds will be the officer responsible for the implementation.

Why is the proposal being put forward?

The current framework is due to expire on 31 August 2021 with no further options to extend. The current framework contract has worked well for Leeds Tele Care Service and was tendered competitively on a 12-month basis over a four-year period. During the four years of the contract the following other authorities have collaborated and utilised the framework, Middlesbrough Borough Council, Hartlepool Borough Council and Kirklees Council but the process is time consuming due to going back out to tender each year. The process allowed new entrants into the market to be appointed on to a new framework should they submit a successful bid.

At present the telecare industry is focused on the analogue to digital switchover. Over the last two years the product innovation has been centred on the digital offer and there has been very little change to the equipment specification. It is anticipated that there will be limited further innovation over the next two years and possibly beyond until the digital switchover deadline is reached in 2025.

DN533901 for the Supply of Telecare Equipment is a 2 year framework contract with an option to extend for a further period of up to 24 months if deemed necessary, otherwise the service will be re-tendered prior to the end of the first two year framework contract, to allow for:

- Leeds Tele Care service to commence the digital switchover of telecare equipment alongside the Telecare Alarm Receiving Centre transferring to a digital solution.
- At the end of the first 24 months and if deemed necessary by the Service Delivery Manager, all new entrants into the market will be able to tender their products because a decision would have been reached not to exercise the option to extend the contract.
- A product specification refresh, allowing for any upgrades to the technology or changes to the equipment required.
- New innovations – allows the council not to exercise its right to extend the frameworks so to keep up with current and new technologies.

Service user need is the key driver for the Tele Care Service and the allocation of equipment. Service users are provided with a range of products purchased from several different suppliers. Some of these products will have very similar functionality, however by having access to a range of products the service user's individual needs and circumstances can be met. For example, there are currently, three different suppliers appointed to the contract to supply 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.

Connectivity is also a key feature of the products purchased as there needs to be interoperability between the equipment purchased and the call monitoring system.

With the above in mind the proposed framework will be set up in such a way which will enable the service to procure an alternative framework item where the cheapest framework item may not be appropriate. Call offs can be made based on an individual's needs and circumstance.

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. Testing the market through a competitive tender ensures that the Tele Care Service can keep in touch with new product developments, take advantage of testing new equipment and obtain contractual prices.

The framework has 2 lots;

- Lot 1 will be for the frequently required telecare products (Specified Telecare Equipment (framework items) and
- Lot 2 will be a discount from price list for less commonly required products.

The Evaluation methodology used for this procurement was based 100% on price and compliance to products specifications. Under Lot 1 Goods initially tendered were evaluated on a pass/fail basis against the specifications. A twostep evaluation process was carried out. The Evaluation Panel first conducted a desktop evaluation and those providers who evidenced compliance to the Essential product specifications at desktop were then invited to the face to face sampling evaluation. All goods that meet the required essential standards were then ranked by price on a line by line basis and appointed to the framework agreement for the 24-month duration.

Goods will be procured from Lot 1 as a direct call-off without competition, in order to obtain value for money by procuring the cheapest goods available from the ranked list of framework goods. However, end user need is the key driver for the Telecare service and as such there will be situations where other factors come into play in relation to procuring equipment that best meets the needs of the end user. There are situations where it is not appropriate for the Customer to procure the cheapest framework item and where instead an alternative framework item will be procured based on the essential needs of the service user.

Contractors who are awarded at least one item on Lot 1 will automatically be appointed to Lot 2. Suppliers cannot apply for Lot 2 in its own right. If the less commonly purchased item(s) become a frequent purchase via Lot 2 over the framework period, on the conclusion of the first 2 years of the framework contract the specification will be refreshed and include all frequently purchased items, if the option to invoke the extension is not exercised.

What impact will this proposal have?

Wards Affected: All

Have ward members been consulted?

Yes

No

- The telecare service provides a range of telecare equipment to disabled adults, older people and children within Leeds and other partner authorities

- There will be no adverse effect on any particular groups of people within the city by the proposal.

What consultation and engagement has taken place?

- Ongoing consultation has taken place involving officers from Leeds Tele Care Services, Middlesbrough Borough Council, Hartlepool Borough Council and Kirklees Council and the current Contractors.
- Hartlepool Borough Council will not be using the new framework however, Middlesbrough Borough Council and Kirklees Council collaborated with the procurement and will utilise the new framework. Officers from Kirklees Council were part of the evaluation panel along side Leeds Tele Care Service.
- The process has been overseen by Procurement and Commercial Services.

What are the resource implications?

- A full open competitive 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.
- 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.
- Capital funding for Telecare Equipment has been approved. There is £600k budget available for 2021/22 (scheme 33088) and £600K for 2022/23 (scheme 330160)
- There is a second capital funding available for Telecare Equipment for the digital switchover, £485K has been approved for 2021/22 and £500K for 2022/23 (scheme 33084)
- Leeds total budget available for the two-year contract is £2,185,000.

What are the legal implications?

