

<b>Report to:</b>	<b>EXECUTIVE CABINET</b>
<b>Date:</b>	26 July 2023
<b>Executive Member:</b>	John Taylor – Executive Member Adult Social Care, Homelessness & Inclusivity
<b>Reporting Officer:</b>	Stephanie Butterworth – Director of Adult Services
<b>Subject:</b>	<b>AWARD OF FRAMEWORK FOR THE PROVISION OF WORKS FOR DISABLED AND VULNERABLE PEOPLE</b>
<b>Report Summary:</b>	<p>On 24 August 2022 Executive Cabinet gave permission to procure a new framework for the delivery of adaptations for disabled people in Tameside.</p> <p>The procurement process is complete and approval is sought for the establishment of a Framework of Approved Contractors for Adaptations for Disabled People. The framework will operate for 4 years from 1 September 2023 to 31 August 2027. The approximate expenditure is likely to be in the region of £1.500m per year given that some of the Lots will not be awarded in this Framework</p>
<b>Recommendations:</b>	<p>That approval is given under the Council’s Procurement Standing Orders and the Financial Regulations to establish and use a framework of approved contractors to carry out adaptations and other works in residential properties for disabled and vulnerable people, namely:</p> <ul style="list-style-type: none"> <li>• ABM (Lancashire) Ltd</li> <li>• Accessibility Bathrooms</li> <li>• Jackson &amp; Taylor</li> <li>• KPDodd Construction</li> <li>• M&amp;R Heating Services</li> <li>• Rivergate Developments</li> <li>• Structec (NW) Ltd</li> </ul>
<b>Corporate Plan:</b>	<p>The framework will deliver improvements to the lives of Tameside residents and meets a number of specific themes within the Corporate Plan in part or wholly, namely:</p> <ul style="list-style-type: none"> <li>• 1 Very Best Start – Promote good parent-infant mental health;</li> <li>• 3 Resilient Families and Supportive Networks – Improve the quality of social care practice, improve the placement ability of our looked after children;</li> <li>• 4 Work Skills &amp; Enterprise – increase the number of apprenticeships</li> <li>• 7 Longer and Healthier Lives with Good Mental Health – ; increase physical and mental health life expectancy, improve the well-being of our population;</li> <li>• 8 Independence and Activity in Older Age – Increase the number of people helped to live at home, reduce hospital admissions due to falls, increase levels of self-care/ social prescribing, and prevent support outside the care system.</li> </ul>
<b>Policy Implications:</b>	The provision of adaptations and other removal of health and safety issues in residential property aligns with the Living Well,

Working Well and Ageing Well programmes and will assist in delivering the Council's Policies within these themes. Improving the independence of disabled and vulnerable people within the borough ensures the Council is meeting its' requirements under the Corporate Plan. The Framework will allow improved and timely delivery of adaptations to assist in the reduction of social care involvement in a number of areas, thereby saving funds across Adult and Children's Services. In addition, the Framework will allow the Council to improve its offer of, and levels of, assistance outlined in its Housing Financial Assistance Policy 2018-2023. This Policy is currently being reviewed for the next 5 years.

**Financial Implications:  
(Authorised by the  
statutory Section 151  
Officer & Chief Finance  
Officer)**

The report provides details of a proposed new framework of approved contractors to carry out adaptations and other works in residential properties for disabled and vulnerable people.

The framework will operate for four years from 1 September 2023 to 31 August 2027.

The expenditure relating to this framework will be financed by the annual Disabled Facilities Grant awarded to the Council via the Better Care Fund. The 2023/24 grant award to the Council is £2.849m. This is the same value as 2022/23 and is expected to be the same value again for 2024/25.

The annual expenditure via this framework is estimated to be £1.500m as not all Lots were awarded that were tendered due to the poor quality of bids received. Any works relating to Lot 3 (visual Impairment and electrical works), Lot 4 (construction of extensions to residential properties) and Lot 5 (general building works for non-adaptation disrepair works) will be subject to separate procurement arrangements – paragraphs 8.7 to 8.9 refer.

