

North Lanarkshire Council Report

Adult Care and Social Work Committee

Does this report require to be approved? Yes No

Ref RM

Date 14/11/23

Contract Award for Aids for Daily Living

From Ross McGuffie, Chief Officer, North Lanarkshire Health & Social Care Partnership

E-mail Ross.McGuffie@lanarkshire.scot.nhs.uk **Telephone** 01698 752594

Executive Summary

The Adult Care and Social Work Committee (the “Committee”) is asked to approve the award of a contract for Aids for Daily Living (the ‘Agreement’) to NRS Healthcare Limited.

The Agreement is for a period of 30 months with no option to extend. It is anticipated to commence on 01 December 2023.

The maximum value of the Agreement is Two Million Five Hundred Thousand pounds Sterling (£2,500,000.00) exclusive of VAT.

Recommendations

It is recommended that the Adult Care and Social Work Committee:

- (1) Approves the award of the Agreement to NRS Healthcare Limited at the maximum value of Two Million Five Hundred Thousand Pounds Sterling (£2,500,000.00) exclusive of VAT.

The Plan for North Lanarkshire

Priority	Improve the health and wellbeing of our communities
Ambition statement	(12) Ensure our residents are able to achieve, maintain, and recover their independence through appropriate supports at home and in their communities
Programme of Work	Resilient People

1. Background

- 1.1 North Lanarkshire Council works in partnership with NHS Lanarkshire to fund the Aids for Daily Living (ADL) and purchases aids for daily living on behalf of both organisations. ADL provides specialist equipment and housing adaptations that support people to live independently in their own homes.

- 1.2 The service covers the North Lanarkshire area for equipment and adaptations requests from North Lanarkshire and the whole of Lanarkshire for NHS Lanarkshire requests.
- 1.3 Equipment and adaptations are recognised as a very cost-effective part of an integrated community care service. Provision of relatively low-cost equipment can prevent accidents in the home which can result in significant costs to health and social care services and are detrimental to the individuals' health and wellbeing.
- 1.4 The supply of this equipment fully supports Health and Social Care North Lanarkshire's ambitions to enable its residents, of all ages and disabilities, to remain within their own homes and to support their independent living and social inclusion for as long as possible. The proposed contractual arrangement will support Health and Social Care North Lanarkshire to fulfil its statutory duties under a range of legislation and the Scottish Government's National Guidance on the provision of equipment and adaptations.
- 1.5 The requirements within the Agreement are currently under contract via a framework agreement for the supply and delivery of Aids for Daily Living. This framework agreement incorporates 8 Lots covering a wide range of items and products with several suppliers appointed. This arrangement is due to expire on 30 September 2023 with the Agreement detailed within this report due to supersede it.

2. Report

- 2.1 A group of technical and procurement representatives was formed to develop and agree the procurement strategy for the Agreement to enable the council to achieve maximum benefit for the requirements.
- 2.2 The initial estimated value of the Agreement dictated that the procurement procedure be undertaken in accordance with the Public Contracts (Scotland) Regulations 2015.
- 2.3 The procurement procedure was undertaken as a "Direct Award" from the Yorkshire Purchasing Organisation (YPO) framework agreement for "Health & Social Care Equipment and Associated Services – 1061, "Lot 1 – Health & Social Care Equipment & Associated Services" (the Framework")
- 2.4 Following the justification detailed and appraised within the associated contract strategy document, the "Direct Award" procedure was the only available call-off option as the Framework only has a single supplier appointed, NRS Healthcare Limited. The Framework is considered to demonstrate Best Value to the council as Framework rates are continually monitored by YPO. Additionally, the Agreement is considered to be a 'strategic' procurement solution for all health & social care equipment as all the council's core stock is available via this single supplier. Using a single supplier will improve efficiencies in our service in many areas:
 - 2.4.1 **Invoicing** – Instead of invoices from multiple suppliers, a single supplier can consolidate all our expenditure into one monthly invoice.
 - 2.4.2 **Space** – A single supplier can assist with stock management. With all supplies held externally by the supplier, this will free up space that can be used for stock that is fast moving, knowing other items can be delivered timeously.
 - 2.4.3 **Deliveries** – With a single supplier, should anything go awry with the couriers deliveries etc., we will just have one point of contact to speak to enable swift resolution.

