

## **Cabinet – 9 September 2015**

### **Disabled Facility Tenders – Lifts, Hoists and Associated Works**

**Portfolio:** Councillor Adrian Andrew, Deputy Leader and Economy, infrastructure and development

**Service:** Strategic Housing

**Wards:** Borough Wide

**Key decision:** No

**Forward plan:** No

#### **1. Summary of report**

This report seeks Cabinet endorsement in line with the Council's Contract Rules to obtain and accept tenders 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 undertaken by the council under Disabled Facility Grants (DFGs) and related assistance.

#### **2. Recommendations**

That Cabinet is recommended to:

- 2.1 Approve obtaining tenders for contractors to undertake installation, repair maintenance and building works and services for domestic stair, step and vertical lifts and hoists for the period up to 1<sup>st</sup> June 2020.
- 2.2 Delegate authority to the Executive Director of Resources in consultation with the Portfolio Holder to accept tenders obtained under 2.1 above and to subsequently authorise contracts and any ancillary related documentation to be entered into.

#### **3. Background information**

- 3.1 In April 2011 Cabinet agreed that the Housing Standards and Improvement Service could secure contractors for the delivery of various disabled facility grant lift installation works.
- 3.2 The Framework developed following cabinet approval secured contractors for a range of Lots that could be accessed by any council in the West Midlands. Major savings to the council on unit costs of lifts and hoists have resulted. For example, the average cost of a straight stair lift in 2010/11 was £2,875 and through the new framework this was reduced to an average cost of £1,961 inclusive of 12 months maintenance and servicing (a 32% reduction).

- 3.3 The existing Framework for domestic lifts and hoists is due to end in June 2016 and to provide continuity of service a new procurement process is proposed. It is again proposed to enable free access to the Framework for organisations across the West Midlands.

## **4 Council Priorities**

### **Promoting health and wellbeing**

A priority within the Corporate Plan 2015-2019 - Shaping a Fairer Future, is to promote health and well being. The works and services being tendered will directly help many vulnerable residents continue to live safely in their own homes.

## **5. Risk management**

- 5.1 The principal risk relates to the potential that the Council will not be able to secure suitable contractors to undertake the works. This risk is mitigated by the fact that the proposed tenders are the scale that require advertising in the Official Journal of the European Union and as such are anticipated to result in high level of interest from a wide range of contractors.
- 5.2 To limit the risk of problems arising with contractors going bankrupt whilst they are in the process of completing a grant assisted scheme the following measures have / will be put into place;
- All tendering companies will have to supply their financial details as part of the detailed tender process. This must clearly indicate their financial soundness (level of turnover). From this the council can assess the maximum value of works that should be placed with an individual company at any one time.
  - No interim payments are expected due to the scale of the individual projects however if schemes cost more than £10,000 interims may be permitted up to a maximum of 90% of the order value.
  - In the event of a contractor going bankrupt the tender provides the flexibility for alternative contractors to be used to complete the works using the retention sums indicated above.
  - Prompt assessment of works and approval of payments by council staff to ensure cash flow for contractors. Payments to be made within 30 days of valid receipt.

## **6 Financial Implications**

- 6.1 During 2015/16 a total of £2.722M is available for DFG and related adaptations.
- 6.2 The council continually seeks funding from a variety of sources for adaptations and the new framework will be flexible enough to enable increased funding in future financial years to be included (or to accommodate reduced levels of funding).
- 6.3 The new framework will be structured to ensure that no commitments are made for 2016/17 and beyond until funds have been secured.

- 6.4 The tenders being sought in this report are expected (through securing up to date costs) to lead to delivery of more adaptation for less expenditure at key stages;
- a) Securing contractors for the period up to 1<sup>st</sup> June 2020 will reduce the revenue costs and time involved in repeated tendering on an annual basis and or an individual scheme basis
  - b) Economies of scale are expected from the tendering for larger 'blocks' of work. These have already been noted by the service through previous tender processes. There is significant potential for this through joining with other council's due to the substantially larger volume of works potentially available for contractors.
  - c) Use of 'Lots' (specific independent sections, for example installation of lifts, installation of hoists maintenance of existing lifts) within the tender to maximise the ability of a wider range of contractors to tender and therefore maximise the level of competition which will again help to drive down unit costs. For example, specialists in maintenance rather than manufacture and installation will be able to tender for the Lot related directly to that element alone rather than being excluded from the process.

## **7 Legal implications**

- 7.1 The legislation for offering Disabled Facilities Grants is set out by the Housing Grants, Construction and Regeneration Act 1996. The Act 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.
- 7.2 The tenders are to be sought in full compliance with the Council's Contract Rules and the Public Contract Regulations 2015.
- 7.3 The Council Legal Services Section will review and approve the draft tender packs before they are issued.

## **8 Property Implications**

- 8.1 The framework will be available for use by the council in any residential or similar premises retained by the council.

## **9 Health and Wellbeing**

- 9.1 The tender 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 the risk of slips, trips and falls.
- 9.2 The tender will make 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. The contract will incorporate clauses from the West Midlands Procurement framework for jobs and skills to further maximise the benefits achieved through this contract.

## **10 Staffing**

- 10.1 The tenders 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.

## **11 Equality implications**

- 11.1 The new lift and hoist framework will continue to help vulnerable members of the community by providing significant support for residents with disabilities through maximising their ability to live independently. The framework will seek to deliver a range of solutions that can be tailored to meet a person's individual needs.

## **12 Consultation**

- 12.1 The proposal to tender for the lift and hoist works has been supported by the Walsall Joint Commissioning Committee who support DFGs through the award of money from the Better Care Fund.
- 12.2 The tenders will be 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.
- 12.3 The tender advert will be advertised on the Council website to afford maximum opportunity for companies within the borough to tender for the works.

## **Background papers**

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