The Disabled Facilities Grant allocation will be subject to robust monthly monitoring within the Adult Services Directorate capital programme, the details of which will be reported during the year to the Council's Strategic Planning and Capital Monitoring Panel and Executive Cabinet. The annual allocation will also be monitored in accordance with the related grant conditions.

In addition, the framework will also finance related works for additional schemes that will be funded via Adult services capital funding reserve balances. The table below provides a summary of the balances at 1 April 2023 which are the remaining values after financing the existing 2023/24 Adults capital programme.

<b>Grant Reserve</b>	<b>Balance at 1 April 2023 After Existing Programme Commitments</b>	<b>Additional Commitments</b>	<b>Remaining Balance</b>
	<b>£'m</b>	<b>£'m</b>	<b>£'m</b>
Disabled Facilities Grant	2.165	0.000	2.165
Housing Assistance Contributions	1.016	0.000	1.016
Community Capacity Grant	1.476	0.039	1.437
<b>Total</b>	<b>4.657</b>	<b>0.039</b>	<b>4.618</b>

Work is ongoing to determine the scale of service prevention and ongoing revenue savings that will be delivered within the Council's medium term budget strategy via adaptations that are financed via schemes funded via the annual Disabled Facilities Grant and capital reserve grant balances.

**Legal Implications:  
(Authorised by the  
Borough Solicitor)**

As outlined in the report, approval is sought for the establishment of a Framework of Approved Contractors to deliver Adaptations for Disabled People.

Framework Agreements allow contracting authorities to select a number of contractors or providers to deliver works or services, with individual requirements being called off by way of mini competitions or (if the framework allows) by way of a direct award.

It can be a more streamlined process to procure works or services without giving any guarantee as to volume to the contractor or provider.

The Framework will consist of three lots. Advice from STaR Procurement has been sought on the decision not to award three of the Lots due to the poor quality of bids received.

The works under these three remaining Lots will be procured individually/ by way of three quotations.

Due to the potential value of the Framework Agreement this is a Key Decision in accordance with the Council's Financial Regulations, Procedures and Guidance.

**Risk Management:**

1. The Council could choose not to award the framework contract. This would mean obtaining 3 quotes for each and every piece of work for grant approval. This is the process used prior to the introduction of the first framework agreement a number of years ago. This is a time consuming and resource intensive process and would slow down the delivery of adaptations. Obtaining individual quotes is not a viable and productive option when dealing with 250-300 grants per year.

2. The Council could choose not to award this framework and request the procurement of a single provider for all adaptation works, this is not deemed appropriate as this offers no resilience in the provision of adaptations. This option was considered in the Executive Cabinet Report and was dismissed as, amongst other reasons, it would restrict all works to one provider to the detriment of local providers. In addition to this it would mean either extending the current contract for a further period which may present issues for the existing suppliers or reverting to the three quote process which as noted above is not a suitable option.

**Background Information:**

The background papers relating to this report can be inspected by contacting Jim Davies, Housing Adaptations Manager



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## **1. INTRODUCTION**

- 1.1 On 24 August 2022, Executive Cabinet gave permission for the procurement of a new framework of approved contractors for the delivery of adaptations for people in Tameside with disabilities. This new framework would provide suitable contractors to deliver adaptations over a 4 year period. STaR Procurement would lead the process to procure suitable contractors on the framework to provide the required works based upon the establishment of a minimum quality threshold.
- 1.2 A procurement exercise was carried out earlier in 2023 with STaR Procurement and Tameside Commissioning Services within Adult Social Care for the provision of the following: Major Adaptation Works (Lot 1A & Lot 1B), Minor Adaption Works (Lot 2 & 3), Extensions to residential properties (Lot 4) and Disrepair works for homeowners over 65 years and other vulnerable residents (Lot 5).
- 1.3 If approved, the new contracts with each provider for inclusion on the framework will commence on 1 September 2023 for 4 years to 31 August 2027.
- 1.4 Once the framework commenced, the intention was for individual packages of work to be specified and either approved using the fixed costs process within Lot 1A, or work would be compared with prices submitted by providers as part of the tender and works offered to those providing best value subject to their respective workloads for Lot 1B. Other works in Lot 2 and Lot 3 would be allocated to the contractor offering the best price. Works in Lot 4 and Lot 5 would be subject to a competitive quote exercise within the framework.