- 2.4.4 **Consistency** – Consistency of product, price and service is something that companies with a single source supplier always benefit from. With a single source supplier, we can have peace of mind that products are being sourced competitively and has the same quality and service.
- 2.4.5 **Time** – The processes and procedures applied within the Agreement will help save huge amounts of time being saved whether its for the accounts team, warehouse staff, purchasing or admin teams. In this way, each department directly benefits from a single source supplier.
- 2.4.6 **Management Information and Data** – By using a single source supplier, it will be a lot easier to get the data we need and obtain accurate reports. Instead of having to compare different suppliers and expenditure, which may be difficult with multiple suppliers or if the correct data isn't being recorded, we and /or our supplier will be able to get the data we need to be able to forecast, report and create further efficiencies.
- 2.4.7 **Cost Controls and Savings** – Using a single source supplier can save money through distribution, time saved and efficiencies created, but also in the cost of the goods we buy. The supplier would also offer stock holding to keep non-core products or products that have a longer lead time in stock, meaning further savings. By knowing exactly what everything costs from our supplier we can control these costs over the term of the Agreement.
- 2.5 The tender received from NRS Healthcare Limited underwent appropriate appraisal to ensure it was complete/compliant with the council's requirements and demonstrated best value.
- 2.6 Further details of the procurement procedure is provided in Appendix 1 and the SME status and location of the tenderer is located within Appendix 2.

Financial / Budget Consideration

- 2.7 The pre-tender whole life estimate budget for the Agreement was £2,500,000. Following completion of the procurement procedure, the value of the Agreement to be awarded is Two Million Five Hundred Thousand Pounds Sterling (£2,500,000) exclusive of VAT.
- 2.8 The costs associated with delivery of the Agreement will be contained within the Revenue and Capital budget for Health and Social Care.

Price Stability

- 2.9 Pricing for the agreement term will be fixed until 31 March 2025. Subsequent to that initial period, there is provision within the Agreement for NRS Healthcare Limited to request one price review. It will be at the sole discretion of the Council whether to accept or reject any pricing amendment proposed.

Community Benefits

- 2.10 The council is committed to maximising the delivery of community benefits. The procurement included a community benefit requirement, this approach is designed to deliver local community benefits where possible.

2.11 Within their tender, NRS Healthcare Limited committed to deliver the following community benefits within the Agreement:

Community Benefit Type	Offering
Educational Visits	2
Educational Workplace Visit	2
Financial Support for a Community Project / Organisation	4
Non-financial Support for a Community Project / Organisation	2

2.12 The community benefits delivered as part of the Agreement does not include the creation of jobs or apprenticeships.

Fair Work First

2.13 Fair working practices was not assessed within the procurement procedure given the direct award approach however NRS Healthcare Limited confirmed within their tender submission that they are an Accredited Living Wage Employer and have various policies in place to support their staff.

Contract Management

2.14 Officers from the Equipment & Adaptations Service, Health and Social Care will be responsible for managing the Agreement which will be undertaken in accordance with the contract and supplier management conditions applied within the Agreement.

3. Measures of success

- 3.1 The Agreement will deliver the following outcomes:
- 3.2 the appointment of a supplier who has the experience and capability to deliver a high quality and responsive service for the Councils aids for daily living.
- 3.3 that best value is both demonstrable and achieved as per condition 2.4 above.
- 3.4 the procurement procedure is compliant with the procurement legislation and internal procedures.
- 3.5 the Agreement secures community benefits; and
- 3.6 performance is proactively managed against several Key Performance Indicators.

4. Supporting documentation

- 4.1 Appendix 1: Summary of Procurement Process
- 4.2 Appendix 2: SME Status and Location of All Tenderers



