



HOUSING COMMITTEE

Wednesday 02 March 2022

REPORT TITLE	RENEWAL OF HOME ADAPTATIONS LIFTING SOLUTIONS CONTRACT
REPORT OF	DIRECTOR OF REGENERATION AND PLACE

REPORT SUMMARY

The purpose of this report is to seek approval to commence a procurement exercise to secure a contract for a range of lifting and other equipment to enable disabled and vulnerable residents to remain living independently in their homes. This will be a 5-year contract at an estimated value of £6.2m

The Home Adaptations Lifting Solutions Contract will support the Active and Healthy Lives theme of the Wirral Plan 2021 - 26, specifically the aim to 'support people to live independently'.

This matter is a Key Decision as it affects all Wards.

RECOMMENDATION/S

Housing Committee is recommended to approve

- (1) That the Director of Regeneration and Place be authorised to extend the current contract for lifting solutions and other equipment to enable disabled and vulnerable residents within Wirral to live independently within their own homes ("the Services") for a further 6 months from the current expiry date of 31 May 2022; and
- (2) the proposed procurement process and strategy for the appointment of a tenderer to carry out the Services as set out at paragraph 3.7 of this report; and
- (3) That Delegated authority be given to the Director of Regeneration and Place to award the contract for the Services within approved budget and to the highest scoring tenderer and in accordance with the Most Economically Advantageous Tender criteria

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

- 1.1 The Council has a statutory duty to deliver Disabled Facilities Grants and over several years has delivered this assistance and also developed discretionary assistance to enable disabled adults and children to remain living at home, to promote independence and a good quality of life, prevent carer breakdown, enable hospital discharge and to help reduce the dependence on other more expensive solutions such as residential and nursing care.
- 1.2 As part of this assistance, the existing contract for lifting solutions has been in place since 1st July 2018 and will cease on 31st May 2022. The Council has an option to extend this contract for 6 months to allow sufficient time to review contract options and re-tender which will require a minimum of 3-6 months for a new contract to be in place so that operations can continue seamlessly with the delivery of home adaptations. Agreement is therefore now required to commence a new procurement process.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 An options appraisal has been completed (appendix 1) that considers all the available options to ensure that the contract provides for the best quality equipment and installation, best timescales for delivery and an excellent customer journey and value for money for the Council.
- 2.2 As such, with assistance from Procurement, we are now reviewing whether to:
 - Cease operating a contract and let clients take responsibility for obtaining 3 quotes for adaptations in their homes as was the case prior to the current contract
 - extend the existing contract by the full remaining 12 months option
 - re- tender in house along the same lines following review of specifications/Key Performance Indicators/ pricing schedules/Lots
 - piggyback onto an existing LCR (Liverpool City Council) tender/framework which named Wirral
 - access an existing framework via Fusion 21 (Procurement to advise / direct on whether there are any other providers to consider)

3.0 BACKGROUND INFORMATION

- 3.1 Before the current contract was in place, the onus was on the clients to source 3 quotes against a specification provided by Council with guidance from their Occupational Therapist. This caused problems and delays for vulnerable clients and their families with regards to sourcing 3 quotes for step lifts, vertical lifts & hoists etc. To improve the customer journey, it was considered beneficial for the Council to seek a preferred partner(s) for stairlifts (curved & Straight), step lifts, ceiling track hoists, vertical lifts, automatic door systems & modular permanent ramps.

