

9<sup>th</sup> December 2019

Agenda Item: 7

## **REPORT OF THE SERVICE DIRECTOR, STRATEGIC COMMISSIONING AND INTEGRATION**

### **PROCUREMENT OF A NEW FRAMEWORK AGREEMENT FOR EQUIPMENT BASED MAJOR ADAPTATIONS IN PEOPLE'S HOMES**

#### **Purpose of the Report**

1. To seek approval for the procurement of a new Single Provider Framework Agreement for a period of four years for equipment-based major adaptations in people's homes.
2. To seek approval for the Framework Agreement to be made available to each of the seven District Councils in Nottinghamshire to utilise as public bodies, using Disabled Facilities Grant funding.

#### **Information**

3. One of the Council's key strategic intentions is to support people to live independently in their community for as long as possible, whether that is in their own home or within Housing with Care. The use of Disabled Facilities Grants (DFGs) to fund major adaptations that can enable a person to live independently and prevent the need for care supports this strategic intention.
4. An Occupational Therapist undertakes a statutory assessment and makes recommendations to improve a person's independence and wellbeing. This can involve recommendations for environmental adaptations to enable people to access their home safely. Depending on tenure these can be funded via a Disabled Facilities Grant.
5. The provision of Stairlifts, Ceiling Track Hoists, Step Lifts and Through Floor Lifts is a cost-effective method of adapting the home environment to make it more accessible. The alternative would be re-housing to more suitable accommodation, a one room existence that impacts on wellbeing, or admission to residential care.
6. The District Councils administer the means tested Disabled Facilities Grants on behalf of the person, who usually (but not always) lives in an owner occupied or privately rented accommodation.

7. Not everyone is entitled to the means tested Disabled Facilities Grant; sometimes due to risk or significant impact on a person's wellbeing, Health or Social Care agree to fund equipment-based solutions or charitable funding is sought.
8. Regardless of funding source, an Occupational Therapist will gather at least two quotes for procurement for equipment-based solutions. This means people are inconvenienced by two different company surveyors calling at their home to "measure up" for feasibility. In turn, due to people's vulnerability, an Occupational Therapist will also attend these surveyor visits, an operational time resource that could be managed more efficiently.
9. Consultation with District Councils, at both Chief Executive and operational Grant Officer levels has indicated that there is a strong commitment from all 7 District Councils for the County Council to progress a Single Provider Framework Agreement for equipment based major adaptation solutions that would give best value. A procurement timetable has been agreed with the District Councils subject to Adult Social Care & Public Health Committee approval, with a proposed April 2020 contract start date (further details are contained in **Appendix 2**).
10. Contract monitoring with key performance indicators would establish quality assurance in the company's abilities to conduct surveyor visits independently, saving on valuable occupational therapy resource.
11. It is established practice to recycle stairlifts and ceiling track hoists, reducing the environmental impact of production. The contract specification would require the provider to store and recycle products.
12. The average costs of equipment-based solutions funded via DFG in 2018-19 are shown in **Appendix 1**. To illustrate the savings a Single Provider Framework can offer, the following cost benefit analysis focuses on stairlifts only. There are likely to be similar savings with other equipment solutions.
13. There were 146 DFG funded stairlift installations county wide, costing a total of £396,086. 84 were straight stairlifts costing on average £1,743 each, 62 were curved stairlifts costing on average £4,027 each. The cost of an additional three-year warranty is £350, funded from individual grants, totaling a further £51,100. This brings the total countywide stairlift costs to **£447,186**.
14. Using a Single Provider Framework Agreement would allow a cost-effective supply and fit of stairlifts across the County. Soft market testing has shown that an average framework contract price including a two-year warranty as standard for curved stairlifts is around £3,400, saving £626. For straight stairlifts, the average cost is £1,400, saving £343 per installation. The costs of additional warranty and minor building works are likely to remain consistent regardless of provider.
15. Overall, a Single Provider Framework Agreement would give an annual saving of:
 

Curved stairlift	£38,812
Straight stairlift	£28,812
Total countywide saving	<b>£67,624</b>

