

COLLABORATION IN PROCUREMENT OF ADAPTATIONS & DFG's

Agenda

- **Government proposals**
- **Collaborative Procurement**
 - **The opportunity**
 - **How it can be done**
 - **What can be achieved**
- **Is it worth doing?**
- **Discussion**

Government Proposals

- **A more joined up approach between housing, health and social care**
- **LA's to use their financial flexibilities to deliver urgent and small scale adaptations**
- **To waiver the need for 2 estimates and work on a standard schedule of work**
- **Promote new methods of procurement of equipment for DFG's and adaptations to reduce costs**
- **Regional and local authorities to combine to negotiate procurement contracts**

THE OPPORTUNITY.....

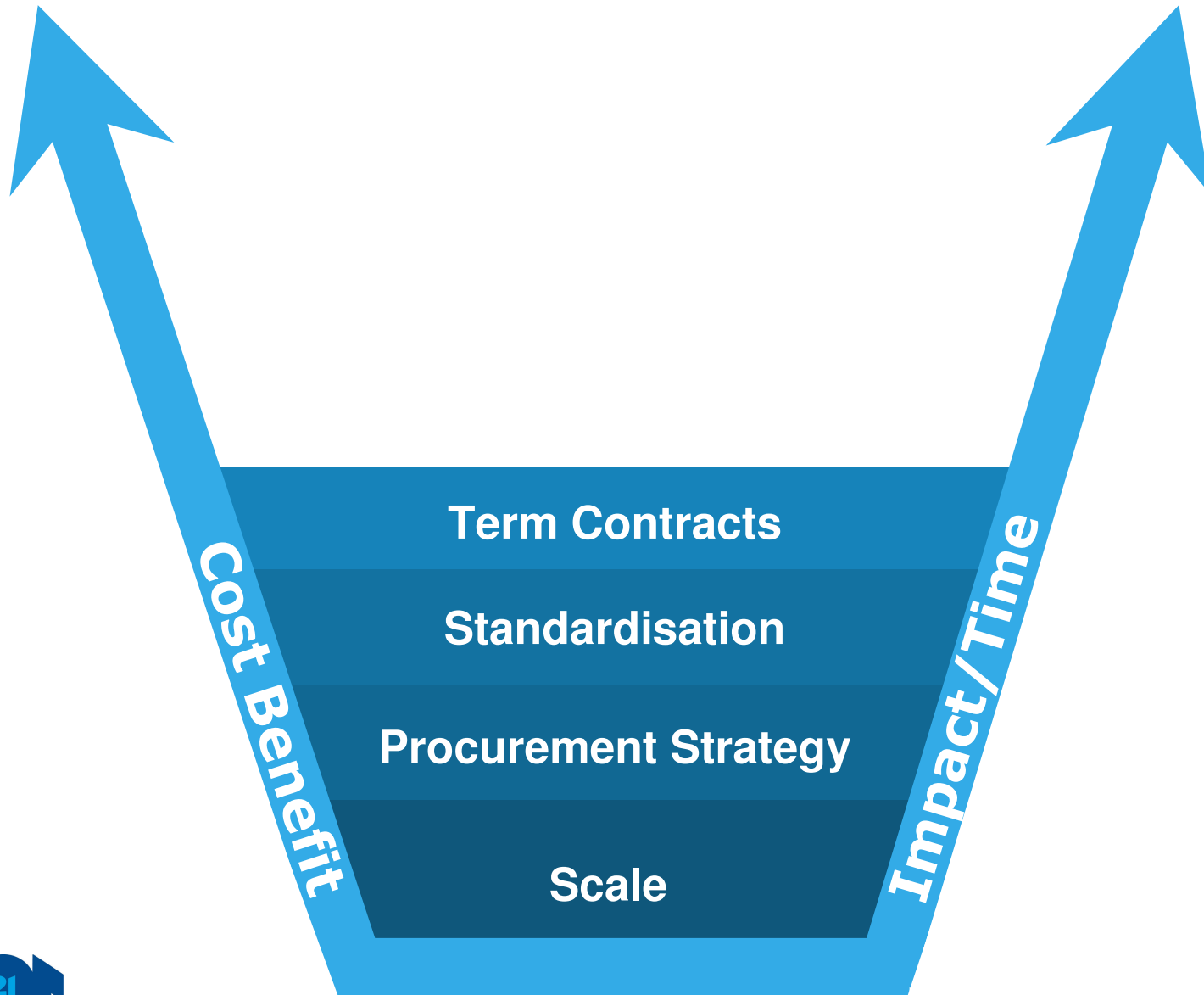
- **To establish a coordinated approach in the management of disability and home adaptation services across numerous client organisations**
- **Establishing this coordinated process would enable organisations to achieve significant efficiencies in time, resource and effort, thus maximising the opportunity for cost management/reduction**

