

Commissioning and Procurement Executive Committee – 12 November 2024

Subject:	Dispersed Care Alarm Procurement		
Corporate Director:	Nicki Jenkins – Growth and City Development		
Executive Member:	Councillor Jay Hayes – Housing and Planning		
Report author and contact details:	Antony Dixon - Head of Supported Housing Antony.dixon@nottinghamcity.gov.uk		
Other colleagues who have provided input:	Andrew Berry - Finance Tom Button - Legal Louise Dobson – Procurement		
Key Decision	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	Subject to call-in
			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Reasons:	<input checked="" type="checkbox"/> Expenditure	<input type="checkbox"/> Income	<input type="checkbox"/> Savings of £750,000 or more
taking account of the overall impact of the decision			<input checked="" type="checkbox"/> Revenue <input type="checkbox"/> Capital
Significant impact on communities living or working in two or more wards in the City			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Type of expenditure:	<input checked="" type="checkbox"/> Revenue <input type="checkbox"/> Capital		
Total value of the decision: £1,400,000			
Section 151 Officer expenditure approval			
Has the spend been approved by the Section 151 Officer? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/a			
Spend Control Board approval reference number:			
Commissioner Consideration			
Has this report been shared with the Commissioners' Office? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			
Any comments the Commissioners wish to provide are listed in section 6 below.			
Wards affected: All			
Date of consultation with Executive Member: 30 October 2024			
Relevant Council Plan Key Outcome:			
Green, Clean and Connected Communities	<input type="checkbox"/>		
Keeping Nottingham Working	<input type="checkbox"/>		
Carbon Neutral by 2028	<input type="checkbox"/>		
Safer Nottingham	<input type="checkbox"/>		
Child-Friendly Nottingham	<input type="checkbox"/>		
Living Well in our Communities	<input checked="" type="checkbox"/>		
Keeping Nottingham Moving	<input type="checkbox"/>		
Improve the City Centre	<input type="checkbox"/>		
Better Housing	<input type="checkbox"/>		
Serving People Well	<input type="checkbox"/>		
Summary of issues (including benefits to citizens/service users):			
This report is to secure agreement for the re-procurement of dispersed care alarm equipment and associated peripherals.			
This equipment is installed by Nottingham on Call in the homes of vulnerable citizens and independent living accommodation and enables these citizens to continue to live independently reducing the need for more intensive provision and adult social care spend.			
Approval is sought to enter into a contract for a term of 2+1+1 years with an anticipated total contract value of £1.4m. The contract will stipulate that there is no commitment to spend.			

Exempt information: None.

Recommendations:

- 1** To authorise commencement of procurement activities to tender a contract for the supply of dispersed care alarm equipment, for a period of 2+1+1 years for an estimated contractual value of up to £1.4m.
- 2** To delegate authority to the Strategic Director of Housing to award and sign the contract.

1. Reasons for recommendations

- 1.1 The current contract for provision of dispersed care alarm equipment expires January 2025. A new contract is required to enable Nottingham on Call to continue to purchase this equipment.
- 1.2 A compliant tender process is considered the best mechanism for securing a supplier of dispersed alarm equipment given the anticipated value and duration of award. This will be undertaken with Compliant Purchasing support.
- 1.3 It is recommended that the Strategic Director of Housing be given delegated authority to award to expedite the inception of the new contract.

2. Background (including outcomes of consultation)

- 2.1 Nottingham on Call installs and monitors assistive technology equipment in citizens homes. This equipment enables vulnerable citizens to summon assistance in an emergency or automatically raises an alert if there may be a risk to a vulnerable citizen. The core equipment installed is a care alarm and pendant to which a variety of peripherals can be linked including; smoke detectors, CO detectors, falls detectors, bed sensors, motion sensors etc.
- 2.2 The service installs approximately 130 alarms and associated peripherals per month. There are approximately 3,500 private customers with alarms installed at any one time and a further 1,800 approx alarms installed in independent living homes and communal areas. The majority of service referrals come from adult social care and health teams. The service is provided predominantly to Nottingham City residents but also those who reside within the conurbation. Citizens are charged for the provision of the service with the rate that they pay dependent on the extent of equipment provided and whether they are in receipt of a long-term care package funded by Nottingham City Council.
- 2.3 The rate of alarms that are being installed has increased due to the need to swap out all existing analogue alarms for digital by January 2027. The rate of alarms purchased will likely reduce after this date following digital transition. The service attempts to re-use alarm equipment when it is removed from the homes of customers who no longer require the service, however this is not always possible.
- 2.4 All alarms require a SiM to connect to Nottingham on Call. Due to the critical nature of the service provided it is specified that all alarms have true roaming dual SiM's on board. These are installed at manufacture. The monthly charge for the SiM is factored into the total contract price and forms part of the pricing assessment.

2.5 The contract will stipulate that there is no guarantee of spend against the contract. The level of spend will depend on a number of factors including service demand, rate of reuse of supplied equipment and pace of analogue to digital transition.

2.6 A contract for provision of dispersed alarm equipment was let to Chiptech International in January 2021 following a compliant procurement exercise. This contract will expire in January 2025.