16. A recycled stairlift model, that includes the removal and resite of stairlifts, less than five years old and in good working order, would reduce the costs further once a stock of Council stairlifts is established. Soft market testing evidences that Single Provider Framework Agreement removal costs are around £150 and resite costs around £400, a total cost of around £550, including a two-year warranty.
17. Assuming, that over a 10-year period enough Council stock is available to resite 50% of the 84 straight stairlifts installed each year, 42 installations would cost £23,100 rather than £58,800, a saving of £35,700 based on average Framework Agreement pricings and £123,352 based on existing costings. It is anticipated that the savings will grow year on year using a recycled stairlift model and environmental impact will reduce. The stairlift is maintained through the DFG funded five-year warranty package.
18. The aim is to procure a cost effective Single Provider Framework Agreement to cover the service, providing Stairlifts, Ceiling Track Hoist, Step Lifts and Through Floor Lifts in people's homes. The provider will also be required to provide a two year warranty in order that the equipment meets the Lifting Operations and Lifting Equipment Regulations 1998 (LOLER) and use allocated Council recycled products when possible.
19. The objective of the Single Provider Framework Agreement is to ensure that the equipment-based major adaptation solutions are installed cost effectively, quickly and with minimum disruption to the customer.
20. The Framework Agreement will be established by the County Council, and the District Councils will be able to utilise this contract as public bodies, using the Disabled Facilities Grant on behalf of the customer.
21. This will be a Nottinghamshire-wide service for people of all ages, including children.

### **Other Options Considered**

22. Continue with the existing two quote operating model that is not entirely transparent in terms of procurement standards – this is a drain on Occupational Therapists' time and an inconvenience to the customer.
23. Individual District Councils procure their own Framework Agreement - this could lead to multiple providers across the County, and whilst competitive it would not allow the countywide recycling model or facilitate integrated Disabled Facilities Grant service delivery models.

### **Reason/s for Recommendation/s**

24. Without the provision of a responsive service, people will be at a much higher risk of injuries and falls within their homes and therefore require more expensive forms of care, including residential establishments.
25. The proposed Framework Agreement will establish a specification that ensures a cost effective and quality assured service, for less money, saving the Council financially long term and ensuring procurement transparency.

26. This will lead to development of practice guidance that will give clarity and accountability for the process, with the intention of quality service improvement.
27. The new Framework Agreement will deliver a more coordinated service for people in their own home, with better communication between Adult Social Care and the provider, reducing the number of complaints about the service provided.

## **Statutory and Policy Implications**

28. This report has been compiled after consideration of implications in respect of crime and disorder, data protection and information governance, finance, human resources, human rights, the NHS Constitution (public health services), the public sector equality duty, safeguarding of children and adults at risk, service users, smarter working, sustainability and the environment and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

## **Data Protection and Information Governance**

29. A summary Data Protection Impact Assessment is in place.

## **Financial Implications**

30. A cost effective Framework Agreement is procured that saves the Council and District Council partners money, with an estimated **£67,624** more Disabled Facilities Grant being available each year for other environmental adaptations that can prevent the need for care and support.
31. The cost and financial benefit of the work is to the Disabled Facilities Grant. Benefit to the Council will be to efficiency within Occupational Therapy roles and an improved experience to residents through a more efficient service. Currently the work is a proposal and it is not clear which District and Borough Councils wish to be part of the framework and the framework will be designed to ensure there is no financial risk to the County Council.

## **Implications for Service Users**

32. Children and adults of all ages will benefit from quality assurance and rapid response to recommendations for equipment-based major adaptations.

## **Implications for Sustainability and the Environment**

33. The Framework Agreement ensures that equipment is maintained over a five year warranty period, is recycled when cost effective to do so and does not need replacing for new equipment when viable to repair, ensuring lower impact on the environment.

## **RECOMMENDATION/S**

That the Committee:

- 1) gives approval for the procurement of a new Single Provider Framework Agreement for equipment-based major adaptation solutions in people's homes.
- 2) gives approval for the Framework Agreement to be made available to each of the seven District Councils in Nottinghamshire to utilise as public bodies, using Disabled Facilities Grant funding.

**Paul Johnson**  
**Service Director, Strategic Commissioning and Integration**

**For any enquiries about this report please contact:**

Cate Bennett  
Principal Occupational Therapist  
T: 0115 8043310  
E: [cate.bennett@nottsc.gov.uk](mailto:cate.bennett@nottsc.gov.uk)

### **Constitutional Comments (EP 14/11/19)**

34. The recommendations fall within the remit of Adult Social Care and Public Health Committee by virtue of its terms of reference. Any framework agreement awarded must be in a form approved by the Group Manager, Legal, Democratic and Complaints.

### **Financial Comments (DG 15/11/19)**

35. Estimated minimal savings based on reduced costs for Stairlifts is £67,624 which would increase once the recycled stock is established over time. There are likely to be similar savings with other equipment solutions.

### **Background Papers and Published Documents**

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

Data Protection Impact Assessment

### **Electoral Division(s) and Member(s) Affected**

All.

ASCPH688 final