

PLYMOUTH CITY COUNCIL

Subject: Devon Framework for Bathroom Adaptations
Committee: Cabinet
Date: 12 June 2012
Cabinet Member: Councillor Lowry
Councillor Penberthy
CMT Member: Adam Broome (Director for Corporate Services) and Carole Burgoyne (Director for People)
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Ref: 12042
Key Decision: Yes
Part: I

Executive Summary:

This report refers to the procurement of the Devon Framework for Bathroom Adaptations (the Framework). The Framework will support the provision of mandatory, means tested Disabled Facilities Grants (DFG's) which help people to stay in their own homes and, crucially, to be independent in their own homes.

The Framework will be open to local contractors who meet the specifications set, offering opportunities for local businesses and the creation of local jobs.

The Framework tender process was originally being run by Teignbridge District Council but the Council's Strategic Procurement Unit was approached in April 2012 and asked whether they could take over the running of the tender exercise.

This procurement is being undertaken on behalf of Devon District and Unitary Councils as well as Housing Associations. There is potential for Dorset District Councils and Dorset Housing Associations to join the procurement. The total annual value for this contract is expected to be in the region of £5-6million (including Dorset)

The Framework is proposed to have a four-year duration starting in October 2012.

The Framework will comprise twelve lots, one lot for each authority / organisation; one lot for the supply of sanitary equipment; and, one lot for the supply of shower equipment. The plan is to have up to ten contractors appointed in each authority / organisation able to provide the installation of bathroom adaptations to vulnerable/disabled persons to help them stay in their homes and reduce their need for care services by providing appropriate adaptations.

The benefits should be more consistent delivery and cost efficiencies for adaptations through economies of scale and a standard quality framework.

Corporate Plan 2012 – 2015:

The principal aims are to:

- Provide Value for Communities, by increasing the value of commissioned goods and services and making best use of resources to benefit customers;
- Stimulate growth by providing opportunities for local businesses

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

Funding is provided via Disabled Facilities Grants to individuals, which are administered by Plymouth City Council Private Sector Housing department (Major Adaptations Team - MAT).

Other Implications: e.g. Child Poverty, Community Safety, Health and Safety, Risk Management and Equality, Diversity and Community Cohesion:

- Health and Safety – to ensure the safety of elderly and vulnerable adults in their own home
- Risk Management – to ensure that Plymouth City Council meets its legal obligations relating to elderly and vulnerable adults
- Equalities Duty - eliminating discrimination, advancing equal opportunities and fostering good relations
- Equalities Impact Assessment – completed in relation to undertaking the procurement process

Recommendations & Reasons for recommended action:

It is recommended that approval be given for the procurement by tender of the Devon Framework for Bathroom Adaptations.

Reason:

This will allow choice and widen the availability of contractors thereby providing economies of scale for the benefit of our customers and the overall DFG budget. It will also provide better co-ordinated opportunities for local businesses.

Alternative options considered and reasons for recommended action:

The alternative is for another Authority to run this tender on Plymouth's behalf, but this would cause delays to the process. Plymouth are the largest spend authority within this collaborative procurement.

Background papers:

Covering background report

Sign off:

Fin	DJNI 213.0 05	Leg	1482 5/AL T	HR		Corp Prop		IT		Strat. Proc	JK/SPU/ CP/279 /0512
Originating SMT Member											
Have you consulted the Cabinet Member(s) named on the report? Yes											

1. BACKGROUND

- 1.1 This report refers to the procurement of the Devon Framework for Bathroom Adaptations (the Framework). The Framework will support the provision of mandatory, means tested Disabled Facilities Grants (DFG's) which help people to stay in their own homes and, crucially, to be independent in their own homes. Notably, in the case of bathroom adaptations, this refers to the provision of level access showers.
- 1.2 The Framework will identify a number of contractors who can undertake bathroom adaptations work, increasing choice, widening availability and providing economies of scale for the benefit of our customers and the overall DFG budget. The Framework will be open to local contractors who meet the specifications set, offering opportunities for local businesses and the creation of local jobs. The Council currently operates a 'schedule of rates' for bathroom adaptations work which uses many local contractors and they will be able to bid to be part of the new Framework.
- 1.3 The Framework tender process was originally being run by Teignbridge District Council and much of the preliminary work has been undertaken. Following a change in personnel at Teignbridge, the Council's Strategic Procurement Unit was approached in April 2012 and asked whether they could take over the running of the tender exercise.
- 1.4 Currently, each Council and Housing Association in Devon undertakes bathroom adaptations through their own processes. The aim of the collaborative Framework approach is to enhance economies of scale and create consistency of approach across the region, whilst ensuring flexibility for each Council / Housing Association to be able to deliver against its needs and encouraging smaller contractors to win work.