## **2. BACKGROUND**

- 2.1 Tameside Council wishes to assist residents, both owner-occupies and those in rented accommodation, to maintain their independence and for them to remain in their own homes for as long as possible. The Council has a duty to provide assistance to people identified as being in need of assistance and, in addition, it has a mandatory duty to provide assistance, in the form of a Disabled Facilities Grant (DFG) to anyone who fulfils the criteria set down in the appropriate legislation. The Council also provides Minor Adaptations to residents that are free at the point of delivery and discretionary assistance to deal with disrepair in owner occupied properties.
- 2.2 In addition to its mandatory duty to provide adaptations as per the DFG legislation the Council must also have an approved Housing Financial Assistance Policy within the Terms of the Regulatory Reform (Housing Assistance)(England and Wales) 2002 (the RRO Policy). This Policy allows the Council to provide other forms of discretionary assistance using its allocation from Department of Levelling Up, Housing and Communities (DLUHC) or other capital funds. The Council's current RRO Policy is due for review during 2023.
- 2.3 DLUHC allocates funding to all local authorities for DFG on an annual basis. The 2023/24 grant award to the Council is £2.849m. This is the same amount as in the previous financial year and according to DLUHC is expected to be the same for 2024/25. Local authorities have a mandatory obligation to provide DFG even if they use all their allocation.
- 2.4 The Council facilitates adaptations to residential properties for the majority of Tameside residents although some choose to make personal applications for DFG and carry out their own adaptations. The provision of adaptations provides the occupants with the necessary means to maintain a degree of independence where disability limits daily activity and reduces or negates the need for other forms of intervention. Other works may deal with disrepair and health and safety issues to properties, thereby preventing or delaying residents from calling on other Council services. This can help with reducing the impact of long term health issues.

- 2.5 The Council provides an agency service to residents via its' Housing Adaptations Service (low level Home Improvement Agency). When a referral is received from Adults or Children's Services it acts on behalf of the resident in dealing with the application process, procurement of works and supervision of the works under way. The service assists the resident throughout the whole process and helps to ensure that residents receive a fair and equitable service, ensuring value for money.

### **3. THE PROCUREMENT APPROACH TAKEN**

- 3.1 An open tendering exercise commenced on 21 November 2022 (DN635798) and closed on 13 January 2023. The original tender closing date of 9 January 2023 was extended in consultation with STaR Procurement due to the procurement exercise falling over the Christmas and New Year period to allow potential bidders adequate time to submit their documents.

- 3.2 The approach used in this tender were:

- Prequalification Questions – The bidders were required to complete these standard questions in order to be in a position to submit a bid.
- Tender Submission Questions – The tender questionnaire had 21 questions based upon Quantitative and Quality criteria comprising: technical ability, management approach, training of staff, dealing with complaints and typical approaches to on site problems. Certain questions were targeted at all bidders whilst others were specific to individual Lots so that bidders only answered questions related to the Lot they were bidding for.
- Social Value Questionnaire – The bidders were required to complete the Social Value questions and register on the Social Value Portal.

### **4. DETAILS OF PROPOSED CONTRACTUAL ARRANGMENTS**

- 4.1 Adult Services in its role as lead commissioner is seeking to award a 4 year framework contract (comprising Lot 1A, Lot 1B and Lot 2) commencing 1 September 2023 for a period of 4 years, expiring on 31 August 2027.

