



Cabinet
6th April 2021

**Report from the Strategic Director
of Community Wellbeing**

AUTHORITY TO AWARD CONTRACT FOR COMMUNITY EQUIPMENT PROVIDER

Wards Affected:	All
Key or Non-Key Decision:	Key Decision
Open or Part/Fully Exempt: (If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)	Part Exempt – Appendices 1 is exempt as it contains the following category of exempt information as specified in Paragraph 3, Schedule 12A of the Local Government Act 1972, namely: “Information relating to the financial or business affairs of any particular person (including the authority holding that information)”
No. of Appendices:	Two Appendix 1: List of Contractors (exempt) Appendix 2: Tender Evaluation Grid
Background Papers:	None
Contact Officer(s): (Name, Title, Contact Details)	Sunny Mehmi Head of Service: Urgent Care 020 8937 1323

1.0 Purpose of the Report

- 1.1 This report concerns the award of a call-off contract for the community equipment provider. This report requests authority to award contracts as required by Contract Standing Order 88. This report summarises the process undertaken in tendering the framework from which it is proposed to call off.

2.0 Recommendation(s)

That Cabinet:

- 2.1 Notes Officers involvement in the procurement of a framework for Community Equipment let by the London Borough of Barnet.
- 2.2 Approves the award of a call-off contract from the framework referred to in 2.1 above for Community Equipment to Milbrook Healthcare Limited for a period of 5 years from the 1st July 2021 until 30 June 2026 with optional break clauses exercisable at the ends of years 3 and 4 of the contract.

3.0 Detail

- 3.1 Local authorities have a statutory duty (under the Care Act 2014, Children and Families Act 2014) to make arrangements for the provision of disability aids and “community equipment”, to meet the assessed eligible needs of individuals who are resident in their area.
- 3.2 The provision of community equipment supports residents to remain as independent as long as possible is both a statutory requirement and important in delivering key strategic system priorities for example hospital discharge and avoidance, a reduction in the use of residential care and a reduced reliance on homecare provision.
- 3.3. The demand for community equipment services and telecare solutions within the Borough continues to rise and over the life of the current contract, the spend for equipment to support individuals has increased by 16%. This is a reflection of demographic changes (according to 2011 census the number of people in Brent aged 65+ and 75+ increased by 8% and by 17% respectively 2001-2011) and future projections predicting increases of the number of residents aged 65 and over will increase by 15% by 2023, and by 41% by 2030.
- 3.4 The Council commissions this service jointly with Brent Clinical Commissioning Group (BCCG) via a Section 75 Partnership Agreement, with the Council acting as lead commissioner. The section 75 is reviewed annually. The CCG currently funds 62% of the costs and the Council meets the remaining 38%. The activity and cost confirming the funding split continues to be reviewed annually to ensure it reflects the balance of health and social care provision. The current contract between the Council and Millbrooke HealthCare Limited has been operating for 5 years and expires in June 2021.
- 3.5 The current model has proved successful with both prescribers and patients/residents and affords the flexibility and responsivity required to meet resident’s needs in a timely fashion. We are therefore proposing a “like for like” service to maintain the level of service currently provided with opportunities within the life of the contract to investigate initiatives that are

emerging nationally that could further build on the flexibility and current specification to become more efficient and person centred in the future.

- 3.6 The Community Equipment Service comprises the following main elements;
- Sourcing and supply of equipment
 - Storage facility
 - Cleaning
 - Delivery
 - Maintenance and repairs
 - Collection
 - Logistics for scheduling activities
- 3.7 There are around 600 active prescribing practitioners using the service on a regular basis across a range of professions, but primarily occupational therapists within the Hospital Trusts and the Council, and district nurses. The service operates as a spot purchase contract whereby equipment and associated services are purchased individually by prescribing practitioners for each person who is being supported following clinical assessment. Therefore, monthly demand and spending is variable.
- 3.8 There is currently an OT lead role hosted within the Council which oversees the prescriber engagement, provides guidance on equipment provision, undertakes scrutiny of prescribing behaviour and carries out day to day liaison with the contractor.
- 3.9 The timely provision of equipment contributes significantly to the priorities of the council and the NHS. This includes for example;
- Aiding short term recovery e.g. a raised toilet seat following a hip replacement
 - Supporting long term conditions to be managed in the home e.g. ceiling track hoists and slings to enable care at home
 - Reducing risk of deterioration e.g. appropriate seating and postural support to enable independent eating
 - Facilitating hospital discharge e.g. pendant alarms and key safes
- 3.10 In Brent, the service is currently operated on a credit model for core stock items which is standard equipment. These are the most frequently used items whereby the commissioner is credited a fixed percentage upon the return to shelf of the equipment, with the provider retaining a smaller percentage of the equipment value. This model encourages reuse and recycling with the provider incentivised to maximise the retrieval of equipment. The new service retains this credit model approach following on from extensive research of alternative options and models.
- 3.11 There was a significant change in demand for the service in 2019/20 with an increase in spend, but focussed in the key areas of overall demand and complexity of need. Complex moving and handling equipment also saw the largest percentage increase, but beds and accessories saw the highest rise in