- 3.2 This would provide efficiency in delivery by improving turn round times & reducing technical officer time; as well as assisting vulnerable clients and their families who were struggling to source their own quotes. This would also contribute to Health and Social Care as well as Better Care Fund outcomes as quicker installation would potentially reduce the risks to clients, prevent admissions & support hospital discharge.
- 3.3 It was anticipated that there would also be efficiencies in Value for Money of equipment & installation cost if a framework tender approach was used.
- 3.4 Following a tender exercise, Prism won the contract for all lots excluding Ramps & Auto door openers as no bids were received for these. The estimated contract value for the previous tender exercise was £3,375,000.00 with an estimated annual value of £1,125,000.00, and initial contract period of 35 months and an option to extend for 1 or 2 years.
- 3.5 This contract has been delivered in a period of sustained increased demand for home adaptations as well as the difficulties in maintaining supply chains and increased materials costs following BREXIT. There have been performance issues linked to sub-contractors due to challenging market conditions with further difficulties introduced by the pandemic which caused disruption due to staff absences and an inability to re-mobilise quickly enough following furlough. While allowances have been made for factors beyond the control of the provider, there are still operational issues that are impacting on the service that is being offered to clients.
- 3.6 As a result of this reduction in performance, it is proposed to extend the current contract for up to 6 months and to undertake a new tender exercise that will allow the Council to seek tenders from manufacturer/installer contractors where possible, which will reduce supplier delays and other risks whilst improving the Council's leverage to manage performance challenges direct. This approach also enables the Council to flexibility of multiple contractors to be used and an access alternative contractor to be given work if there are performance issues against prescribed Key Performance Indicators by the tendered contractor.

3.7 **Considerations for new contract**

Broader requirements to be included in the tender specification include:

- Equipment quality
 - Equipment functionality breadth to ensure all occupational therapists needs assessments can be met as some models are restricted in specification.
 - Dwelling technical restrictions can be catered for i.e., narrow/steep staircases, restricted by orientation of landing & positioning of services.
 - Ability to and experience of delivery of desired specification (curved/straight)
 - Contractor reliability,
 - More than 1 contractor to reduce risk if delivery is threatened are considered /incorporated in any tendering/framework approach.
- Seek a more rapid response form the contractor to support the Council's Time Critical Adaptation Grant

It is proposed that the different equipment is broken down into separate lots to cover the following most used items:

- Straight Stairlift
- Curved Stairlift
- CTH
- Step Lift
- Vertical Lift
- Modular Ramps (permanent)
- Domestic automatic door opening system
- Rise fall changing tables (RFCT)

4.0 FINANCIAL IMPLICATIONS

- 4.1 Funding for these works are from the Disabled Facilities Grant element of the Better Care Fund which is passported through to Housing Services to support adaptations in the Home. The funding allocation for 2021/22 is £4,723,627 which is currently fully committed and includes works under the current lifting solutions contract. It was confirmed in a government announcement at the beginning of December 2021 that funding for Disabled Facilities Grants will be sustained at the same level until at least 2024.
- 4.2 The contract size has been estimated based on current annual spend and consideration of the trend of increasing demand for the service each year. The total expenditure for lifting equipment (ceiling track hoists, stair lifts, vertical and step lifts in 20/21 was £626,000 and this year it is forecast to reach £898,000. The total expenditure for modular ramps in 20/21 was £77,000 and this year it is estimated to be £243,000. The spend for domestic door openers and rise and fall changing tables are estimated to be £100,000.
- 4.3 The total annual spend therefore for the proposed contract is estimated to be £1,241,000, which equates to £6,205,000 over the five-year proposed contract period. This is a small uplift from the current contract, but there are sufficient funds in the projected budget to cover this expenditure. While there has been a steady increase in the annual government grant for adaptations, should the allocation be reduced in years 4 and 5 of this contract, the adaptations programme would be reviewed and reprofiled to ensure there are sufficient funds to manage client demand for lifting solutions under this contract.
- 4.4 The impact of not spending on these critical adaptations is that vulnerable clients may not be able to remain in their homes thus losing independence and may therefore require residential care. Without adaptations residents may also require hospital admission or re-admission due to injury in the home, as well as exposing carers to the risk of injury and increasing the incidence of carer breakdown