3. Other options considered in making recommendations

3.1 Using a third-party framework contract. This was considered but there is not a framework which specialises in dispersed alarm equipment, or which has a sufficient choice of providers. Undertaking our own procurement process enables the Council to tailor the specification to our own requirements.

3.2 Partnering with another authority. There is not an obvious choice of local authority to partner with for a joint procurement. Nottinghamshire County Council would have been an option but they are tendering for a fully managed service as opposed to a supplier of equipment.

3.3 Varying the contract length. The award of a 2+1+1 contract strikes a balance between fixing the price of the equipment provided for reasonable timeframe aiding business planning and providing the opportunity to take a different course of action following contract review. In particular, two extension periods allows for consideration of technological advancement and whether more effective technological solution have been developed and made available

4. Consideration of Risk

4.1 Commitment to spend. The contract will stipulate that there is no guarantee of volume of orders/spend. As such there will be no liability to the Council should the model of delivery for assistive technology services change.

4.2 Technological advancement. Awarding a contract for 2 + 1 + 1 years will protect the service from rapid technological change and being tied into purchasing out-dated equipment.

5. Best Value Considerations

5.1 Best value will be achieved through undertaking a compliant procurement process. The award of the tender will be based on a 40% price, 60% quality ration to ensure that quality considerations are foremost. Dispersed care alarms and associated peripherals are specialist equipment manufactured to BS standards with a limited number of suppliers. As such procurement is the best option for securing supply.

5.2 A requirement of the tender process will be that the equipment supplier needs to be accredited by the TSA, the industry standards body for assistive technology service provision and equipment. This will ensure that the provider of the equipment is quality assured by an external accreditation mechanism

6. Commissioner comments

6.1 It is noted that the budget is set at £1m over the 4 years, but the proposed maximum spend is £1.4m, and it is envisaged that the additional costs relating to this investment 'will be covered through both efficiencies and redeploying existing peripheral hardware and equipment where feasible to keep spend inside the annual NOC budget'. It is essential that this is done. (31/10/2024)

7. Finance colleague comments (including implications and value for money/VAT)

7.1 The current contract for provision of dispersed care alarm equipment expires January 2025. A new contract is required to enable Nottingham on Call to continue to purchase this equipment.

7.2 The proposed maximum spend of £1.4m will be a blend of capital and mostly revenue spend spread over the four-year period (2+1+1).

7.3 The current level of expenditure over a four-year period is £1m through Chip Tech, however advancement in technology and digitalisation requires additional investment.

7.4 The potential annual increase in cost of c.£100k pa has not been included in a growth bid as it is envisaged additional costs relating to this investment will be covered through both efficiencies and redeploying existing peripheral hardware and equipment where feasible to keep spend inside the annual NOC budget.

Andrew Berry, Strategic Finance Business Partner (HRA) – 17 October 2024

8. Legal colleague comments

8.1 There are no significant legal concerns arising from the recommendations set out in this report.

8.2 The recommendations are asking for authority to procure dispersed care alarm equipment over a maximum four-year period.

8.3 The most suitable contracting arrangements and procurement processes will be determined in consultation with the Corporate Procurement Team and, where required, Legal Services. In any event, they must be in accordance with the Council's Constitution and relevant laws, including the Public Contract Regulations 2015 (or Procurement Act 2023, depending upon timing).

Tom Button, Contracts and Commercial Team Leader - 17 October 2024

9. Other relevant comments

Procurement colleague comments

9.1 Procurement advice is sought on the setting up of a contract to purchase dispersed alarm equipment and other peripheral items for Nottingham On-call to be installed into citizen homes on a case-by-case basis.

9.2 Procurement Team will therefore work with Nottingham On-call to set up a Framework Agreement to meet their requirements of having a provider(s) to provide the equipment required but without the commitment to volume/spend.

9.3 Relevant Framework Agreement and Call-off Terms will be developed in conjunction with Legal colleagues.

Louise Dobson (Lead Procurement Officer) – 14 October 2024

10. Crime and Disorder Implications (If Applicable)

10.1 Not applicable.

11. Social value considerations

11.1 Dispersed alarm equipment installed by Nottingham on Call enables vulnerable citizens to continue to live independently in their own homes reducing the need for more intensive and residential forms of provision.

11.2 Bidders will be asked how social value can be enhanced through delivery of the contract. This will form part of the scoring framework for the tender.

12. Regard to the NHS Constitution (If Applicable)

12.1 Not applicable.

13. Equality Impact Assessment (EIA)

13.1 An EIA is not required because this is only for the procurement of equipment.

14. Data Protection Impact Assessment (DPIA)

14.1 A DPIA is not required because this is only for the procurement of equipment. Equipment delivered from supplier to Nottingham on Call. DPIA on service provided already undertaken.

15. Carbon Impact Assessment (CIA)

15.1 A CIA is not required because this procurement is concerned with the purchase of equipment needed to enable vulnerable citizens to live independently in their own homes.

16. List of background papers relied upon in writing this report (not including published documents or confidential or exempt information)

16.1 None.

17. Published documents referred to in this report

17.1 None.