

## **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: 8 September 2023

Report of: Service Delivery Manager

Report to: Deputy 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

### **Brief summary**

The purpose of this report is to seek approval via delegated decision by the Deputy Director of Adults & Health to award a two-year framework contract for AH75379 - The Supply of Telecare Equipment with the option to extend for a further period of up to 24 months in any combination.

Approval was given in March 2023 to undertake a procurement exercise in accordance with Contracts Procedure Rule (CPR) 3.1.7 for a period of 2 years to commence 1st September 2023 until 31st August 2025 with an option for the Council to extend for a further period up to 24 months in any combination for the supply of Telecare Equipment. Procurement and Commercial Services (PACS) advertised the tender on the Find a Tender Service in compliance with the Public Contracts Regulations 2015 and subsequent regulations enacted into UK law following the United Kingdom's departure from the European Union.

Several 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.

### **Recommendations**

The Deputy Director of Adults and Health is requested to –

- a) To approve the award for a two-year framework contract AH75379 for 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 in any combination.

- b) The total maximum budget available for the two-year contract is £1,685,000. This is in respect of the Leeds City Council budget, with additional funding being available in respect of the partner authorities who are collaborating with us on this procurement.
- c) Approve the proposed timescale for implementation from 26<sup>th</sup> September 2023.
- d) Note that the Service Delivery Manager- Assisted Living Leeds will be the officer responsible for the implementation.

## 1 What is this report about?

The current framework contract has worked well for Leeds Tele Care Service. During the two year period of the contract, the framework has been additionally utilised by both Middlesbrough Borough Council and Kirklees Council.

It is proposed that a 2-year framework is established with an option to extend for a period of up to 24 months in any combination if deemed necessary, otherwise the service will be re-tendered prior to the end of the first two-year framework contract period, to allow for:

- New entrants into the market to offer their products.
- A product specification refresh, allowing for any upgrades to the technology or changes to the equipment required.
- New innovations – allowing the council to utilise new technologies that may have come to market.

Service user need is the key driver for the Leeds Tele Care Service and the allocation of equipment. Service Users 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 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 that will enable the service to purchase an alternative framework item where the cheapest framework item may not be appropriate. Call offs can therefore be made based on an individual's needs and circumstances.

The Leeds 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 Leeds Tele Care Service can keep in touch with the market in terms of new product developments, take advantage of testing new equipment and obtain fixed 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 e-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 only. 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.

## **2 What impact will this proposal have?**

A full Public Contracts Regulations 2015 compliant competitive procurement process was undertaken to ensure that the Council obtains best value for money, in terms of procuring fit for purpose products at the best price.

Securing a contract will ensure items of telecare equipment are purchased at the lowest possible 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 using the framework rather than obtaining competitive quotes for individual items.

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. The Council 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.

## **3 How does this proposal impact the three pillars of the Best City Ambition?**

Health and Wellbeing       Inclusive Growth       Zero Carbon

The service directly contributes to the Council's Health and Wellbeing Plan and its priority to make Leeds the best City for Health and Wellbeing by 2030. This is achieved by supporting service users to live safely. The service will contribute to the best city ambition by:

- Supporting self-care, with more people managing their own health in the community.
- Ageing Well – by supporting preventive solutions to promote healthy and active lifestyle which helps people to stay well for longer.

- This contract evidences Leeds working with our neighbouring local authorities, providing best value for money and joint partnership.

The service also contributes to the Best Council Plan 2020-2025 by:

- Enabling people to live independently in a place of their choice and by providing help and support for people who want to use digital technology to make their lives better.

#### 4 Working with People

Providing telecare equipment gives service users independence, choice and control within their daily life. It allows people to get the assistance they require when they need it.

Referrals for Tele Care Services are received from across the Health & Social care system, including housing and GP's.

Tele Care Service is provided to all age groups.

Providing Support - Leeds Tele Care Service is a 24-hr service, enabling Service Users to use their equipment at any time. A high percentage of alerts are for reassurance.

Leeds Tele Care Service work in partnership with the Yorkshire Ambulance service (YAS) and the Enhanced Community Response service to provide a tier 1 falls response service for YAS patients who have a non-injury fall.

