

<b>Subject:</b>	<b>Procurement of Housing &amp; Adult Social Care Adaptations Framework Agreement</b>		
<b>Date of Meeting:</b>	<b>18<sup>th</sup> January 2012 19<sup>th</sup> January 2012 - Cabinet</b>		
<b>Report of:</b>	<b>Strategic Director Place</b>		
<b>Contact Officer:</b>	<b>Name:</b>	<b>Martin Reid / Alex Dickie</b>	<b>Tel:</b> 29-3293
	<b>E-mail:</b>	<b>Martin.Reid@brighton-hove.gov.uk</b>	
<b>Key Decision:</b>	<b>Yes</b>	<b>Forward Plan No. 26742</b>	
<b>Wards Affected:</b>	<b>All</b>		

**FOR GENERAL RELEASE****1. SUMMARY AND POLICY CONTEXT:**

- 1.1 This report seeks approval for the tendering of a framework agreement to provide for minor and major adaptations in council homes and in private sector housing in Brighton & Hove.
- 1.2 The framework agreement for minor and major adaptations in the public and private sector would:
- Rationalise current arrangements.
  - Achieve better value for money, offering potential contractors an agreement with increased value which should in turn provide the Council with the advantages of economies of scale.
  - Ensure that works are delivered in a timely manner by avoiding the need to obtain a range of quotes for each job.
  - Ensure access to specialist contractors experienced in the installation of complex adaptations.
  - Provide the opportunity for small business to tender for lots within the framework agreement.

**2. RECOMMENDATIONS:**

- 2.1 That the Housing Cabinet Member notes the report and the intention for it to be considered by the Cabinet on the 19<sup>th</sup> January, 2012.

That Cabinet approves the following:

- 2.2 The procurement of a framework agreement for minor and major adaptations works in council homes and in private sector housing with a term of three years and an option to extend for one year be approved;

- 2.3 That authority be delegated to the Strategic Director for Place to carry out the procurement of the framework agreement referred to in 2.2 above including the award and letting of the framework agreement; and
- 2.4 That delegated authority to the Strategic Director for Place to grant a one year extension to the framework agreement referred to in 2.2 above be agreed should he/she consider it appropriate at the relevant time.

### **3. RELEVANT BACKGROUND INFORMATION/CHRONOLOGY OF KEY EVENTS:**

- 3.1 Local authorities have a statutory duty under the National Health Service & Community Care Act 1990 to assess and meet people's needs which may include the need for an adaptation or move to suitable housing; they also have a statutory duty under the Chronically Sick and Disabled Persons Act 1970 and the Housing Grants Construction & Regeneration Act 1996 to meet the adaptations needs of disabled people.

The Integrated Housing Adaptations Service is responsible for commissioning the provision of major housing adaptations across all tenures in the City including investment, Occupational Therapist assessment, management of the Adaptations Technical Team and partnership with our Home Improvement Agency. The team procures council housing adaptations through a framework agreement which has come to an end. We are now seeking to tender a new framework agreement in partnership with Adult Social Care to provide for both minor and major adaptations in council homes and in private sector housing in Brighton & Hove.

- 3.2 The Integrated Housing Adaptations Service is able to:
  - promote a proactive approach to managing the increasing demand for major housing adaptations though supporting investment in wheelchair adapted & lifetime homes through new build and existing capital programmes. This is in addition to responding to statutory Community Care Act assessment requests where there may be an identified need;
  - offer housing options approach as an alternative to costly and disruptive major adaptations – in both the public and private sector;
  - work with Housing Delivery, making best use of the Decent Homes capital programme to deliver more accessible council homes, and;
  - continue to develop the Trusted Assessor arrangements delivering minor works in council homes without delay.

Where cases do go through Community Care Assessment and the need for an adaptation is identified, the service delivers a 'whole systems approach' from the housing OT assessment and recommendations, feasibility and technical support through to practical completion.

### **3.3 Major adaptations to Council homes - previous framework agreement and interim arrangements**

In 2009/10 a framework agreement for major housing adaptations to Council homes was tendered and awarded in August 2010. 4 contractors

were selected for 1 year with the option for the Council to extend for a further 3 years. Due to a number of issues arising in that first year, primarily around capacity, officers felt it unwise to extend that framework agreement. A waiver has been agreed to allow the Adaptations Service to use contracts procured in 2005 to maintain service while a new framework agreement can be procured.