Ross McGuffie
Chief Officer, Health and Social Care

5. Impacts

5.1 Public Sector Equality Duty and Fairer Scotland Duty Does the report contain information that has an impact as a result of the Public Sector Equality Duty and/or Fairer Scotland Duty? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, please provide a brief summary of the impact? If Yes, has an assessment been carried out and published on the council's website? https://www.northlanarkshire.gov.uk/your-community/equalities/equality-and-fairer-scotland-duty-impact-assessments Yes <input type="checkbox"/> No <input type="checkbox"/>
5.2 Financial impact Does the report contain any financial impacts? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> If Yes, have all relevant financial impacts been discussed and agreed with Finance? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact? All finances have been agreed and are contained within agreed budgets.
5.3 HR policy impact Does the report contain any HR policy or procedure impacts? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, have all relevant HR impacts been discussed and agreed with People Resources? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact?
5.4 Legal impact Does the report contain any legal impacts (such as general legal matters, statutory considerations (including employment law considerations), or new legislation)? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, have all relevant legal impacts been discussed and agreed with Legal and Democratic? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact?
5.5 Data protection impact Does the report / project / practice contain or involve the processing of personal data? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> If Yes, is the processing of this personal data likely to result in a high risk to the data subject? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> If Yes, has a Data Protection Impact Assessment (DPIA) been carried out and e-mailed to dataprotection@northlan.gov.uk Yes <input type="checkbox"/> No <input type="checkbox"/> <input checked="" type="checkbox"/> revision in progress
5.6 Technology / Digital impact Does the report contain information that has an impact on either technology, digital transformation, service redesign / business change processes, data management, or connectivity / broadband / Wi-Fi? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, please provide a brief summary of the impact?

Where the impact identifies a requirement for significant technology change, has an assessment been carried out (or is scheduled to be carried out) by the Enterprise Architecture Governance Group (EAGG)?

Yes No

5.7 Environmental / Carbon impact

Does the report / project / practice contain information that has an impact on any environmental or carbon matters?

Yes No

If Yes, please provide a brief summary of the impact?

The stores have robust recycling process in place and links are underway with NRS to review these to ensure best practice on recycling is maintained.

5.8 Communications impact

Does the report contain any information that has an impact on the council's communications activities?

Yes No

If Yes, please provide a brief summary of the impact?

5.9 Risk impact

Is there a risk impact?

Yes No

If Yes, please provide a brief summary of the key risks and potential impacts, highlighting where the risk(s) are assessed and recorded (e.g. Corporate or Service or Project Risk Registers), and how they are managed?

There would be a risk if a contract is not awarded as requirement would mean we would purchase off contract to meet our statutory duties, which would more than likely increase costs. Financial governance is all in place.

5.10 Armed Forces Covenant Duty

Does the report require to take due regard of the Armed Forces Covenant Duty (i.e. does it relate to healthcare, housing, or education services for in-Service or ex-Service personnel, or their families, or widow(er)s)?

Yes No

If Yes, please provide a brief summary of the provision which has been made to ensure there has been appropriate consideration of the particular needs of the Armed Forces community to make sure that they do not face disadvantage compared to other citizens in the provision of public services.

5.11 Children's rights and wellbeing impact

Does the report contain any information regarding any council activity, service delivery, policy, or plan that has an impact on children and young people up to the age of 18, or on a specific group of these?

Yes No

If Yes, please provide a brief summary of the impact and the provision that has been made to ensure there has been appropriate consideration of the relevant Articles from the United Nations Convention on the Rights of the Child (UNCRC).

If Yes, has a Children's Rights and Wellbeing Impact Assessment (CRWIA) been carried out?

Yes No

Appendix 1 – Summary of Procurement Process

CPT Contract Reference Allocated:	NLC-CPT-23-006
Procurement Procedure Utilised:	Direct Award From Framework Agreement
Governing Legislation / Regulations:	Public Contracts (Scotland) Regulations 2015
Date Contract Strategy Approved:	24 August 2023
Framework Owner:	Yorkshire Purchasing Organisation (YPO)
Framework Title:	Health & Social Care Equipment and Associated Services
Framework Reference Number:	1061
Lot Reference / Title:	Lot 1 – Health & Social Care Equipment & Associated Services – Direct Award
Date ITT Published:	24 August 2023
Tender Platform Utilised:	PCS-Tender (PCST)
Tender Return Deadline:	12 Noon, 04 September 2023
Number of Tenders Received:	One
Tenders Received from SME's:	Large
Tenders Received from NLC Based Tenderers:	None
Number of Recommended Tenderers:	One
Assessment Team:	Officers from Social Work and the Corporate Procurement Team
Anticipated Start Date of the Agreement:	01 October 2023
Total Agreement Period (Months):	30
Awarded Value of the Agreement:	£2,500,000.00

Appendix 2 – SME Status and location of all Tenderers

Name of Tenderer	Size of Tendering Organisation (Micro, Small, Medium or Large)	Location (Local Authority / Council Area)
NRS Healthcare Limited	Large?	Leicestershire