- On 22nd April 2021 the Procurement and Commercial Services (PACS) advertised the service in the Official Journal of the European Union to comply with the Procurement Regulations of 2015 (Regulations). The contract was also advertised on the Council's tendering website www.Yortender.co.uk and Contracts Finder.
- The tenders have been evaluated in accordance with the evaluation criteria set out in the tender documents and therefore, provided the works are still required and affordable, the winning bidders must be appointed to the framework agreement and call-off contracts awarded based on the criteria set out in the framework agreement. Thus, in making the final decision, the Director of Adult & Health should be satisfied that this contract represents best value for the Council.
- A 10-day standstill period will be carried out in accordance with the Regulations to allow unsuccessful providers to view the outcome of the procurement exercise in an open and transparent manner.
- The information contained in appendices 2,3,4,5 & 6 are exempt from publication under Access to Information Procedure Rules 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.

- The Delegated Decision to go out to tender for this procurement strategy was agreed on 25th March 2020 and notice was given that this was a Key Decision 113106 18th February 2020, the Key Decision Notification was published to the list of forthcoming Key Decisions on 22 January 2021. Therefore, this is a Key Decision and is subject to call-in.

What are the key risks and how are they being managed?

- This tender was advertised on Yortender on 22nd April 2021 with a deadline for bids to be received of 12 noon on 26th May 2021.
- 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.
 - (a) Stage 1 – Desktop evaluation to review the proposed products (as detailed for each item within Appendix 3 –Evaluation Summary) against the specification, utilising the catalogues provided. Each product which met or exceeded individual essential 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 this assessment was placed onto the framework.
- 12 suppliers submitted bids for a variety of equipment. There were 33 individual product items in the pricing schedule. There are 31 individual products items awarded and 2 items which has failed evaluation. 10 suppliers have been listed with items awarded.
- Appendix 2 Awarded Items List - lists the items for award and itemises the companies to which it is recommended that each award is given
- Appendix 3 Evaluation Summary - provides the evaluation results of all items considered.
- Appendix 4 Savings summary - shows the cost difference between the items which were awarded and the current price (year 4 framework price). The annual impact of this is estimated at £27, 826.40 a year based on anticipated volumes.
- The cumulative savings attributable to the current procurement strategy to Leeds City Council are:

Savings per annum	£39,179.40
Increase per annum	£11,353.00
Total savings (savings minus increase)	£ 27, 826.40

- Appendix 5 List of Suppliers Award and Non-Award - contains the details of all suppliers with items awarded for Lot 1 and Lot 2.
- Appendix 6 Discount from Price List - contains the details of the discounts offered by companies on the Framework

Suppliers are appointed ranked by order of price on a line by line basis. The lowest priced item will be ranked in first place the next lowest priced item will be ranked in second place and so on. Leeds Tele Care Service will procure goods from Lot 1 as a direct call-off without

competition and will endeavour to obtain value for money by procuring the cheapest goods available from the ranked list of framework goods.

At the time of this report, there are outstanding vetting checks. This will fully be completed before the contract starts. It should be noted that the risk attached is low as this is a framework and payment are made in arrears

Does this proposal support the council's 3 Key Pillars?

Inclusive Growth

Health and Wellbeing

Climate Emergency

- The Telecare service provides a range of telecare equipment to disabled adults, older people and children within Leeds. 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).

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

Council Business Plan – this work contributes to 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. This work contributes the outcome of people being able to live with dignity and stay independent for as long as possible.

Best Council Plan 2020 – 25 – this work contributes to the Better Lives programme and to the breakthrough project of making Leeds the best place to grow old. This work contributes making the Age-Friendly Leeds KPI by enabling people to live independently in a place of their choice and by help and support for people who want to use digital technology to make their lives better.

An Equality Impact Assessment screening tool (Appendix 1) was been undertaken for the tender agreement 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.

The Leeds Climate Commission have proposed a series of science-based carbon reduction targets for the city so that Leeds can play its part in keeping the increase in global average surface temperatures to no more than 1.5°C.

Environment and Sustainability considerations were taken into account while developing the framework. Provisions are included which advises that the service will work with suppliers to ensure that they assist Leeds City Council to achieve their carbon reduction targets and reducing emissions across its fleet and operations.

In terms of specifics for this contract, the provision of telecare equipment is a preventative measure that may reduce or eliminate the need for additional transport for the customer to hospital and also may reduce the package of care to the customer therefore reducing the number for visits from homecare staff. Both impacts are carbon positive in as much as they are removing the need for unnecessary journeys.

Providers were required to provide Social Value proposals in respect of Climate Change and the Environment. Social Value proposals provided by tenderers were a non - scoring

element of the Tender evaluation. However, the commitment proposed by appointed providers will be monitored throughout the contract duration as part of the contract management process

Options, timescales and measuring success

a) What other options were considered?

- The current framework ends on the 31st August 2021 with no option to extend. Not to have a contract in place will lead to significant non-contract spend and therefore, a new contract is required to meet the existing demand for the products for the service.
- Should no contract be formalised the higher unit costs on the budget would have a direct impact on customer waiting times for equipment. The ability of the Council, to provide the right equipment quickly to enable people to live independent and inclusive lives, would be compromised.

b) How will success be measured?

- Contract is awarded within the timescale

c) What is the timetable for implementation?

- The timescale for implementation is 1st September 2021.

Appendices

- Appendix 1 - Equality Impact Assessment screening tool
- Appendix 2- Awarded Items List-confidential
- Appendix 3 - Evaluation Summary-confidential
- Appendix 4 - Savings Summary-confidential
- Appendix 5 - List of Suppliers Award and Non-Award-confidential
- Appendix 6 - Lot 2 Discount from Price List-confidential

Background papers

- None.