

## **Cabinet – 17 June 2020**

### **Award of new contract(s) for Installation of Disabled Facility Lifts, Hoists and Associated Works and Services.**

<b>Portfolio:</b>	Councillor Adrian Andrew Deputy Leader Regeneration
<b>Service:</b>	Money Home Job – Housing Improvements
<b>Wards:</b>	Borough Wide
<b>Key decision:</b>	Yes
<b>Forward plan:</b>	Yes

#### **1. Aim**

To provide continuity of service for installation of Disabled Facility Grant (DFG) lifts, hoists and associated works up to 31 May 2025 through tendering for these items.

#### **2. Summary**

- 2.1 This report seeks Cabinet authority to delegate authority, in line with the Council's Contract and Procurement Rules, the award of contracts for contractors to undertake installation, repair maintenance and building works and services for domestic stair, step and vertical lifts and hoists. These are key works supported by the Council under DFGs and related assistance.
  - 2.2 A public advertisement was placed on the Council's e-tendering portal 'Intend', on 7 January 2020 and closed 4 February 2020. An 'Open Procedure' procurement process was used to invite tenders for the provision of these services under 6 Lots:
    - Lot 1 Straight stair lift
    - Lot 2 Curved stair lift
    - Lot 3 Through floor vertical lift
    - Lot 4 Powered Lifting Platform / Step Lift
    - Lot 5 Ceiling Track Hoist
    - Lot 6 Maintenance of lifts and hoists
  - 2.2 This cabinet report should be read and considered in conjunction with the 'Award of new contract(s) for Disabled Facility Lifts, Hoists and Associated Works' Private Session Agenda cabinet report.
  - 2.3 This is a key decision because it exceeds the threshold for significant expenditure and affects more than 2 wards.
- #### **3. Recommendations**

That following consideration of this report and the 'Award of new contract(s) for Disabled Facility Lifts, Hoists and Associated Works' Private Session Agenda cabinet report, that Cabinet:

- 3.1 Approves the award of new contracts for the period 1 September 2020 to 31 May 2025 (based on an initial term of 3 years with an option to extend by two further periods of up to 12 months each) for the installation and associated works and services set out in Table 1, below:

Table 1

Lot 1	Straight stair lift	Dolphin Lifts Midlands Limited	Up to £529,600
Lot 2	Curved stair lift	Dolphin Lifts Midlands Limited	Up to £1,435,750
Lot 3	Through floor vertical lift	Dolphin Lifts Midlands Limited	Up to £1,814,977
Lot 4	Powered Lifting Platform / Step Lift	Terry Lifts	Up to £ 342,071
Lot 5	Ceiling Track Hoist	Prism Medical UK	Up to £273,319
Lot 6	Maintenance of lifts and hoists	Dolphin Lifts Midlands Limited	Up to £ 448,950

- 3.2 Delegates authority to the Executive Director of Economy and Environment, to enter into a new contract/s to deliver the 'Disabled Facility Lifts, Hoists and Associated Works' by using the most appropriate procedures and to subsequently authorise the sealing or signing of any contract, deeds or other related documents for such works and services.

#### 4.1 Report Detail – Know

In September 2015 Cabinet agreed that the Housing Standards and Improvement Service could secure contractors for the delivery of various DFG lift installation works. The existing service (2016-2020), operated as a Council Framework, secured major savings to the Council on unit costs of lifts and hoists. This is highlighted in Table 2, below. The cost of a stair lift in Walsall reduced by 24% as a result of implementing the 2016-2020 framework which is due to end on 31 May 2020.

Table 2

Average cost of a straight stair lift	
2010/11 Walsall	£2,875
2014/15 Walsall	£1,961
<b>2018/19 Walsall</b>	<b>£1,495</b>
2016/17 West Midlands*	£2,635
2016/17 England*	£2,358

\* Disabled Facilities Grant (DFG) and Other Adaptations – External Review, University of the West of England Dec 2018.

To provide continuity of service a new procurement process has been undertaken.

## 4.2 Council Corporate Plan priorities

The works and services being that are the subject matter of this report will directly help many vulnerable residents continue to live safely and for longer in their own homes and will have a direct positive impact on the Council's abilities to deliver its priorities, as stated in the Corporate Plan 2018-21 in particular:

***People:** have increased independence, improved health and can positively contribute to their communities.*

## 4.3 Risk management

The principal risk was that the Council would not be able to secure suitable contractors to undertake the works and services. This risk was mitigated by the fact that the anticipated value of the works and services were at a scale that required advertising in the Official Journal of the European Union and as such resulted in a high level of interest from a wide range of contractors.

A further risk, of contractors ceasing to trade whilst in the process of completing DFG works and services for the Council, has been mitigated by the following measures:

- All bidders had to supply their financial details as part of the detailed tender process, including turnover. From this the Council can assess the maximum value of works that should be placed with any appointed contractor at any one time.
- The Council will not make interim payments to contractors unless an order value is below £10,000, in which case the Council may make interim payments up to a maximum of 90% of the order value.
- In the event of a contractor ceasing to trade the tender provides the flexibility for alternative contractor(s) to be used to complete the works using the retention sums indicated above.
- Prompt assessment of works and approval of payments by the Council to ensure cash flow for contractors. Payments to be made within 30 days of valid receipt.

