

NOTTINGHAM CITY COUNCIL

EXECUTIVE BOARD COMMISSIONING SUB-COMMITTEE

MINUTES of the meeting held at LB31 - Loxley House, Station Street, Nottingham, NG2 3NG on 10 September 2014 from 14.01 - 14.30

Membership

Present

Councillor Alex Norris (Chair) – Portfolio Holder for Adults, Commissioning and Health

Councillor David Mellen (Vice-Chair) – Portfolio Holder for Children’s Services

Councillor Dave Liversidge – Portfolio Holder for Strategic Regeneration and Schools

Councillor Dave Trimble – Portfolio Holder for Leisure and Culture

Absent

Councillor Jon Collins – Portfolio Holder for Strategic regeneration and Schools

Non-voting Members

Present

Dave Robinson – Nottingham Community and Voluntary Service (NCVS) (as a representative)

Absent

Helen Kearsley-Cree – Nottingham Community and Voluntary Service (NCVS) (sent Dave Robinson as representative)

Safdar Azam – Nottingham Equal

Colleagues, partners and others in attendance:

Katy Ball	-	Head of Early Intervention and Market Development)	
Candida Brudenell	-	Strategic Director of Early Intervention)	
Antony Dixon	-	Strategic Commissioning Manager)	Children and
Clare Gilbert	-	Commissioning Manager)	Adults
Holly Macer	-	Lead Contract Officer)	
Steve Oakley	-	Head of Quality and Efficiency)	
Jo Pettifor	-	Strategic Procurement Manager)	
Zena West	-	Constitutional Services Officer	-	Resources

Call-in

Unless stated otherwise, all decisions are subject to call-in and cannot be implemented until **22 September 2014**.

23 APOLOGIES FOR ABSENCE

Councillor Jon Collins.

Helen Kearsley-Cree (Dave Robinson attended as representative).

24 DECLARATIONS OF INTEREST

None.

25 MINUTES

The Sub-Committee confirmed the minutes of the meeting held 16 July 2014 as a correct record and they were signed by the Chair.

26 VOLUNTARY SECTOR UPDATE

Dave Robinson of Nottingham Community and Voluntary Services (NCVS) provided an update for the Sub-Committee on the following issues:

- (a) Looking After Each Other. NCVS has started delivery on this programme; adapting the current Support Services contract to put the emphasis on growing specific types of volunteering alongside support for the sub-sector to adapt within the prevention and early intervention agenda.
- (b) The Children and Young People's Partnership Network (CYPPN). This is the official voluntary sector forum linking with Nottingham City Council's Children's Partnership Board, working with Nottingham City Council and the Clinical Commissioning Group. It is run by NCVS, and embedded within the Children and Young People engagement and consultation structures. There are 72 members of the forum and it currently meets every 8 weeks. Through the network there will be mapping of voluntary sector providers, which will feed into Nottingham City Council's Children and Young Person's review.
- (c) Community Partnership Forum. This is a relatively new forum of African and African Caribbean organisations and individuals. It is moving into the NCVS building, and will be supported with a range of "wrap around" support services. It is made up of 60 different organisations, and meets monthly. A number of themed groups have been formed, to work on specific issues, such as: employment and enterprise, health and housing, youth, faith and community safety, arts, culture and sport, women, family and education.
- (d) D2N2 Local Enterprise Partnership. NCVS is still leading on work to ensure that Nottingham's community and voluntary sector has access to the Social Inclusion funding.
- (e) Nottingham City Council review of support services provided to Nottingham's community and voluntary sector. NCVS is supporting the review through publicity and hosting of two city centre consultation events. NCVS is also conducting a survey alongside current delivery partners to analyse the support needs of the sector. The results will be fed into Nottingham City Council as part of the review.

27 WORK PROGRAMME

Antony Dixon, Strategic Commissioning Manager, presented a work programme for the Sub-Committee, covering the period October 2014 to April 2015.

RESOLVED to note the provisional agenda items shown below:

- 15 October 2014: Change to Terms of Reference;
Better Care Fund Resubmission**
- 12 November 2014: ICELS Commissioning Model;
Learning Disability Residential Respite Commissioning;
Voluntary Sector Infrastructure Contract Commissioning
Intentions;**
- 10 December: Residential and Nursing Care Non Standard Elements;
Children and Young Peoples Review Commissioning
Intentions;
Financial Vulnerability Advice and Assistance
Commissioning Intentions;**
- 14 January 2015: (No items planned yet);**
- 11 February 2015: Better Care Fund Plan 2015/16;
ICELS Commissioning Arrangements;
Early Intervention Directorate Commissioning Intentions;**
- 11 March 2015: (No items planned yet);**
- 15 April 2015: (No items planned yet).**

28 RESIDENTIAL CARE COMMISSIONING AND CONTRACTING ARRANGEMENTS

Jo Pettifor, Strategic Procurement Manager, presented the report of the Strategic Director for Early Intervention to the Sub-Committee. A project group has been working on a new service model, subject to consultation, with a view to procuring providers of residential and nursing care services in Nottingham City and Nottinghamshire County from April 2015.