..... The aim being use these efficiencies to drive an increase the through-put of such services.

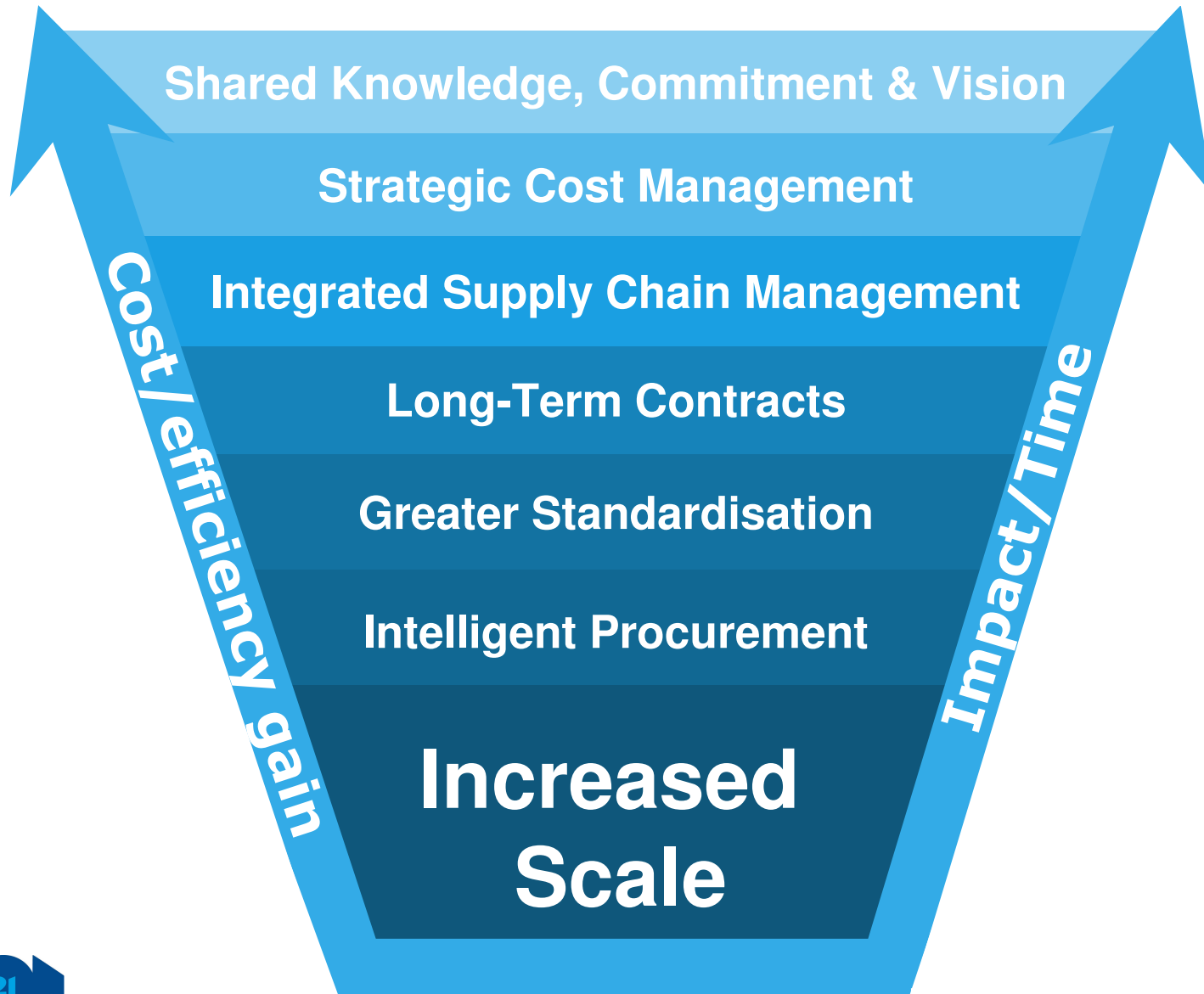
Collaborative Procurement

An approach?

.....SINGLE ORGANISATIONS CAN BUILD STRONG BENEFITS ON THEIR OWN.....



.... BUT WITH COLLABORATION THE BENEFITS CAN BE SIGNIFICANT.....



DFGS & Adaptations

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ADAPTATIONS & DFG's

- **Majority of works include, but are not limited to:-**
 - **Specialist bathroom & bathing equipment (level access showers, specialist baths, toilets etc)**
 - **Specialist kitchen equipment and units**