Tele Care offers a mobile response service for service users who have no close family to respond to an alert. This service will be offered to all service users from April 2023.

#### 5 What consultation and engagement has taken place?

Wards affected:

Have ward members been consulted?  Yes  No

An Equality Impact Assessment screening tool (**Appendix 1**) 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.

The Leeds Tele Care Service provides a range of telecare equipment to disabled adults, older people and children within Leeds. There will be no adverse effect on any particular groups of people within the city by the proposal.

The Procurement process was conducted in collaboration with other authorities and included officers from Leeds Tele Care Service, Middlesbrough Borough Council, Calderdale Council, Wakefield Council, East Riding of Yorkshire Council, Bradford Council and Kirklees Council, who collaborated with Leeds City Council on the establishment of the new framework. The process was overseen by representatives from Procurement and Commercial Services.

There is a Northern Tec Forum comprising of various local authorities from within the Yorkshire and The Humber region, who were consulted on this framework and further expressions of interested in participating in the framework gathered. Involving more authorities in the establishment of the framework should achieve greater buying power and achieve better value for money.

## 6 What are the resource implications?

A full procurement process has been undertaken 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 better plan the year's expenditure. Officer time will be saved by using the framework rather than obtaining competitive quotes for individual items.

Capital funding for telecare equipment has been approved, with a £600,000 annual budget available from 1<sup>st</sup> April 2023. There is a second tranche of capital funding available for telecare equipment in respect of the digital switchover, with £485,000 available. The total maximum budget available for the two-year contract is £1,685,000. This is in respect of the Leeds City Council budget, with additional funding being available in respect of the partner authorities who are collaborating with us on this procurement.

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

The Service would have to purchase all equipment "off contract". There would be no contracted prices, which would very likely result in higher costs for equipment in response to the volatility of the market.

The higher unit costs on the budget would have a direct impact on service user waiting times for equipment.

The aim of the Service, to provide the right equipment quickly to enable people to live independent and inclusive lives, would be compromised should no contract be formalised.

Following a Public Contracts Regulations 2015 compliant competitive procurement process, where subsequent to evaluation, successful bidders are not appointed to the framework agreement, the Local Authority must provide justifiable reasons for abandoning the process or risk challenge from successful bidders.

This tender was advertised on Yortender on 14<sup>th</sup> June 2023 with a deadline for bids to be received of 12 noon on 17<sup>th</sup> July 2023.

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.

**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.

**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.

Ten (10) suppliers submitted bids for a variety of equipment. There were 30 individual product items in the pricing schedule. There are 25 individual products items awarded and 5 items which have failed evaluation or have not been awarded. Eight (8) 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 **£27,376.40** a year based on anticipated volumes.

The cumulative savings attributable to the current procurement strategy to Leeds City Council are:

Savings per annum	£27,376.40
Increase per annum	£251.61
Total savings (savings minus increase)	£27,124.79

**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 risk attached is low as this is a framework and payment are made in arrears.

## **8 What are the legal implications?**

On 16<sup>th</sup> June 2023 Procurement and Commercial Services (PACS) advertised the service on the Find a Tender Service to comply with the Public Contracts Regulations of 2015 (Regulations). The contract was also advertised on the Council's tendering website [www.yortender.co.uk](http://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 Deputy 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 approved on 29th March 2023 and notice was given that this was a Key Decision 125883 17th February 2023. Therefore, this is a Significant Operational Decision and not subject to call-in.

## **9 Options, timescales and measuring success**

### **What other options were considered?**

The current framework ends on the 31st of August 2023. 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.

Using external frameworks which the service will need to pay to access and may not give the flexibility required.

### **How will success be measured?**

The items will be awarded, and equipment will not be ordered off contract.

### **What is the timetable and who will be responsible for implementation?**

The timescale for implementation from 26<sup>th</sup> September 2023.

Note that the Service Delivery Manager - Assisted Living Leeds will be the officer responsible for the implementation.

## **10 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

## **11 Background papers**

- None.