5.0 LEGAL IMPLICATIONS

- 5.1 The Council has a statutory duty to facilitate the application and delivery of Disabled Facilities Grants under the Housing Grants, Construction and Regeneration Act 1996 and as well as mandatory assistance, other assistance for example Rapid Installation Grants and Time Critical Adaptation Grant assistance is provided by the Council's powers under the Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 to help improve the homes of disabled Wirral residents, supporting them to live independently and safely.
- 5.2 The award of contract will be made based on the most economically advantageous tender (MEAT) scoring. The meaning of MEAT is currently governed by the Public Contract Regulations 2015. As criteria for the assessment of tenders on the basis of the best price-quality ratio, MEAT will always predominantly contain a cost or quality element, but the MEAT criteria may also include assessment on the basis of various other criteria linked to the subject-matter of the contract in question, including lifecycle costing and environmental or social aspects. For example, particular award criteria may consider the inclusion of vulnerable and disadvantaged people, local wealth building, training and educational aspects or the use of non-toxic substances in the production process to deliver the requirement. The Council's Contract Procedure Rules (Standing Orders) set out how contracts are to be awarded by the Council, which will include reference to the Council's Procurement Strategy and Social Value Policy.

Should the authorised Director wish to award the contract via a tender which does not hold the highest MEAT score or where the costs of the award will exceed the relevant budget, the matter will be referred back to this Committee for consideration.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

- 6.1 Existing staffing resources to undertake the procurement exercise will be required from both the Procurement and Home Adaptation Services, both of which have indicated they have capacity to undertake this work. All adaptations interventions discussed are currently managed using existing staffing, ICT, and other assets.

7.0 RELEVANT RISKS

- 7.1 The risks of not having this contract in place to run seamlessly with the end of the current contract include:
- extremely vulnerable households being put at risk through the delay of installations of adaptations in the home.
 - potentially an impact of health and social care services if disabled individuals were not able to remain living independently in their homes through carer breakdown or by not being able to access basic facilities.
 - More hospital admissions through falls
- The use of multiple contractors helps reduce risks posed through a single contractor failing to perform so that service delivery can continue in the event of a single contractor being at capacity, performing poorly or ceasing trading.

8.0 ENGAGEMENT/CONSULTATION

- 8.1 Satisfaction surveys are routinely carried out by the adaptations service and feedback incorporated into service improvements. Regular liaison with stakeholders including health and social care professionals, and external associations and advocates for disabled residents influence policy reviews and ensure continuous improvement.

9.0 EQUALITY IMPLICATIONS

- 9.1 Wirral Council has a legal requirement to make sure its policies, and the way it carries out its work, do not discriminate against anyone. An Equality Impact Assessment is a tool to help council services identify steps they can take to ensure equality for anyone who might be affected by a particular policy, decision, or activity.

An EIA was completed for Wirral's Housing Strategy 2016 – 2020 [Microsoft Word - Housing Strategy 2016 - 2026 EIA \(wirral.gov.uk\)](#)

The adaptations service strives to support disabled Wirral residents to help them remain independent in their homes. The EIA included consideration of the work Wirral Council does in relation to adaptations in the home to meet the diverse housing needs for the borough and is still valid.

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

- 10.1 The Home Adaptations Team is working with Foundations, a government advisory body for Home Improvement Agencies, and the Energy Savings Trust on the Energy Redress Scheme where Wirral Council will give energy advice to a target 600 Wirral residents over the next 12 months who have recently had a major adaptation or are waiting to have one installed. This will support disabled residents, who may be in Fuel Poverty, fuel debt or those living in properties with poor thermal efficiency to receive the appropriate advice.