spend, particularly during the COVID period as hospitals looked to discharge my patients home, a further indication of the rise in the complexity of needs of people accessing the service.

- 3.12 Brent Council is a member of the North London Community Equipment Consortium (“the Consortium”) with London Borough of Barnet, working collaboratively to procure and develop community equipment services. Following discussions with Barnet, it was agreed that Barnet would procure a framework agreement that Barnet, Brent and other local authorities and public bodies could call off Community Equipment Services from. It was agreed that this would be a single supplier framework, procured in accordance with the Public Contracts Regulations 2015 (PCR 2015). It was also agreed that Brent Officers would have input into the procurement, including helping Barnet to evaluate the framework agreement. Following the establishment of the framework, Brent and Barnet would then be able to call off their own contracts for community equipment services. As the framework has now been established by Barnet, Officers at Brent wish to use the framework to call off community equipment services.
- 3.13 The new service will remain broadly in line with the existing provision, as research has suggested this to be the best approach. Some specific changes have been included in order to improve the efficiency and maximise the benefits to stakeholders including people accessing equipment through the service. Improvements proposed for the service includes;
- Bookable shorter delivery and collection slots.
 - Improved communication for prescribing practitioners and service users
 - Improved opening hours. This will increase customer and prescriber experience and offer a more flexible model for stakeholders operating over 7 days.
 - Improved online portal and app to order and monitor live delivery updates
 - A self-purchase portal. This will aid self-funders and people accessing the service who wish to purchase a brand new or an enhanced version of their assessed equipment need.
 - Enhanced monthly data provision.
- 3.14. As the service is providing equipment for people to use primarily without clinical supervision, there is a clear health and safety responsibility on the prescribing practitioners and the service provider to ensure that all service users and / or any carers are given appropriate instruction in relation to the safe use and care of equipment provided. Prescribing practitioners can request that equipment is demonstrated upon delivery and all equipment issued will be accompanied by usage and care instructions. In addition, evidence of health and safety at work policies and procedures were included in the procurement exercise and will be considered as part of the standard contract monitoring practices.
- 3.15 The service proposals includes a new development whereby people funding their own care can access the equipment expertise available from the provider. This will provide more choice and support for people with needs

outside of this service, but will support people in their communities to retain independence and support wellbeing. It is proposed that this function will be a stand-alone web based portal fully compliant with the public sector accessibility regulations, but with no operational involvement on a day to day basis from the council.

- 3.14 Telecare equipment provision and installation remain within this commissioned service initially whilst the emerging work around technology enabled living is finalised and the council's future direction is confirmed.
- 3.15 As significant part of the new specification was a better customer experience for residents and prescribers. As part of the new tender submission, the provider will implement a new innovative Service User Portal, which empower prescribers to bring their needs and preferences to the fore. It supports self-management of tasks including:
- Booking a 1-hour delivery slot
 - Live delivery tracking
 - Requesting equipment collection/maintenance
 - Uploading images and requesting repair
 - Viewing care/maintenance guidelines
 - A new iPhone/Android app compliments the existing web-based portal, with built-in push notifications for news items, order updates
- 3.16 Development of a new Community Health & Engagement Officer who will form a Service and Resident User Board, who's aim with be to review performance utilising their own lived experiences. The key performance indicators will include, as well as an annual assessment of performance against the aims, outcomes and objectives.
- 80% of calls to the call centre answered within 1 minute
 - 95% of orders delivered in an agreed timeslot
 - 90% of users are 'very' to 'satisfied' with the services received
 - 100% of maintenance are completed within 10 working days of the date set out in the Pre-Planned Maintenance schedule.

