

CHESHIRE EAST COUNCIL

Cabinet

Date of Meeting:	7 th January 2014
Report of:	Director of Economic Growth & Prosperity
Subject/Title:	Framework for Domestic Repairs and Adaptations
Portfolio Holder:	Councillor Don Stockton, Housing, Planning Economic Development and Regeneration

1.0 Report Summary

- 1.1 This report sets out how Cheshire East Council will secure value for money in the procurement of domestic repairs and adaptations on behalf of vulnerable residents, providing opportunities for small and medium enterprises to do business with the Council.
- 1.2 Cheshire East Council is committed to helping people to stay in their own homes and remain as active and independent as possible. To support this, a number of services are provided so that vulnerable people can benefit from opportunities that give them the choice to remain in their own homes, and protect their health through well maintained homes. Support for older, vulnerable and disabled people to repair or adapt their home is part of a suite of developments across housing, social care, health and public health to increase good outcomes to achieve Outcome 5 in the Council's 3 year plan: "Local People Live Well and for Longer".
- 1.3 Adaptations are provided in the discharge of the Council's statutory duty to meet the needs of disabled people. Adaptations are designed to enable disabled people to live independently in the home of their choice, reducing or delaying the need for formal care.
- 1.4 Home repairs are provided through a discretionary power to provide financial support in the form of grants and loans to older and vulnerable low income home owners. Housing is a key determinant of health, with the condition and suitability of a person's home being closely linked to their health, their care, and their ability to participate in social networks. Poor housing conditions have a causal link to chronic health conditions including heart disease, stroke, respiratory conditions, mental health and arthritis and rheumatism. It is estimated that poor housing conditions in Cheshire East cost the NHS £4.3million per annum. The Council shares the Government's view that it is primarily the responsibility of home owners to maintain their own property, but we recognise that some owners do not have the necessary knowledge, capability or financial resources to repair or adapt their homes. The Council therefore has an important role to play in providing assistance for vulnerable people.

- 1.4 In order to comply with public sector procurement regulations and with the Council's Finance and Contract Procedure Rules, these services must be procured in a fair and transparent manner whilst ensuring best value. This is also critical to achieve economies of scale and to consistently manage the quality of the works carried out in the homes of vulnerable and/or disabled people.
- 1.5 Since November 2011 the Strategic Housing Service, when requiring domestic repairs or adaptations, have undertaken mini-tender exercises for each individual case by requesting a minimum of three quotes from contractors.
- 1.6 To replace the current procurement arrangement, a full procurement exercise will be undertaken to establish a Framework Agreement with a number of suppliers grouped into eight Lots covering:
- Roofs;
 - Windows and doors;
 - Electrics;
 - Gas and Heating;
 - General Plumbing including bathrooms;
 - Minor Building Works, including brickwork, plastering, joinery and kitchens;
 - Ramps; and
 - Major Building Works and Multi-Trade Refurbishments.
- 1.7 This Framework will be the final part of a suite of contracts and Frameworks for home repairs and adaptations; details of other contractual arrangements are set out below.
- 1.7.1 At its meeting on 17th September 2013 Cabinet delegated the power to award a Framework Agreement for Level Access Showers to the Director of Economic Growth and Prosperity, and as a result the Council has entered into a Framework Agreement with Cheshire Peaks & Plains Housing Trust Limited;
- 1.7.2 At its meeting on 12th November 2013 Cabinet authorised officers to carry out a procurement exercise to secure a contractor to deliver a Handyperson and Minor Adaptations service;
- 1.7.3 A Framework for the supply and provision of ceiling track hoists for the safe moving and handling of disabled people, and the servicing and maintenance of hoists and lifting equipment is being advertised on the Chest between 18th November 2013 and 6th January 2014; and
- 1.7.4 A contract was put in place with Stannah Lift Services Limited on 1st November 2010 for stair lifts, vertical lifts and step lifts, and is currently under review.

- 1.8 The Framework value will be between £1.6million and £2million over the period of the Framework, which is two years and an option to extend for up to a further two years. The Framework will enable the Council to call-off contracts as required by conducting mini-competitions between suppliers included on each Lot and does not provide a guarantee of the volume or value of work that Contractors will be awarded.
- 1.9 This report seeks authorisation to advertise, award and implement a Framework for Domestic Repairs and Adaptations for older, vulnerable and / or disabled persons.

2.0 Recommendations

- 2.1 To authorise officers to conduct a procurement exercise to tender for a Framework for Domestic Repairs and Adaptations. This tender will secure a Framework for works for two years, with the option to extend the Framework for up to a further two years subject to satisfactory performance.
- 2.2 To delegate authority to the Director of Economic Growth and Prosperity in consultation with the Portfolio Holder for Housing, Planning, Economic Development and Regeneration to award contracts to contractors meeting the requirements of the Framework following a legally compliant procurement exercise and subsequently enter into Framework Agreements with the successful bidders.