11.0 COMMUNITY WEALTH IMPLICATIONS

- 11.1 The Home Adaptation Team have been working with the Wirral Chamber of Commerce with the aim of expanding the number of local contractors and local supply chains that can be developed. The procurement exercise will ensure that social value is considered as part of the tender process.
- 11.2 We have also been working closely with the Motor Neurone Disease Association and have signed up to the MND Charter to ensure clients have a voice and their feedback regarding their customer journey contributes to service improvements

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APPENDICES

APPENDIX 1: Options Appraisal for Lifting Solutions Procurement

BACKGROUND PAPERS

Housing Committee 27th January 2021 PROPOSED AMENDMENTS TO THE PRIVATE SECTOR HOUSING AND REGENERATION ASSISTANCE POLICY

SUBJECT HISTORY (last 3 years)

Council Meeting	Date

Appendix 1: Options Appraisal

	Advantages	Disadvantages
Option 1: Let contract lapse and revert to asking clients to get 3 quotes	<p>Less resource needed by the Adaptations Service to obtain quotes.</p>	<p>Some clients are not comfortable choosing or seeking quotes from contractors, leading to delays, stress for the family and delays in the process.</p> <p>Vulnerable clients struggle to grasp what information should be on a quote before it is submitted to Council from scrutiny, leading to a protraction of the process.</p> <p>Vulnerable clients have difficulty finding & choosing 3 contractors to obtain quotes and unsure as to their quality /suitability, which is protracting the process.</p> <p>Delays in some cases is leading to an increase in social care/health costs.</p>
Option 2: Council Tender for one or several lots	<p>Council has a large degree of control over specification and required service standards.</p> <p>Cost savings of 2% (£120,000 from using a framework agreement such as Fusion 21)</p> <p>More rapid response form the contractor to support the Council's Time Critical Adaptation Grant</p> <p>The Council to Consider/seek tenders from manufacturer/installer contractors were possible, which will reduce supplier delays and other risks whilst improving the Council's leverage to manage performance challenges.</p> <p>Ability to access alternative More than 1 contractor(s) to</p>	<p>Resources required for a new tender exercise.</p> <p>Risk that chosen contractors don't perform and must terminate the contract and start again.</p> <p>Council responsible for validating contractors claims regarding service and performance until they are appointed. (this is done for us if we call of a framework agreement)</p>

	reduce risk if delivery is threatened.	
Option 3: Take up option to extend existing contract with Prism for one more year	<p>Established relationship with existing contractor – know their strengths and weaknesses.</p> <p>Better warranties built into price (5 yrs) Contract KPI's assist delivery times & support Council KPI's (when being met)</p> <p>Improved delivery turnaround times achieved Sole control of contract 1 provider should provide economies of scale with regards to administration & monitoring i.e., single point of contract Better customer journey</p>	<p>Been difficult & resource intensive to monitor & manage KPI's and day to day performance.</p> <p>Performance has been poor at times.</p> <p>One contractor has led to limited ability to move to another provider or leverage to resolve – when incumbent experiences supplier, sub-contractor, performance or capacity issues or customer care issues occur.</p> <p>In hindsight Tender Exercise did not support - Difficult to analyse / test ability to deliver against Tender process as quality more important than cost – tender submissions promised a lot with some aspects not delivered Exposed to limited suppliers if market problems Some customer care issues experienced</p>
Option 4: Fusion 21 Framework	<p>Much reduced tender/procurement time frame</p> <p>More than 1 contractor so providing the ability to ensure continuity of delivery.</p> <p>Access contractors who specialise in the lots so maybe opportunity to reduce the reliance on sub-contractors.</p> <p>Replicating the tender process with existing Service Specifications under the umbrella of an already procured framework would seem enable access to the best of both approaches.</p>	<p>Contractors have already been selected by Fusion 21 so lack of choice of contractors</p> <p>Fees charged from 2% of contract value, i.e. up to £120,000 or with an additional 0.5% for a managed service to appoint contractors from Fusion 21.</p> <p>Many need to change suppliers half-way through the contract term as the Framework will need to be re-tendered before Wirral's contract term expires.</p>

<p>Option 5: Call off LCC Framework which named Wirral Council</p>	<p>Specification and KPIs already fixed so less work involved in direct appointment</p>	<p>Specification and KPIs already fixed so limited flexibility to apply higher service standards</p> <p>Contract due to expire in 2022 and will need to be re-tendered therefore not in sync with Wirral's timescales</p>
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