

To approve the contract award for the Supply of Community Equipment

Date: 27 April 2022

Report of: Deputy Director of Social Work and Social Care Service

Report to: Director of Adults and Health

Will the decision be open for call in? Yes No

Does the report contain confidential or exempt information? Yes No

What is this report about?

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

The Leeds Community Equipment Service operates under a Better Care Fund Agreement between Leeds City Council and Leeds Clinical Commissioning Group (CCG). Leeds City Council is the lead commissioner for the arrangement and Adults and Health are the lead provider in the Partnership and deliver the Service in partnership with Leeds Community Healthcare.

On 18th August 2021, approval was given via delegated decision by the Director of Adults and Health for permission to undertake a procurement exercise to establish a four-year framework arrangement for the supply of community equipment for Disabled People for Adults & Health and Children and Families. (D54421 – published 19/8/21).

Approval is now sought to award the framework contract in order to establish a new framework contract with effect from 1st June 2022.

The anticipated value of the 4-year Framework contract will be £10,764,400.00 based on 2021/22 base budget.

Recommendations

The Director of Adults and Health is requested to –

- a) Approve the award of a 4-year Framework contract.
- b) Approve the proposed timescale for implementation from 1st June 2022.
- 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 purpose of this report is to seek approval via delegated decision by the Director of Adults and Health to approve the award of a new contract for the supply of community equipment as detailed under resource implications.

The approval is being sought to establish new framework contract with effect from 1st June 2022, to maintain continuous provision of these services.

This procurement strategy as outlined in this report provides the flexibility and innovation required by the service to ensure customers' needs are met by the most up to date product.

What impact will this proposal have?

Wards Affected: All

Have ward members been consulted? Yes No

- The Leeds Community Equipment service provides a range of community 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?

- The procurement process to establish the framework agreement include officers from Adults & Health, Children' and Families and Leeds Community Healthcare. Officers involved in the procurement process are from both provider and assessment services. The same officers were involved in the development of the product specifications.
- The process has been overseen by Procurement and Commercial Services (PACS).

What are the resource implications?

- A full open competitive procurement process will be undertaken to ensure that the Council obtains best value for money, in terms of fit for purpose products at the best price.
- The framework agreement will ensure items of 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 which historically has produced competitive rates rather than obtaining quotes (that contravenes Contracts Procedure Rules through disaggregation) for individual items and orders.
- The framework agreement is for the supply of community equipment for daily living to Leeds Community Equipment Service with an annual base budget of £1,842,000 per year for adult social care and health equipment, £400,000.00 for CHC Adults and £449,100 per year for children's equipment (which is made up of £220,100.00 from LCC contributions and £229,000.00 CCG's contribution). This provides a total base budget of £2,691,100. Based on 2021/22 base budget allocation.
- The total budget available for the four-year contract is £10,764,400.00 based on 2021/22 base budget.
- A competitive procurement exercise was undertaken in compliance with the Public Contracts Regulations 2015 and was advertised on Yortender, Contracts Finder and the Find a Tender service in order to ensure that the Council complies with the regulations on advertising tendering opportunities with the proviso of obtaining best value for money, in terms of fit for purpose products at the best price.

- 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. Products will be procured from Lot 1 and Lot 2 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.
- Lot 3 is for Special Equipment & Bespoke Items.
This Lot is for suppliers offering products other than those awarded items specified within Lot 1 or Lot 2. Suppliers will be asked if they are able to supply and provide quotations and any discounts. This may include a hire rate as well as a purchase price to enable quicker access to equipment in the short term for hospital discharge.

What are the legal implications?

- This is a Significant Operational Decision, which will not be subject to call in and is made as a consequential decision to the Key Decision made on 18th August 2021 (D54421). This was published on the List of Forthcoming Key Decisions on 22nd January 2021. The report does contain any exempt or confidential information under the Access to Information Rules.
- Procurement and Commercial Services (PACS) advertised the tender via the Find a Tender service in compliance with the Public Contracts Regulations (2015). The framework was also advertised on the Council's tendering website YORtender, on Find a Tender and Contracts Finder.
- Advice has been sought from Procurement and Commercial Services throughout the duration of the review and procurement process and will continue to be sought through to contract award.