 - **Stairlifts**
 - **Ramps**
 - **Hoists**
 - **Handrails/grab handles**
 - **Entry systems & alerts**
- **High value (or simply high cost), niche market, products**
- **Specialist installation skills required for some products/equipment but standard trade skills for others**
- **Generally low volume procurement**
- **Mixture of self-funding by Housing Associations & DFG's**
- **Long waiting lists within funding organisations**
- **Projects often tendered on a “one-off” basis**

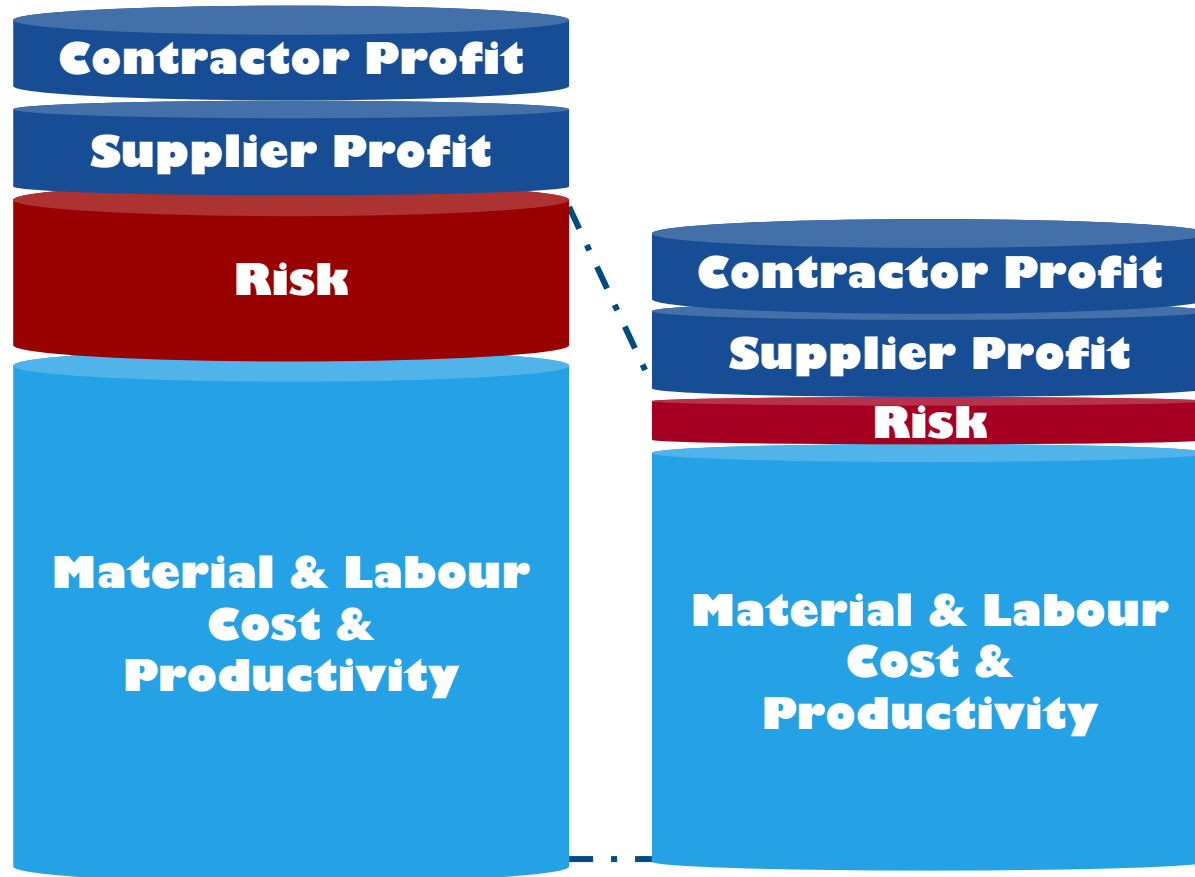
By taking a collaborative approach organisations can achieve...