### **5. RESPONSE**

- 5.1 Although there was initial interest from many potential bidders, compliant responses were received from 11 builders/ contractors.
- 5.2 In addition, there were 4 non-compliant tenders that were excluded from the evaluation process because the bidders failed the Prequalification process.

### **6. EVALUATION METHOD AND OUTCOME**

- 6.1 Tender submissions were evaluated by a panel consisting of:

- Jim Davies – Housing Adaptations Service Manager
- John Barber – Housing Adaptations Service Senior Surveyor
- Tom Boyle – Housing Adaptations Service Senior Surveyor
- Gary Hargraves – Housing Adaptations Service Senior Surveyor
- Mike Fanning – Procurement Officer STaR Procurement

- 6.2 The Invitation to Tender was for bids on 5 separate Lots: Lots 1A for standard layout bathrooms where the price of the work is fixed; Lot 1B for general building and non-standard bathrooms; Lot 2 for Minor building works where the cost are general under

£2000; Lot 3 for Visual Impairment and electrical works; Lot 4 a list of suitable builders for construction of extensions to residential properties; and Lot 5 a list of builders for general building works for disrepair works (non-adaptation related).

6.3 The bids were based upon the following.

- Lot 1A – 80% quality and 20% Social Value;
- Lot 1B – 60% quality, 20% price and 20% Social Value;
- Lot 2 – 60% quality, 20% price and 20% Social Value;
- Lot 3 – 60% quality, 20% price and 20% Social Value;
- Lot 4 – 80% quality and 20% Social Value;
- Lot 5 – 80% quality and 20% Social Value.

6.4 The questions were drafted with input from the Panel members to reflect the type of works in the bid and typical issues raised in the current framework.

6.5 Additional support was provided where possible to ensure compliant bids were received, however, the bids remained non-compliant. Three of the unsuccessful bidders were local suppliers.

## **7. CHECKS ON PROVIDERS**

7.1 STaR Procurement has undertaken a full financial check via Company Watch. This check measures the overall financial health of a company. It is based upon a statistical evaluation of a company's publicly available financial results in order to determine the level of financial risk associated with the company.

7.2 STaR Procurement highlighted potential issues with some of the smaller builders/contractors due to a lower score than they would normally consider suitable. Discussions between the STaR Procurement Officer and the commissioners highlighted the following points that would mitigate concerns:

- Lot 1A - prices are fixed (subject to variations) and works are less than £0.008m;
- Lot 1B - the cost of individual building works was not likely to reach more than £0.025m per scheme;
- Lots 2 and 3 - the cost of individual works cannot exceed £0.002m
- Lots 4 and 5 - builders must provide competitive prices for each scheme;
- Lot 1A, Lot 1B, Lot 2 and Lot 3 - builders will be rotated to ensure each is given equal opportunity for work minimising the amount of work issued to them;
- Each offer of work is an individual scheme on a different property and as such any order is only specific to that scheme;
- Works will be at various stages of completion minimising over commitment issues;
- Payment is always made in arrears upon certification and upon the basis work is completed to the Council's and Client's satisfaction;
- Payment is not approved if the builder fails to deliver the works;
- Should a builder fail to deliver the works then other builders on the framework will be instructed to remedy any issues as required;
- The current framework operates on the same process without issue.

7.3 With this in mind, the commissioners considered there was a low risk of works being left unfinished and clients being left with incomplete works. There are suitable checks and balances in place to deal with the failure of a builder.

7.4 All builders/contractors have indicated in their bids that they have the appropriate levels insurance for the commencement of the framework. Insurance Documents will be obtained from all the successful bidders upon award of the Framework.