4.0 The Framework Tender Process

- 4.1 The procurement of the framework by Barnet was subject to the PCR 2015 provisions of equal treatment, fairness and non-discrimination. The tendering process ensured that these requirements were met. Brent Officers were involved in procurement of the framework, to include agreeing the evaluation criteria and assisting with the evaluation.
- 4.2 The contract opportunity was advertised in OJEU in compliance with the Public Contracts Regulations 2015 relevant at the time.
- 4.3 The tendering instructions stated that the framework would be awarded on the basis of the most economically advantageous offer.
- 4.4 The tender process involved a two-stage evaluation of capability, quality and cost as follows:

- Stage 1: Capability Assessment via selection questionnaire to assess the suitability of Tenderers with respect to their technical knowledge, capability/capacity, organisational and financial standing as relevant to the requirements.
- Stage 2: Quality (60% of the total including 5% social value) and price (40% of the total) evaluation.

4.5 Quality was evaluated based on the bidders' submitted method statements. Each response was scored out of 5, with 0 being the lowest and 5 being the highest score. In order to pass the quality section, bidders were required to score a minimum moderated score of 1 or more out of the available 5 points for each method statement question and also achieve a minimum overall score of 30% out of the available 60% across all method statement questions. A consensus score was then awarded.

4.6 The score for the total contract price was created by dividing each compliant tender price by the lowest priced tender. This ratio was multiplied by the price weighting of 40%, to give a price score for each tenderer.

4.7 Tender submissions from providers who passed the selection questionnaire stage then had their technical questions evaluated individually by a panel of members from both Barnet and Brent. The panel members then took part in a moderation meeting to agree consensus scores.

4.8 The quality award criteria accounted for 60% of the total score as set out in the table below.

Section	Criteria	Weighting
Quality (60%)	MSQ 1: Service Delivery	12%
	MSQ 2: Staffing	6%
	MSQ 3: Engagement	6%
	MSQ 4: Partnership Working	7%
	MSQ 5a: Service Outcomes	8%
	MSQ 5b: Service Outcomes	8%
	MSQ 6: Mobilisation, Transition Risk Management and Contingency Planning	8%
	MSQ 7: Social Value	5%
Price (40%)	Price	40%
Total:		100%

4.9 The quality/price percentage split for the tender was 60/40. 40% of the overall score was awarded to price. Both price and quality scores were combined to calculate a total score.

Evaluation process

- 4.10 The tender evaluation was carried out by a panel of officers from Adult Social Care in both Barnet and Brent.
- 4.11 All tenders had to be submitted electronically no later than 5th October 2020, 5:00pm. Tenders were opened on 26th August 2020 and three valid tenders were received.
- 4.12 Each member of the evaluation panel read the tenders and carried out an initial evaluation of how well they considered each of the award criteria was addressed in the tender.
- 4.13 Shortlisting was carried out on the basis of the contractors' financial viability and technical ability, all three submitted tenders came through the shortlisting process.
- 4.14 Quality inspections were conducted on a pass/fail basis for all Close Technical Equivalent (CTEs) submitted as part of the scored equipment list under the categories of Occupational Therapy, Physiotherapy, and Tissue Viability equipment. Due to the national pandemic and the change in Tier levels for the UK, these inspections were carried out physically and virtually dependent upon the dates they had been booked in for, with the utmost attention paid to consistency of evaluation.
- 4.15 The evaluation panel met on 3rd and 7th December 2020 and each submission was marked by the whole panel against the award criteria.
- 4.16 The names of the tenderers are contained in Appendix 1. The scores received by the tenderers are included in Appendix 2. It will be noted that Contractor A was the highest scoring tenderer and as such Contractor A, namely Millbrook Healthcare Limited, has been appointed to the Barnet framework as the sole supplier.
- 4.17 Officers wish to call-off from the Barnet framework and therefore recommend the award of a call-off contract to Millbrook Healthcare Limited. The proposed call-off contract will commence on 1st July 2021.