- 3.4 The framework agreement allows Home Improvement Officers in the Housing Adaptations Service to order standard items at competitively tendered prices using a schedule of rates. This eliminates the need to tender every adaptation, saving valuable time in the provision of adaptations. This also ensures a lasting relationship with specialist contractors. Regular review meetings help to continually improve the services provided by the contractors. The range of major adaptations work undertaken by specialist contractors includes:

Level Access Showers	Dropped curbs/crossovers
Over Bath Showers	Hard standings
Ramps	Kitchen adaptations
Wash & Dry Toilets	Paths/ground works
External Rails	Access to house
Internal Rails	Access to garden

- 3.5 Frequent review meetings with contractors ensure a high overall standard is achieved and customer service by contractor operatives is of the highest quality including a supportive response to people with a range of disabilities. Multiple contractors on the framework ensure competitive spirit is achieved with contractors striving to compete on quality and service, as well as on prices that are set at the start of the framework agreement. All installations are under warranty for 1 year and failure to promptly resolve defects will affect future orders with the contractor in question. In practice, this ensures a high quality finish on public sector adaptations.

We propose to continue to develop the Trusted Assessor arrangements delivering minor works in Council homes without delay in partnership with the Estates Services Team.

### 3.6 **Minor adaptations in private sector homes**

Minor adaptations work in private sector homes, that is structural and electrical works up to a value of £1000, have been commissioned within Adult Social Care via the Integrated Community Equipment Service (ICES) using a number of different contractors. ICES who are jointly managed by ASC and the NHS will (continue to) allocate the work via the framework agreement under a service specification to ensure adaptations are facilitated in a timely manner. The framework agreement will ensure that work is ordered and carried out quickly by avoiding the need to obtain a range of quotes for each job and that work is undertaken by specialist contractors who are experienced and sensitive to the needs of disabled people.

**3.7 Intention of Housing and ASC to work together to develop new framework**

3.8 There is agreement between Adult Social Care and Housing to run a collaborative tender process, with separate lots for minor and major works, in order to ensure the best possible value is achieved.

**3.9 Disabled Facilities Grant – major adaptations to eligible private sector households**

3.10 A proportion of Disabled Facilities Grant (DFG) budget for major housing adaptations in private sector homes may also be included within the scope of the framework agreement and allow disabled people in the private sector 3<sup>rd</sup> party access rights to framework prices. This has the following potential advantages:

- Achieving the best value through economies of scale as DFG jobs are currently provided through competitive tenders for single jobs;
- Offers a much quicker route to DFG approval as the tendering period could be omitted and the order constructed from the schedule of rates with the minimum of delay.

The potential risks may be:

- Reliance on a limited number of contractors for all adaptations in the city should problems arise with the quality of their work;
- Perception by service users that the Council will be liable for any problems with workmanship on the job and subsequent maintenance.

The potential benefits of this approach are considered to outweigh the potential risk at this time.

**Budgets & out-turn**

The 2011/12 Budget for HRA adaptations is £826,000, which includes £76,000 budget carried forward from 2010/11.

<b>Year</b>	<b>Expenditure (000s) HRA adaptations budgets</b>	<b>Number of adaptations completed</b>
2007/8	£612	336
2008/9	£814	531
2009/10	£800	538
<b>2010/11</b>	<b>£773</b>	<b>498</b>

The budget for minor adaptations in owner occupier and privately rented properties is £305k for 2011/12. This is broken down into:

- £205k Annual Revenue contribution to capital from the Adult Social Care Budget

- £100k Allocation from the Department of Health funding

DFG budget was £723k capital allocation last year, topped up locally to £1.1m.

Year	Expenditure (000s)	Grants completed
2007/8	£ 930	124
2008/9	£ 820	115
2009/10	£ 1,219	142
<b>2010/11</b>	£ 1,060	<b>161</b>

### Cost benefit & demand

In relation to housing adaptations, the Audit Commission identified that investment of £20,000 in adaptations can make savings of £6,000 a year in home care costs.

Housing Needs Survey found that 19.8% of households in the City contain somebody with a long term illness or disability (around 22,362 households). The largest group affected by a named support need were those with a walking difficulty but who did not use a wheelchair, representing 52.3% of those with a support need. 8.1% of all households reported that they contained a member who was a wheelchair user, suggesting 1,765 households in the City as a whole.