## 4.4 Financial Implications

Funding for DFG works and services is principally from a government grant allocation for DFGs, awarded on an annual basis and in 2019/20 was up to £3,700,000 with a similar amount confirmed for 2020/21.

The process will assist with the delivery of more adaptations for less expenditure at key stages:

- a) Securing contractors for the period up to 1 June 2025 will reduce the revenue costs and time involved in repeated tendering on an annual basis and / or an individual scheme basis;
- b) Use of 'Lots' (specific independent sections, for example installation of lifts, installation of hoists, maintenance of existing lifts) to maximise the ability of a wider range of contractors to tender and therefore maximise the level of competition has encouraged a good response from contractors. For example, specialists in maintenance rather than manufacture and installation have been

able to tender for the Lot related directly to that element alone rather than being excluded from the whole process.

#### **4.5 Legal implications**

The legislation for offering DFGs is set out by the Housing Grants, Construction and Regeneration Act 1996, which places a statutory duty on local housing authorities to provide grant aid to people with disabilities (who meet the criteria) for a range of adaptations to their homes.

The author of this report has received advice from Procurement Services about the most appropriate form of contractual arrangement, who has recommend that an NEC3 Term Service Short contract is suitable; and the author will liaise with Procurement Services and Legal Services where necessary in order to enter into a contract on such terms.

#### **4.6 Procurement Implications / Social Value**

The tenders have been obtained in full compliance with the Council's Contract Rules and the Public Contract Regulations 2015 and European Procurement regulations. The process used for DFG lifts and hoist tendering has secured significant unit cost savings over the years which has meant that more adaptations have been able to be provided for the same money. The average cost of lifts to the Council is significantly below the national and regional averages.

The tender process included a requirement for contractors to indicate how they will support the Social Value Priorities as set out in the Council's Social Value Charter over and above the obligations of the contracted works and services set out in the specification provided by the Council in the tender process.

The tender made direct reference to the delivery of the Black Country Training and Employment strategies maximising the opportunity for social and economic benefits for residents and businesses within the borough. All contracts with appointed contractors for every Lot will incorporate clauses from the West Midlands Procurement framework for jobs and skills to further maximise the benefits achieved.

#### **4.7 Property Implications**

The services will be available for use by the Council in any residential or similar premises retained by the Council.

#### **4.8 Health and Wellbeing Implications**

The services will enable the robust and Best Value delivery of housing adaptations and will directly support the Council's key strategies including the Housing Strategy. Works will enable residents to remain living in their home longer and particularly reduce their risk of slips, trips and falls.

Previous research by the Council's housing service has shown that the impact of DFGs is also statistically significant in terms of improving applicant's mental wellbeing.

The DFG service directly promotes other assistance that vulnerable residents may benefit from such as schemes tackling fuel poverty and promoting take up of key public health messages including but not limited to flu vaccinations.

#### **4.9 Staffing**

The works and services will enable staff within the Resources Directorate to deliver a range of adaptation assistance for residents in line with the adopted Housing Renewal Assistance Policy.

#### **4.10 Reducing Inequalities**

The implications for reducing inequalities have been taken into account and assessed and are in full accordance with the over-arching EQIA produced for the adopted Housing Renewal Assistance Policy. The proposed works and services will continue to help vulnerable members of the community by providing significant support for residents with disabilities through maximising their ability to live independently, delivering a range of solutions that can be tailored to meet a person's individual needs.

All applicants for DFGs are within the protected characteristic group of 'disabled'. A significant number are also within the protected characteristic group of 'age' with a total of 64% of applicants whose DFG was completed in 2018/19 either being 17 or under in age or over pensionable age.

#### **4.11 Consultation**

The proposal is outside the statutory requirements and common law expectations for consultation under the Public Sector duty. The proposal relates to the continuation of a service that has been subject to formal advertising in accordance with Public Contract Regulations 2015 - maximising the potential for competition and Best Value and most competitive price for the council and customers.

The tender advert was also advertised on the Council website to afford maximum opportunity for companies within the borough to tender for the works

### **5. Decide**

The alternative to the proposal to secure contractors to deliver these DFG services is for all DFG applicants to individually obtain their own contractors. This is expected to lead to:

- Delays for the residents
- Increased costs for the council – the current proposal provides for savings from economies of scale to be secured by contractors and these savings are passed onto the council.

The proposal is in line with national best practice.

### **6. Respond**

Following recommendation by Cabinet, contracts will be entered into with the selected contractors.

## 7. Review

The performance of contractors will be reviewed on an ongoing basis with broader reviews every 6 months to ensure high quality services for the residents are maintained.

## Background papers

None.

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9 June 2020



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9 June 2020