5.0 Financial Implications

- 5.1 The Council's Contract Standing Orders state that contracts for supplies exceeding £2 million shall be referred to the Cabinet for approval of the award of the contract.
- 5.2 The estimated value of this call-off contract is £10.5m, of which £4m would be for expenditure related to Brent Council and £6.5m for expenditure related to Brent Clinical Commissioning Group.
- 5.3 In respect of the financial management and control, the lead Officer will ensure that the pooled budget already set up to monitor and track the costs

and partner contributions to fund the service continues to operate effectively. The partners will maintain their own financial monitoring and control arrangements as they do now and will have the mechanism through the monthly financial report to the operations board to check and reconcile their costs against the pooled budget. A year-end reconciliation process will be in place to identify any under or overspend and arrange for the reimbursement or recharge of any balance based on contribution compared to their actual spend.

6.0 Legal Implications

6.1 The £10.5m estimated value of this call-off contract over its lifetime is in excess of the threshold for supplies under the PCR 2015 and the award of the contract is therefore governed by the PCR 2015.

6.2 The intention is to call-off a contract from the Barnet framework. The PCR 2015 allow the use of framework agreements and prescribe rules and controls for their procurement. Contracts may then be called off under such framework agreements without the need for them to be separately advertised and procured through a full procurement process. Call offs under the framework need to be carried out in accordance with the framework rules, to include utilising the terms and conditions set out in the framework. The intention is to use the standard call-off contract under the Barnet framework agreement.

7.3 The Council's Contract Standing Orders state that no formal tendering procedures apply where contracts are called off under a framework agreement established by another contracting authority, where call off under the framework agreement is approved by the relevant Chief Officer and provided that the Director of Legal, HR, Audit and Investigations has advised that participation in the framework is legally permissible. The Director of Legal, HR, Audit and Investigations confirmed that participation in the Barnet framework is legally permissible.

7.4 Based on the estimated value of the call-off contract over its lifetime, the contract will be classed as a High Value Contract under the Council's Contract Standing Orders and Financial Regulations. As such, Cabinet approval to the award of the call-off contract is required.

6.3 As the procurement of community equipment is from a framework, there is no requirement for the Council to observe a 10 day standstill period under the PCR 2015 although the award of the contract will be subject to the Council's usual call-in process.

7.0 Equality Implications

7.1 The Council must, in the exercise of its functions, have due regard to the need to:

- (a) eliminate discrimination, harassment and victimisation

- (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and
- (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it,

pursuant to s149 Equality Act 2010. This is known as the Public Sector Equality Duty.

7.2 The Public Sector Equality Duty covers the following nine protected characteristics: age, disability, marriage and civil partnership, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

7.3 The purpose of the duty is to enquire into whether a proposed decision disproportionately affects people with a protected characteristic. In other words, the indirect discriminatory effects of a proposed decision. Due regard is the regard that is appropriate in all the circumstances.

7.4 The proposals in this report have been subject to screening and officers believe that there are no adverse equality implications

8.0 Consultation with Ward Members and Stakeholders

8.1 The lead member for ASC has been consulted and consultation with service users has commenced and is ongoing

9.0 Human Resources/Property Implications (if appropriate)

9.1 The provision of community equipment is currently provided by an external contractor and there are no HR implications for Council staff or Property implications arising from the re-procurement of this contract.

10.0 Public Services (Social Value) Act 2012

10.1 The Council is under duty pursuant to the Public Services (Social Value) Act 2012 (“the Social Value Act”) to consider how services being procured might improve the economic, social and environmental well-being of its area; how, in conducting the procurement process, the Council might act with a view to securing that improvement; and whether the Council should undertake consultation. Officers have had regard to considerations contained in the Social Value Act in relation to the procurement.

10.2 The tender for the Barnet framework had 5% of the total evaluation criteria for social value considerations. The winning bidder outlined the following initiatives that will be carried through to contracts called off from the Barnet framework:

Social Value Outcome	Commitment
Increased employment to local people	Local First recruitment policy aimed at long-term unemployed.
Increased employment to those most removed from the labour market	As a disability confident employer, the workforce to represent the local community.
	Apprenticeship and work experience schemes, establishing links to schools and College.
	Provide work placement for young people in care.
Improved skills for local people	CECOPS training for all employees.
Work placements	Work experience and careers support provided throughout.
Charitable support	Adoption of local charities by the Millbrook Foundation

Report sign off:

Phil Porter

Strategic Director of Community and Wellbeing.