

CITY OF PLYMOUTH

Subject: Award of Contract for Plymouth Community Equipment Service
Committee: Cabinet
Date: 3 November 2009
Cabinet Member: Councillor Dr Salter
CMT Member: Carole Burgoyne
Author: Chris Dorain/Craig McArdle
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Part: I (Background documents are Part II)
Ref: OJEU 210171-2009 Contract Number: 09226

Executive Summary:

Plymouth City Council and NHS Plymouth presently jointly commission an Integrated Community Equipment Service. The present service based on 2008/09 figures highlights that,;

- The level of activities is in the region of 14,000 (deliveries, collections etc)
- The level of items issue is circa 23,000 (some of this from peripheral stores). This would be made up of approx: standard equipment 20,500 (includes rails and mopsticks etc), specialist equipment 1,600 and minor adaptations
- In the region of 1,100 pieces of equipment per year require maintenance

The existing contract with PLUSS to provide the service expires on the 31st March 2010. Primarily, the CES contract is a delivery contract and according to EU legislation the service is classed as a part A service and therefore subject to the full OJEU (Official Journal of the European Union) procurement requirements. The OJEU Regulations specify that all service contracts over the £139,893 threshold should be tendered.

A competitive procurement was therefore conducted in accordance with the Restricted Procedure, under the EC Services Directive, as implemented by UK Public Services Contracts Regulations 2006.

The tenders were evaluated by a team of staff from across Plymouth City Council and Adult Social Care and consisted of an evaluation of method statements, financial evaluation, IT functionality test, site visits and presentations.

The tenders were evaluated between October and November 2009. A clear winner emerged from this process.

Corporate Plan 2009-2012:

The award and execution of these contracts specifically relates to the 2009-12 Corporate Plan, Improvement Priority Three; Helping people to live independently
“To develop more services and opportunities for people to live independently”.
It will also contribute to Corporate Improvement Priority 14; Providing better value for money

**Implications for Medium Term Financial Plan and Resource Implications:
Including finance, human, IT and land**

Financial Implications

The Council will realise a 14.3% benefit in terms of cost, (based on last years activity levels and unit costs).

These financial savings could be increased further by the proposed introduction of the supplier’s logistics and operating systems. We are also confident that we will see improvements to customer service and customer satisfaction

Other Implications: e.g. Section 17 Community Safety, Health and Safety, Risk Management, Equalities Impact Assessment, etc.

The service directly impacts upon the following National Indicators:
NI 136; People supported to live independently through social services (all adults)
NI 130; Social care clients receiving Self Directed Support per 100,000 population
NI179; Value for money gains

RECOMMENDATIONS & REASONS FOR RECOMMENDED ACTION:

The recommendation is that a three year contract, with an option to extend for one plus one year extension (up to two years maximum) be awarded to the preferred supplier.

The evaluation process determined their offer to be the most economically advantageous tender based on price and quality. The award of this contract is forecasted to achieve efficiency savings

Alternative options considered and reasons for recommended action:

Extend Existing Contract

The present contract with PLUS to provide the CES service expires on the 31st March 2010. No option to extend was built into the final contract. Primarily, the CES contract is a delivery contract and according to EU legislation the service is classed as a part A service and therefore subject to the full OJEU (Official Journal of the European Union) procurement requirements. The OJEU Regulations specify that all service contracts over the £139, 893 threshold should be tendered.

On issuing and receipt of the completed Pre Qualification Questionnaire it demonstrated that there is a potential market for this service provision with five companies expressing an interest to tender. Further advice from legal services and strategic procurement, determined that there was no basis for an exemption and so a competitive procurement process was undertaken.

Background papers:

Part: II Category Part 9a) of Schedule 12A of the Local Government Act 1972
Community Equipment Service Contract Award Report dated: 04th November 2009

Sign off: comment must be sought from those whose area of responsibility may be affected by the decision, as follows (insert initials of Finance and Legal reps, and of HR, Corporate Property, IT and Strat. Proc. as appropriate):

Fin	(CoSF AC910 003)	Leg	SC1079	H R	Corp Prop		IT		Strat Proc	JK 233
Originating SMT Member										