RESOLVED to:

- (1) commission residential and nursing care services in Nottingham City and Nottinghamshire County from April 2015 in accordance with the proposed model and service specification set out in appendix 1 to the report;**
- (2) undertake a joint accreditation process with NHS Nottingham City to procure providers of residential and nursing care services in the City and County approved to deliver these services from April 2015, with**

approved providers being awarded a joint contract with Nottingham City Council and NHS Nottingham City;

- (3) delegate authority to the Director of Early Intervention to approve the outcome of the accreditation process and confirm the providers that will be offered a contract as a result of this process;**
- (4) agree the extension of existing contracts with providers of residential and nursing care services to 31 March 2015 in order to allow the proposed accreditation process to be undertaken;**
- (5) delegate authority to the Head of Quality and Efficiency to sign contracts for residential and nursing care services;**
- (6) note that approval to spend against these contracts falls within the Scheme of Delegation (reference 273), in part 2, section 9 of Nottingham City Council's Constitution.**

Reasons for Decision

- (1) The proposed service model and service specification for residential and nursing care services set out the core standards and service expectations for all provision in Nottingham City and Nottinghamshire County, including the adoption of a re-ablement focus where attainment of a greater degree of independence is realistic and attainable.
- (2) The proposal to undertake an accreditation process for residential and nursing care services will enable providers to be checked against set minimum standards prior to being awarded contracts and will provide information for the Council about providers to enable risk and performance to be managed once contracts are in place. The process will create an approved list of providers of residential and nursing care within Nottingham City and Nottinghamshire County which will support citizens and care management staff in selecting services. The proposed accreditation process will be the Council's procurement process for residential and nursing care services in Nottingham City and Nottinghamshire County. The commitment of expenditure on placements made under these contracts is approved under the Council's Constitution Part 2 – Responsibility for Functions, Section 9 – Scheme of Delegation, reference 273
- (3) The proposal to work jointly with NHS Nottingham City to undertake the accreditation process will streamline the contracting arrangements for these services, creating efficiencies for providers and commissioners. Additionally it will enable the responsibility for administering the process to be shared between the Council and City NHS.
- (4) Providers approved through the proposed accreditation process will be issued with a joint contract with Nottingham City Council and NHS Nottingham City, agreed by both commissioning parties and for which the Council will be the Lead Commissioner.

- (5) The terms and requirements to be included in the proposed new contract and service specification are intended to drive greater consistency and quality in service provision, a better well equipped workforce and increased choice for citizens and carers. The contracts will enable contract compliance and service quality to be monitored to ensure that appropriate and safe care is delivered to citizens. The contracts will have robust clauses to enable suspension or termination by the Council if the service does not meet the required standard.
- (6) The extension of the existing contracts with providers of residential and nursing care services to 31 March 2015 will enable continuity of existing services through contractual arrangements while the proposed accreditation process is completed. The timescale for the implementation of the accreditation process has been revised to allow for the joint work with NHS Nottingham City and development of a joint contract. An extension by way of a variation of the contracts falls within the Council's Constitution Part 2 – Responsibility for Functions, Section 9 – Scheme of Delegation, reference 17.

Other Options Considered

- (1) Do nothing. The current service model and specification require updating and the contracts currently in place for residential and nursing care services have not been awarded through any formal process. For this reason, this option was rejected.
- (2) Undertake a full competitive tendering process for residential and nursing care services. The Council wishes to contract with any provider that meets minimum standards as the choice of provider for each placement is made by individual citizens. The accreditation process which will be the Council's procurement process for residential and nursing care services in Nottingham City and Nottinghamshire County will enable an approved list to be established based on minimum criteria being met. The process does not need to address pricing because fees for all residential and nursing care placements are set consistently based on a standard basic rate and the specific needs of citizens. A full competitive tendering process would be resource intensive for both the Council and providers, and would deliver no benefit in terms of value for money. For these reasons, this option was rejected.
- (3) Undertake an accreditation process and contract separately from NHS Nottingham City. This would not realise the benefits of streamlining commissioning and procurement processes across the commissioners and would result in duplication and increased bureaucracy for providers and commissioners. For this reason, this option was rejected.

29 HUCKNALL HOUSE DECOMMISSIONING

Clare Gilbert, Commissioning Manager, presented the report of the Corporate Director for Children and Adults, highlighting the following points:

- (a) There are a number of issues with the current provision at Hucknall House, including physical issues with the building, and the service is not set up to meet future needs of young people who may need such services in future.
- (b) The cost per night can be reduced by between 1/3 and 2/3 if the Hucknall House service is decommissioned and similar services are provided within the community.
- (c) The individuals who currently use Hucknall House have very high levels of need, and there are not currently many suitable alternatives for them.
- (d) The consultation exercise has identified the strong opposition voiced by most carers of service users towards the proposed closure. It is recognised that carers highly value the current service and that moving to a new service will be very difficult for many of the current users of the service. Although disruption will be unavoidable, Nottingham City Council will be working with them to try and minimise disruption, address various issues, and ensure their needs are met.
- (e) If the service was continued with, it would require a large initial investment to bring it up to standard, and continual ongoing investment.
- (f) One years notice is required, during which time Nottingham City Council will work with the individual families to find alternative provision. A report on the re-commissioned service will follow at a suitable future meeting of Executive Board Commissioning Sub-Committee.