There is a projected 15% increase in the retired population and 60% in the over 80 year old population up to 2026. Over a quarter of all people with a disability are over 75 and over half have a walking difficulty with likely requirements for adaptations.

The Private Sector Housing Stock Condition Survey (2008) estimated that there is a need for around 916 Major Adaptations each year in the Private Sector. Currently around c160 private sector housing adaptations are supported by Disabled Facilities Grant each year.

In terms of anticipating public sector demand we know that:

- BHCC council housing has over double the average of households with a disability compared with other main tenures in the City;
- 35% of those currently waiting for a major adaptation are council tenants while council housing stock accounts for 11% of all residential in the City

By definition, adaptations increase independence and can reduce social care costs. Most prevent or at least slow down the rate of deterioration in health, others promote rehabilitation and health gain. There are significant potential savings to health e.g. faster hospital discharge and reductions in the cost of GP visits, factors that are relevant in deciding the most effective way to pool resources to achieve cost benefits.

The provision of adaptations work also supports the Government's personalisation and prevention agenda and national research demonstrates that most service users would choose the one-off provision of equipment or adaptations that supports their continued independence rather than the more costly and ongoing intervention of a care package.

#### **4. CONSULTATION**

- 4.1 Officers plan to include representatives from Tenants Disability Network and the Brighton and Hove Federation of Disabled People at all stages throughout the procurement process including pre-planning and evaluation.

#### **5. FINANCIAL & OTHER IMPLICATIONS:**

##### Financial Implications

- 5.1 The procurement of an extended framework agreement for minor and major adaptations should ensure value for money is achieved and avoid the delays associated with tendering for each major adaptation. The capital programme for 2011/12 provides for £826,000 of expenditure for HRA disabled adaptations and £305,000 on minor adaptations in owner occupier and privately rented properties. The three year HRA capital programme for 2012/13 and beyond includes a budget for Disabled Adaptations and reports to Cabinet on 9<sup>th</sup> February 2012. It is anticipated that the minor adaptations budget will be set at a similar level to 2011/12.

Finance Officer consulted: Mike Bentley

Date: 19/12/11

##### Legal Implications:

- 5.2 The UK Public Contracts Regulations will apply in full to the procurement of the Framework Agreement.

Under contract standing order 3.1, the authority of the relevant Cabinet member or Cabinet itself must be sought where the expenditure exceeds £500,000 as it does in this instance.

As set out in the body of this report there are statutory requirements for Local Authority to assess and meet eligible community care needs and the needs for facilities and adaptations for disabled people. In meeting these needs the Local Authority must have regard to individuals rights as enshrined in the Human Rights Act 1998.

Lawyer consulted:

Isabella Sidoli

15/12/11

##### Equalities Implications:

- 5.3 The nature of disabled adaptations is to promote the equality of disabled people and empower them to be as independent as possible within their own home and to be able to access the local community.

Sustainability Implications:

- 5.4 Timely provision of adaptations allows disabled people to maintain their independence and contributes towards the council's vision for sustainable communities. Every effort is made to source sustainable and recycled materials and close attention will be paid to contractor working practices during the evaluation process.

Crime & Disorder Implications:

- 5.5 No foreseeable implications

Risk & Opportunity Management Implications:

- 5.6 Construction work does include inherent risks however the Housing Adaptation Service carries out its duties as client and designer under HSE Construction (Design and Management) regulations.
- 5.6.1 Health and Safety is a standing item on all contractor review meetings.

Corporate / Citywide Implications:

- 5.7 The following council priorities are directly supported by the approval of the term contract for disabled adaptations:
- Reduce inequality by increasing opportunity* – disabled people are empowered to live safely and independently in their own home and enabled to access the local community.
- Better use of public money* – competitive tendering ensures the best value services can be procured.

**6. EVALUATION OF ANY ALTERNATIVE OPTION(S):**

- 6.1 See above

**7. REASONS FOR REPORT RECOMMENDATIONS**

- 7.1 Ensure best value
- 7.2 Ensure quick work flow and avoid delays to adaptations
- 7.3 Ensure high-quality, accountably provided adaptations

**SUPPORTING DOCUMENTATION**

**Appendices:**

1. None

**Documents in Members' Rooms**

1. None

**Background Documents**

1. None