- **Very competitive costs & efficiency**
- **Commitment to “best client” and be seen as very attractive client (fundamental to achieving best costs)**
- **Improved material quality;**
- **Improved contractor & supplier service levels;**
- **A process of continuous cost reduction;**
- **Improved supplier relationships and understanding of their businesses**
- **Greater intelligence in the marketplace**
- **Influence the quality, design and performance of materials and equipment**

DELIVERING EFFICIENCY ...

..more for the same

..the same for less



Key Considerations...

- ✓ **Commitment to a collaborative framework**
- ✓ **Systems that identify and manage costs more effectively**
- ✓ **Specify based on needs - not brands (no more “Sacred Cows!!)”)**
- ✓ **Aggregate & commit significant, predictable volume**
- ✓ **Drive standardisation coupled with customisation**
- ✓ **Form new, long-term, collaborative contracts with core suppliers**
- ✓ **Remove inefficiency - without significantly impacting supplier margins**
- ✓ **Continually improve supplier efficiency and competitiveness**

**WHILST, AT THE SAME TIME, ENSURING THE SERVICE
REMAINS FOCUSSED ON THE NEEDS OF THE
INDIVIDUAL**

CAN ORGANISATIONS.....

- **Collaborate to agree a strategy to deliver the improvements demanded by government?**
- **Collaborate in the procurement of [OJEU compliant] framework agreements for DFG's and adaptations work?**
- **Agree standardised schedules with sufficient flexibility to meet differing organisational and peoples needs?**
- **Manage the frameworks through collaboration but manage projects/contracts individually?**

Organisations already looking at this....



St. Helens Council



KNOWSLEY
HOUSING TRUST



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Discussion

DISCUSSION

Collaboration - something worth doing?

**Benefits?
Drawbacks?**

What are the quick wins?

**Equipment?
Minor adaptations?
Major adaptations?**

What are the constraints?

**Funding?
Standing Orders?
Legacy contracts?**

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SOMETHING WORTH DOING??

- **Invitations for participation – open door project**
- **Participants provide likely expenditure profiles (value and region) and commonly specified items (gathered by on-line form) to create significant, and real initial demand for positioning in the marketplace**
- **Report results to a newly created “Project Steering Group” which will lead project and agree next steps**
- **In consultation with participants and technical experts, group develops product and installation performance specifications.**
- **Group agrees most appropriate procurement strategies for each specialism (e.g. strategic critical, tactical profit, tactical acquisition strategic security etc) – don’t assume partnering is the best route**
- **Issue separate OJEU PIN notices for equipment and installation framework agreements.**
- **Fusion21 website to provide enquiry and registration facilities for organisation wishing to participate**
- **Complete review of strategy before proceeding to supply chain sourcing and selection phase**