## **8. LIMITED AWARD OF THE FRAMEWORK**

- 8.1 Due to the poor quality of responses from some bidders and the corresponding lack of numbers in Lot 3, Lot 4 and Lot 5 it is recommended that only part of the framework shall be awarded. This will mean only awarding to Lot 1A for bathrooms, Lot 1B for nonstandard bathrooms and other building work, and Lot 2 for Minor Works of a building nature.
- 8.2 It is not practical to award the remaining Lots because they do not provide the required competitiveness expected and in one case, there is no qualified bidder. In some case bidders failed to give a response to the required questions. In Lot 4 and Lot 5 the responses failed to meet the required level for the Lot leaving an inadequate number of builders to provide the competitive requirements of that Lot.
- 8.3 The Lots that will not be awarded are Lot 3, Lot 4 and Lot 5.
- 8.4 Lot 3 is for Visual Impairment and Electrical works. There was no suitable bidder that met the requirements of the tender.
- 8.5 Lot 4 is for Extensions to residential properties where there is an assessed need for ground floor living or loft conversions. This Lot should provide a list of suitable builders to compete for such works. There were only two successful bids. This Lot is therefore not viable because this would not provide a competitive process to ensure value for money. The same builders were also successful in their bids for other Lots and this could result in capacity/ commitment issues should they have works underway in two or three Lots at the same time.
- 8.6 Lot 5 is for non-adaptation disrepair or health and safety work to residential properties where the homeowner is over 65 years of age or where the owner is otherwise vulnerable. This Lot as per Lot 4 was to provide a list of suitable builders for competitive quotes. As per Lot 4, there were only two successful bids (the same bidders) and for the same reasons as noted in paragraph 8.5, the Lot is not viable with only two builders.
- 8.7 With regard to works contained in Lot 3, following the contract award process the visual impairment works will have to be sourced by obtaining prices from suitably qualified electrical contractors on a price-by-price basis. All the work in this Lot is based upon items costing less than £0.002m so works can be agreed reasonably quickly. A new and separate procurement process will be considered to enable the works to be delivered without the need for individual pricing.
- 8.8 With regard to works contained in Lot 4, extensions are currently procured on an individual basis via STaR Procurement and the Chest. This process will continue as costs for extensions are between £0.040m and £0.060m. The parties will consider the results of the bids and it may prove advantageous to review the Lot for a separate procurement process at a future date.
- 8.9 With regard to works contained in Lot 5, this work is normally procured by obtaining three quotes. The costs associated with disrepair work is generally around £0.005m to £0.007m and so this procurement process will continue. The commissioners will consider the results of the bid and may review the Lot for a separate procurement process at a future date.

## **9. RISKS AND MITIGATION**

- 9.1 The utilisation of a procured framework of providers will reduce risks associated with procuring contracts for these works without any formal process.

- 9.2 The Council will not let Lot 3, Lot 4 and Lot 5. Following discussions with STaR Legal regarding the issues surrounding the bidders for these Lots a letter was deposited into the Chest advising all bidders of the Council's intention not to award these Lots. Bidders were given 10 working days during which they could make representation. No such representation was received and STaR Legal deemed the decision to be valid.
- 9.3 Delivery of adaptations contained within Lot 4 and Lot 5 will not cease because of the inability to award the Lots. The Council will continue with the procurement of works on an individual basis, as demand requires as per the process prior to including them in this procurement process. Individual procurement is still a cost effect means of delivering extensions. Consideration will be given to the feasibility of another procurement exercise to provide a list of contractors to deliver the works.
- 9.4 The works contained in Lot 3 will not cease because of the inability to award the Lot. Individual packages of work are less than £0.002m so individual contractors with the required electrical certification will be asked to provide prices for the work. Works will continue to be delivered until a new procurement exercise can be completed.

## **10. WAIVER INCLUSION**

- 10.1 This framework to be included within the existing General Waiver to Permit Use of Certain Named Frameworks, and that this Decision be attached to that decision notice until the next update when it shall be added to the amended report.

## **11. RECOMMENDATIONS**

- 11.1 As set out at the front of the report.