

REPORT TO: Executive Board

DATE: 14 June 2018

REPORTING OFFICER: Strategic Director - People

PORTFOLIO: Health & Wellbeing

SUBJECT: Stair lift installation contract – preliminary estimates report

WARDS: Borough wide

1.0 PURPOSE OF THE REPORT

- 1.1 To seek approval from Executive Board to undertake a procurement exercise in order to commission a supplier of stair lift installation services. As the contract value is in excess of £1,000,000 this is a Preliminary Estimate Report in line with Procurement Standing Order 2.1.

2.0 RECOMMENDATION: That the Board

- 1) gives approval to undertake a procurement exercise to commission a supplier of stair lift installation services; and**
- 2) notes the waiver request, as detailed in paragraph 3.2, in order to continue using the existing Stannah contract until new arrangements are in place.**

3.0 SUPPORTING INFORMATION

- 3.1 This report follows on from a previous report to Executive Board on 22nd February 2018, which sought approval for a new model of provision of stair lifts (including the introduction of means testing and the provision of extended warranties). The new model was approved by the Board.
- 3.2 The Council's existing contract with Stannah Lift Services for the provision of stair lift installation services ends in May 2018; therefore, it is now necessary to initiate procurement processes to commission a supplier of stair lift installation services. A waiver request has been submitted to the Head of Procurement in order to allow the Council to continue using Stannah for a period of four months whilst the procurement exercise is undertaken.
- 3.3 Colleagues in Procurement have completed an options appraisal regarding the various routes to market with the preferred option being to award the contract as a result of conducting a mini competition with the nominated providers on a framework.
- 3.4 The following information is provided as required by Procurement

Standing Order 2.1.2:

a) Budget Approval – include budget, funding and cost centre code

The current budget is £300,000 per annum.

b) The whole life cost of the project including the revenue costs associated with the project

Based on a 4 year agreement £1,200,000.

c) Total contract - Term including any extension periods

Halton will be able to award a 3 year contract covering the period 2018-2021 with an additional extension of 1 year available or award a 4 year contract (2018-2022).

d) How the contractor is to be selected (SO 2.3)

Undertaking a Further Competition via a National Framework.

e) Identification of potential project risks and controls

There is a risk of appointing a supplier that offers a lower quality product and service compared to the current provider. This will be mitigated by ensuring the specification clearly sets out quality requirements.

f) How the project links with departmental and corporate objectives

Stair lifts are an essential part of the provision of care and support services that allow people to retain their independence and quality of life in their own homes.

g) The business case in support of the proposal including details of how value for money, transparency, propriety and accountability would be achieved and the position of the contract under the PCR 2015

Value for money

The contract will be awarded on the basis of quality and price. By running a competitive procedure there is scope for a price reduction, however, there is no guarantee of this.

Transparency

The contract will be recorded in the Council's Contracts Register accessible via the Internet together with the publication of all spend in excess of £500.

Propriety and security

Compliance with anti-corruption practices will be adhered to.

Position of the contract under the Public Contract Regulations

2015

The framework is in accordance with the PCR 2015.

4.0 POLICY IMPLICATIONS

The new contract will be in line with the new model of provision as outlined in the previous report to Executive Board.

5.0 FINANCIAL IMPLICATIONS

As advised within previous reports, moving to an extended warranty model does result in additional costs compared to current practice.

Currently stair lifts come with a two year warranty after which they transfer to a maintenance contract, the costs of which are unsustainable. The annual budget for maintaining independent living equipment (predominantly stair lifts but also including other lifts/hoists) was set at £15k in 2010, however, annual spend is now in the region of £70k.

Providing an extended five year warranty will result in additional costs at the point of installation and at the same time the Council will need to continue maintaining the existing stock via the maintenance contract (however, a rolling replacement programme will be initiated).

Introduction of means testing should reduce the number of stair lifts being installed and transferring responsibility for maintenance to the individual after the warranty (which is in line with practice under Disabled Facilities Grants, which stair lifts are traditionally installed under) will result in a more cost-effective service over the longer-term to address the escalating costs of maintaining stair lifts.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

6.1 Children and Young People in Halton

None identified.

6.2 Employment, Learning and Skills in Halton

None identified.

6.3 A Healthy Halton

Stair lifts are an essential part of the provision of care and support services that allow people to retain their independence and quality of life in their own homes.

6.4 A Safer Halton

None identified.

6.5 Halton's Urban Renewal

None identified.

7.0 RISK ANALYSIS

As outlined under section (e) of point 3.4.

8.0 EQUALITY AND DIVERSITY ISSUES

None identified.

9.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

None under the meaning of the Act.