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

The current contract is due to end on 31st May 2022 with no option to extend available. 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.

It is proposed that a four-year framework is established.

The framework has been split into three lots.

- Lot 1 - 145 lines equipment items for Adult Social Care requirements awarded for four years. To be awarded to a maximum of 4 suppliers for each item required for direct call off ranked by price.
- Lot 2 - 158 lines equipment stock for Children's Services requirements awarded for four years. To be awarded to a maximum of 4 suppliers for each item required for direct call off ranked by price.
- Lot 3 - Special and bespoke equipment - secondary call for competition will be utilised.

The open tender process was utilised and the Standard Selection Questionnaire (SSQ)PQQ) and Tender Documents Parts 1 to 3 were issued at the same time and bidders were given the deadline of 23RD December 2021 to submit SSQ and tender submissions. The scheme ID is DN572555:

Due diligence checks of the submissions for this contract will be undertaken by the Council's PACS. These will include the uptake of references from bidders, ensuring that the appropriate levels of insurance are in place, an inspection of all audited accounts, and safeguarding. Whilst these checks have not been concluded at the time that this decision is being sought, such checks will have been concluded prior to the award of the contracts and the placing of any orders.

The invitation to tender was set to a 100% price.

The evaluation was set in 4 stages. Each bid received for all items of equipment was ranked in price order lowest to highest, the lowest 4 priced bids were assessed via a desktop evaluation against the relevant item specification, and the lowest 4 priced items which passed the desktop assessment were requested for sampling. The samples were then checked again against the specification.

Of those items which fully met the relevant item specifications only the 4 lowest priced items per product are recommended for award. To be utilised in ranking order of lowest price first.

In Lot 1, there were 145 product lines open to competition, of which 110 products lines are to be awarded with a further 35 no awards. These will be either purchased from Lot 3 or re tendered.

In Lot 2 there were 158 product lines open to competition, of which 81 products lines are to be awarded with a further 77 no awards. These will be either purchased from Lot 3 or re tendered.

There were 2 evaluation teams, one for Adults and Health and one for Children and Families. The evaluation teams comprised of Occupational Therapists, Occupational Therapy Assistants, Rehabilitation Officer, Physiotherapists, Tissue Viability Nurses, and Assisted Living Leeds (ALL) staff including stores staff and managers.

The product sampling took place over 5 weeks, each week dedicated to one or more subcategories of equipment.

Appendix 1- Items for award - lists the items for award in Lot 1 and Lot 2 and itemises the companies to which it is recommended that each award is given ranked in lowest price first order. It also provides details of the items which will not be awarded,

Appendix 2 – This lists all of the providers who are to be placed on Lot 3

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

Inclusive Growth

Health and Wellbeing

Climate Emergency

The Leeds Community Equipment Service operates under a Better Care Fund Agreement between Leeds City Council and Leeds CCG. Leeds City Council are the lead commissioner and Adults and Health are the lead provider in the Partnership and deliver the Service in partnership with Leeds Community Healthcare.

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.

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

Best Council Plan 2020 – 25 – this work contributes to the Better Lives programme and to the breakthrough project of making Leeds the best city in which to grow old. This work contributes making the Health and Wellbeing Leeds KPI by proportion of people who use social care services who have control over their daily life

An Equality Impact Assessment screening tool (Appendix 3) has 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 will be taken into account while developing the framework. Provisions will be included which advise 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 community 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 are required to provide Social Value proposals in respect of Climate Change and the Environment. Social Value proposals provided by tenderers are 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 May 2022 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.
- The contract includes scheduled contract management meetings between the providers and LCC officers to discuss operational issues, product quality and deliver problems, if they occur over the duration of the contract.

c) What is the timetable for implementation?

- The timescale for implementation is 1st June 2022.

Appendices

- Appendix 1 – Items for award
- Appendix 2 - List of Suppliers
- Equality Assessment

Background papers

- none