

## 15.1 Contract 12019 Home Assist Tender

*This report is seeking Council approval to award the contract for the delivery of Home Assist services.*

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Attachments: 1. Tender evaluation summary (3 pages)

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### 1 Executive summary

#### 1.1 Topic

This report is seeking Council approval to award the contract for the delivery of Home Assist services.

#### 1.2 Context

A non-confidential report has been included on the agenda providing details in relation to the tender process to deliver a range of in home services to assist Home and Community Care eligible residents to remain living as independently as possible in their own home.

Tenders were invited through an open tender process and assessed through our Tenders and Contract Management System (TCMS) as tender number 12019 Home Assist services.

The tender and evaluation process is complete and award of this contract will enable services to continue to be delivered beyond 30 June 2012, for the duration of the externally funded agreement and to comply with our agreed outputs under that agreement.

#### 1.3 Suggested outcome

That Council approves the award of the contract to Aged Care and Housing Group (ACH Group) as recommended by the tender assessment team.

### 2 Recommendation(s)

1. a. **That under the provisions of Section 90(2) of the *Local Government Act 1999* an order be made that the public be excluded from attendance at the meeting in order to consider in confidence this item.**

b. **That Council is satisfied that it is necessary that the public be excluded to enable the Council to consider the report at the meeting on the following grounds:**

***Section 90(3)(k) tenders for the supply of goods, the provision of services or the carrying out of works***

**The Council is satisfied that it is reasonably foreseeable that the public disclosure or discussion of the information at the meeting may:**

- **prejudice the commercial position of the companies that supplied the information; or**
- **confer a commercial advantage on a third party; or**
- **prejudice any ongoing negotiations with the preferred supplier**

**potentially causing damage to the interests of the Council.**

- c. **That accordingly, on this basis the principle that meetings of the Council should be conducted in a place open to the public has been outweighed by the need to keep the information or discussion confidential.**
2. **That Council award the tender proposed by Aged Care and Housing Group, tender number 12019 at a cost of \$1,562,749 (excluding GST) as:**
    - **they passed mandatory criteria; and**
    - **they could deliver the entire contract**
  3. **That Council authorise the Chief Executive Officer to sign all required documentation to finalise the contract with Aged Care and Housing Group for services associated with the Home Assist contract.**
  4. **That an order be made under the provisions of Section 91(7) and (9) of the *Local Government Act 1999* that the abovementioned document (or part of such document) including the report of the Council relating to discussion of the subject matter of the document, having been dealt with on a confidential basis under Section 90 of the Act, should be kept confidential on the grounds of information contained in 90(3)(k) until the contract has been awarded and signed.**

### **3 Discussion**

#### **3.1 Background Information**

Council receives government funding through Home and Community Care Agreement 1617 (HACC) to deliver in home services to assist HACC eligible residents to remain living as independently as possible in their own home. Since 2004 we have partnered with Aged Care and Housing Group to deliver the domestic, home maintenance and home modification component of this agreement.

#### **3.2 Details of tender**

In accordance with our Contracts, Tenders and Purchasing Policy and Procedures, an open tender invitation was issued through SA Tenders and Contracts.

### 3.3 Tenders received

Ten tenders were received. The following table summarises the tender submissions based on the outputs expected for the total contract price.

Name of Tenderer	Domestic Assistance \$	Home Maintenance \$	Home Modification \$
Aged Care and Housing Group (ACH Group)	36.38	40.00	253.75
ARCS Care Alliance	35.30	45.00	250.00
Community Support Inc	41.80	Not Provided	Not Provided
JP Support Services	40.00	55.00	55.00
Nationwide Facility Management Pty Ltd	Not Provided	60.50	60.50
Orana	Not Provided	130.00	Not Provided
RDNS	46.92	46.92	Not Provided
Resthaven Inc.	38.25	40.00	248.50
Stanhope Healthcare Services	30.56	30.76	38.65
Tailor Maids Pty Ltd	36.75	Not Provided	Not Provided

The evaluation panel discussed the benefit of a single contractor to fulfil the duties as per the specifications provided and decided that only providers that offered to do all the works would be carried through to the evaluation process.

### 3.4 Tenders and Contract Management System (TCMS)

All tender prices were entered into the TCMS database program. The database calculates the price score based on the median price.

All evaluation scores (other than price) are determined by the evaluation panel based on the weighted criteria nominated for this tender as shown in the Tender Evaluation Summary (attachment 1).

#### 3.4.1 Criteria Assessment

Tenders were accepted for all or part of the contract, but tenderers were aware that our preference was for one provider to be contracted to deliver the entire contract.

Of the ten applications, five tendered for only part of the service. These five were taken out of the process and were not included in the evaluation stage.

The five tenders that progressed to the evaluation were:

- Aged Care and Housing Group (ACH Group)
- ARCS Nursing and Home Support Pty Ltd
- JP Support Services Pty Ltd
- Resthaven Inc
- Stanhope Healthcare Services Pty Ltd

Tenders were evaluated on:

- price
- demonstrated ability
- appreciation of task
- personnel/expertise
- value added
- social benefit.

At the end of the evaluation process, before the pricing formula was applied, the five tenderers were placed in the following order:

1. Aged Care and Housing Group (ACH Group)
2. Resthaven Inc
3. Stanhope Healthcare Services Pty Ltd
4. ARCS Nursing and Home Support Pty Ltd
5. JP Support Services.

The panel agreed the first two were strong applications and could deliver the quality service we required. Both of these organisations are based locally and employ and can offer the type of value added service that we require for our more vulnerable residents.

The panel noted and were concerned about the quality of work that could be expected by Stanhope's unit price.

ARCS Nursing and Home Support Pty Ltd could not offer the type of value added or social benefit we require.

JP Support Services were included in the evaluation as they had tendered for all of the service types. They are primarily a labour hire company for more heavy duty type services.

The costing formula was then applied and the five agencies were ranked, after the full evaluation process, in the following order:

1. Aged Care and Housing Group (ACH Group)
2. Stanhope Healthcare Services Pty Ltd
3. Resthaven Inc

4. ARCS Nursing and Home Support Pty Ltd

5. JP Support Services

The attached Tenders and Contract Management System report includes the results of the evaluation process that takes into account all assessment criteria including price. As a result of this evaluation the preferred supplier is ACH Group. There will be the additional benefits of little or no disruption to existing clients and a smooth transition into a new contract.

**3.5 Budget details**

Tenders were evaluated based on a lump sum annual expenditure for expected outputs which will meet our obligations under HACC Agreement 1617.

The following budget allocations have been identified for this contract

- |  |                |
|--|----------------|
| ▪ Commonwealth of Australia HACC federal funding | \$1,417,552.00 |
| ▪ Council operating budget                       | \$145,197.00   |

It is expected that variations will be applied to this contract to reflect annual CPI increases in line with the external grant funding we receive.