

Agenda Item: 7 (y)

DERBYSHIRE COUNTY COUNCIL

CABINET

25TH MARCH 2014

REPORT OF THE ACTING STRATEGIC DIRECTOR ADULT CARE

**PROPOSAL TO ESTABLISH A FRAMEWORK
AGREEMENT FOR RESIDENTIAL FURNITURE.**

ADULT SOCIAL CARE

1. Purpose of the Report

To seek Cabinet approval to establish a framework for the procurement of domestic or residential furniture for use in Homes for Older People, Specialist Community Care Centres and Specialist Provision in Extra Care Facilities and other services. The framework agreement would also be available for use by all departments within Derbyshire County Council.

2. Information and Analysis

At present, no contractual arrangements or framework agreements exist within Derbyshire County Council for the provision of new domestic or residential furniture in Adult Care establishments. National framework agreements exist which could be used by the County Council and these include those facilitated by such as the Eastern Shires Purchasing Organisation (ESPO) and Yorkshire Purchasing Organisation (YPO) and Crown Commercial Services (CCS). These organisations arrange framework agreements for office, residential and school furniture and the Council is able to procure from these frameworks. These frameworks require 3 quotations to be sought each time an order is placed, irrespective of its value. Such a process is labour intensive, time consuming and expensive, and is often utilised to purchase very low value orders. Therefore the procurement proposed will streamline the procurement process whilst still establishing value for money solutions.

The proposed furniture framework agreement to be established by DCC will be split into several sections to allow for a range of furniture types including:

- Ranges of tables.
- Ranges of seating including easy chairs, recliners settees, dining chairs etc.

- Occasional Furniture including bookcases display cabinets etc.
- Ranges of bedroom furniture including robes, dressing tables and bedside cabinets etc.
- Beds mattresses and headboards.

It is anticipated that for some of the ranges, up to 5 suppliers will be on the framework and available to provide the range of furniture.

With the framework agreement DCC could choose to either:

- a. Call off a particular furniture requirement from the most economically advantageous supplier identified on the framework (eg to match existing furniture or meet a specific need) without the need for further competition.

By operating as above, the framework agreement would remove the administrative burden of arranging three quotes for individual requirements, particularly for low value orders. This will not only reduce the whole cost of placing orders, but also streamline the purchase to pay (P2P) timeframe

- b. Carry out a further mini competition by arranging quotes from all the companies on the framework able to meet the required specification and then evaluating and selecting the most economically advantageous return. This would occur where the most economically advantageous supplier cannot be identified direct from the original framework, (eg new capital scheme requirement).

When Adult Care replaces furniture, careful attention is given to disposal of the old furniture. Wherever possible it is refurbished or reused and if this is not practical then it is recycled.

3. Financial Considerations

Based on the financial year expenditure 2012/13:

- a. With regards to 2a above, one off particular furniture requirements can vary between £35 and £390 in value, with approximately 200 pieces of individual furniture being procured by Adult Care. The annual revenue cost is approximately £150,000 and can be met from within the existing furniture budget.
- b. With regard to 2b above, capital new build schemes requiring multi room furnishing during the period of the framework (such as the new Florence Shipley Centre and the Residential Community Centre at Darley Dale), individual orders generated via a mini competition could range up to £14,000. It is estimated that the total capital spend on furniture for these two projects will be £300,000.

4. Legal Considerations

The framework agreement would be fully compliant with current EU and UK public procurement Regulations. The purchase of furniture from the framework will be undertaken in accordance with the Council's Financial Regulations.

5. Other Considerations

In preparing this report the relevance of the following factors has been considered: prevention of crime and disorder, equality and diversity, human resources, environmental, and property considerations.

6. Key Decision

No

7. Call In Is it required that call-in be waived in respect of the decisions proposed in the report?

No

8. OFFICER'S RECOMMENDATION

It is recommended that Cabinet approve the proposal to develop a furniture framework agreement and receive an update when it is established.

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COUNTY HALL
MATLOCK**