3.0 Reasons for Recommendations

- 3.1 There is a need to achieve best value for the services that the Council directly commissions and provides, and to reduce net operating cost wherever possible, whilst at the same time maintaining the best possible service for its residents in line with the Council's agreed three year plan.
- 3.2 There are no existing contracts in place to meet the need for domestic repairs and adaptations for older, vulnerable and disabled people. There is a well developed market to be able to deliver domestic repairs and adaptations, and this Framework will develop further opportunities for companies including small and medium enterprises (SMEs).
- 3.3 A framework agreement means that a contract is awarded following a mini competition between contractors within each designated Lot, the contractors having been selected on the basis of the quality and pricing established in the original tender process. This process results in a better controlled and consistent process by which Domestic Repairs and Adaptations are commissioned, contributing to the overall aim of the Council to ensure quality and value in public services.

4.0 Wards Affected

- 4.1 All wards.

5.0 Local Ward Members

5.1 All local ward members.

6.0 Policy Implications

6.1 The provision of Domestic Repairs and Adaptations for older, vulnerable and disabled people has a close fit with Outcome 5 of the Council's three year plan: People will live well and for longer; specifically by facilitating people to live independent, healthier and more fulfilled lives, and providing services that support prevention, early intervention and physical and mental well being.

6.2 Key performance indicators set out within the specifications will ensure that domestic repairs and adaptations are delivered in a timely manner within stringent timescales, ensuring that any opportunities to substitute paid care with adaptations are maximised.

7.0 Financial Implications

7.1 The value of the Framework (£400,000-£500,000 per annum, for up to four years) can be met within the annual Disabled Facilities Grant capital allocation received from the Department of Communities and Local Government, and the existing approved capital programme for Private Sector Assistance.

7.2 In 2013/14, the Disabled Facilities Grant allocation was £704,717, however it should be noted that the future allocation of capital grant is not guaranteed beyond 2015/16. The statutory duty placed on local authorities to award Disabled Facilities Grants determines that should the Government not allocate capital grant to the Council in the future, funding will need to be provided from the Council's own resources or through prudential borrowing.

7.3 Spending against the approved capital programme for Private Sector Assistance is profiled to end in 2014/15. Continuation of the Private Sector Assistance programme would be subject to approval of a business case and identification of further funding.

7.4 A Framework will enable the Council to call-off contracts as required, and does not provide a guarantee of the volume or value of work that the Contractor will be awarded. In the event that funding for Domestic Repairs and Adaptations ceases, the Council has no contractual obligations beyond any orders that have been called-off.

8.0 Legal Implications

8.1 The Chronically Sick and Disabled Persons Act 1970 places a duty on local authorities to arrange practical assistance in the home, and any works of adaptation or the provision of additional facilities designed to secure greater safety, comfort or convenience. Authorities may discharge their duties by the direct provision of equipment or adaptations, or by providing a grant to cover or contribute to the costs of such a provision.

- 8.2 The Housing Grants, Construction and Regeneration Act 1996 places a statutory duty on local authorities to provide grant aid to disabled persons in the form of Disabled Facilities Grants.
- 8.3 The aggregate value over the lifetime of the contract is below the current threshold for works (£4,348,350) as contained in the Public Contracts Regulations 2006 (“the Regulations”) so the full regime of the Regulations does not apply.
- 8.4 The Regulations allow local authorities to enter onto Framework Agreements with a number of contractors, following a competitive tendering process, and to thereafter select from those contractors particular services or works, as and when required for a maximum period of four years. The Council can choose to call off contracts under the Framework Agreement by appointing a contractor directly (direct award) based on the pricing and/or other information established in the original tender process or if the price cannot be directly determined or in order to ensure best value, it can hold a mini-competition between the contractors appointed to the framework in order to award a call off contract.
- 8.5 In order to evidence value for money the Strategic Housing service intends to conduct mini-competitions to ensure that the Council continues to receive best value. Legal Services will ensure that the Framework contains provisions such that it can be terminated in the event that either the services or works cannot be provided on terms which remain acceptable to the Council or after the initial 2 year term. The Framework Agreement will not contain a guarantee of a certain volume of required services or works to the appointed contractors.
- 8.6 The Housing Service will need to engage with Legal Services to ensure that the Council’s duties under the Public Services Social Value Act, as it applies to framework agreements, are fulfilled. The Act requires the Council to:
- consider how what is proposed to be procured might improve the social economic and environmental well-being of the relevant area;
 - how in conducting a procurement process it may act with a view to securing that improvement; and
 - whether to undertake any community consultation on their proposals.

9.0 Risk Management

- 9.1 Failure to procure works in accordance with the Public Contracts Regulations 2006 and the Council’s Finance and Contract Procedure Rules would leave the Council open to challenge and in breach of regulations, with a subsequent reputational impact.
- 9.2 The contract will be advertised on the North West Chest, and all companies expressing an interest in the contract will be invited to tender. The tenders will be evaluated using criteria to establish the most economically advantageous tender.

10.0 Access to Information

The background papers relating to this report can be inspected by contacting the report writer:

Name: Karen Whitehead
Designation: Private Sector Housing Manager
Tel No: 01270 686653
Email: karen.whitehead@cheshireeast.gov.uk