2. PROJECT CATEGORISATION

- 2.1 This is a strategic project which meets the following objectives:
 - Provide Value for Communities, by increasing the value of commissioned goods and services and making best use of resources to benefit customers;
 - Stimulate growth by providing opportunities for local businesses

The monetary value of the contract requires Cabinet approval for the procurement to proceed.

3 PROJECT BRIEF & SCOPE

- 3.1 Plymouth City Council is tendering on behalf of Devon Councils as well as Housing Associations in Devon including those members of the South West Advantage Group for a Framework for Bathroom Adaptations (mainly Level Access Showers).
- 3.2 The Framework will consist of twelve Lots, one Lot for Sanitary Equipment with up to three suppliers, one Lot for Shower Equipment (Trays Screens etc.) with up to three suppliers. The other ten Lots are for installers which will be split by Council Boundary. Suppliers can bid for one or more Council Boundary. Up to ten installers will be appointed to each District/Council Boundary. Work will be allocated on a rotational job by job basis within each Boundary. Installers will be expected to utilise the suppliers in the Sanitary Equipment

and Shower Equipment Lots of which the selection will be at the specific request of the appropriate Authority/Housing Association.

- 3.3 The current list of service providers will be given details on registering on the Devon Tenders portal, which ensures local suppliers have the opportunity to participate in the tender.
- 3.4 The procurement process is a single-stage Open Procedure under Public Procurement Regulations (2006). This includes three Pass / Fail stages (Completeness and Compliance, Qualifications, Selection) which Tenderers must satisfy. If a Tenderer has satisfied all criteria in stages one to three of evaluation, their tender submission will be evaluated in accordance with the contract award criteria.
- 3.5 The Framework duration is 4 years subject to mutual agreement and satisfactory performance. The Framework is anticipated to go live on 1st October 2012.

4. HIGH LEVEL “BALL PARK” COST

- 4.1 Plymouth City Council’s Strategic Procurement Unit has agreed to run the tender and is receiving £7,000 towards the cost. This will cover the additional costs incurred in running a collaborative procurement with other authorities.
- 4.2 The projected value of the total work across Devon over the 4 year life of the Framework is approximately £3.3 million a year, of which more than 50% will be for adaptations in the Plymouth area (Plymouth City Council and Plymouth Community Homes). In order to comply with EU Legislation and the Authority’s Contract Standing Orders Plymouth’s spend requires a tender process to be carried out.
- 4.3 Previous expenditure and delivery of Disabled Facilities Grants has been a concern. The council is considering how it can increase resources and improve delivery to help more people stay in their own home if they wish to. Additional resources from Health funding will help this year together with this framework which will ensure both consistency of quality and standards, and also through economies of scale help our money stretch further.

5. ANTICIPATED BENEFITS

- 5.1 Plymouth City Council would need to undertake a formal procurement for this value of spend regardless of whether we were to enter into a collaborative arrangement. The £7,000 that will be received by the Council will more than cover the incremental costs of undertaking a collaborative procurement as opposed to a single authority procurement.
- 5.2 The collaborative approach will allow local contractors to bid for the work for one or more districts and therefore reduce their tendering costs. Using the Devon Tenders portal will also promote local trade.
- 5.3 A collaborative Framework will enhance economies of scale and create consistency of approach across the region, whilst ensuring flexibility for each Council / Housing Association to be able to deliver against its needs and encouraging smaller contractors to win work.
- 5.4 The framework and subsequent contracts must be flexible to allow for both increases and reductions in volume and may vary from year to year.

6. HEAD LINE RISKS

6.1 The headline risks that have been identified are listed below: These risks can be mitigated throughout the process.

- Risk of challenge to the procurement process
- Non-engagement from internal departments
- Delays within the tender process
- Risk of changing suppliers – service levels, product quality

The Council are following established and proven procurement practices and will adopt relevant criteria in order to evaluate and award successful tenderers.

7. HIGH LEVEL MILESTONE PLAN

Phase	Start Date	Finish Date
Project Initiation / Assemble project team	25 th April	10 th June
Approval	12 th June	25 th June
Issue ITT	26 th June	17 th August
ITT evaluation	20 th August	14 th September
Issue successful / unsuccessful letters	17 th September	21 st September
Contract commencement	1 st October	

8. PROJECT TEAM/BOARD

8.1 Bids will be evaluated by a panel consisting of Finance, Strategic Housing representatives and Procurement. The panel will also include representatives from the participating Authorities and Housing Associations. Tenders will be evaluated on the basis of the Most Economically Advantageous Tender (MEAT). Some selection criteria questions are mandatory, some discretionary and the technical section is based around weighted and scored questions.