Following queries from Members of the Sub-Committee, the following additional information was provided:

- (g) A recently published Care Quality Commission Report commented that “We saw the environment was not comfortable, but institutional in appearance, which did not promote people’s wellbeing when accessing a short stay service.” In light of the overwhelming strength of feeling from service users and their families, it has proved difficult to persuade carers and parents that this is the right course of action to provide the most suitable service.
- (h) The one year notice period is a recommendation nationwide for NHS contracts, it is not a locally agreed notice period. However, given the high levels of need of some current service users, it may take a long time to work with them to find suitable alternatives. Nottingham City Council are keen to have parent and carer involvement during the re-procurement process.

RESOLVED to:

- (1) decommission the Hucknall House Short Breaks Service;**
- (2) note that suitable alternative arrangements for respite will be found for all of the current users of the Hucknall House service, and that this will be reported to a future meeting of the Executive Board Commissioning Sub-Committee.**

Reasons for Decision

Following a review of respite provision it was identified that Hucknall House does not provide good value for money, does not meet the needs of future citizens and that alternative provision could be provided at a reduced cost. The Council are required to provide one year's notice to the Healthcare Trust of the intention to cease the contract.

Other Options Considered.

- (1) Do Nothing. Maintain the current service indefinitely. This would enable continued and valued provision for the citizens and families currently utilising the service. However, given the need to upgrade the building, this would involve significantly increased investment for a service that is substantially more costly than market equivalents. For this reason, this option was rejected.
- (2) Develop and increase the service. This would secure additional capacity and enable the service to be developed to meet future need. As above, this option is not economical as it would require very significant investment by the City Council and a large ongoing financial commitment. For this reason, this option was rejected.

30 PUBLIC HEALTH CONTRACTS (KEY DECISION)

Steve Oakley, Head of Quality and Efficiency, presented the report of the Director of Public Health. A number of contracts will expire in April 2015, and preparation for procurement needs to start now. Flexibility will be built into any contract planning, such as shorter notice periods, to reduce any risk associated with the possibility of budgets being reduced.

RESOLVED to:

- (1) approve the procurement of those services outlined in tables A and B in exempt appendix 1, in line with Nottingham City Council procurement procedures;**
- (2) approve the procurement of the Locally Commissioned Public Health Services outlined in table C, exempt appendix 1, in line with Nottingham City Council procurement procedures;**
- (3) delegate authority to the Director of Public Health, in consultation with the Portfolio Holder for Adults, Commissioning and Health, to agree the final values and award contracts for the services listed in tables A, B and C, exempt appendix 1, up to the maximum values indicated;**
- (4) delegate authority to the Head of Quality and Efficiency to sign the final contracts and contract extensions in respect of all services detailed in tables A, B and C, exempt appendix 1, following approval by the Director of Public Health to the agreed contracts;**

- (5) approve the budget to support the contractual values set out in exempt appendix 1. If the contractual values exceed the indicative maximum values, a separate report will be presented to the Executive Board Commissioning Sub-Committee for approval.**

Reasons for Decision

- (1) The Public Health contracts listed in exempt Appendix 1 Table A, are due to expire on 31 March 2015, but do not have an existing option to extend. It is recommended that these contracts are re-procured on a time limited basis in order to ensure citizens can continue to access services, while longer term commissioning strategies are finalised. The exempt appendix sets out the rationale for re-procuring each service, along with details of the proposed maximum service values, contract duration and details of potential efficiencies. It is envisaged that the re-procurement of services listed in exempt Appendix 1, Table A will commence during quarter 3, so that it can be completed in time for new contracts to be in place from 1 April 2015.
- (2) It is recommended that the Public Health contract detailed in exempt Appendices 1 Table B, which is also due to expire on 31 March 2015, but does have an option to extend is also re-procured on a time limited basis. In this instance work to release efficiencies is more advanced and extensive remodelling is not required. It is also best practice to test the market through an open tender process, unless there are clear circumstances that prevent this. Table B sets out the rationale for re-procuring the service, along with details of the proposed maximum service values, contract duration and potential efficiencies. Again it is envisaged that the re-procurement will begin in quarter 3, so that it can be completed in time for a new contract to be in place from 1 April 2015.
- (3) For 2014/15, Locally Commissioned Public Health Services contracts for a number of sexual health services were directly awarded to General Practitioners and community pharmacy providers. Previously known as Locally Enhanced Services, these contracts offer citizens easy open access to a range of sexual health and contraception services. For 2015/16 and 2016/17, it is recommended that an accreditation type procurement exercise is undertaken. It is envisaged that the re-procurement of services listed in exempt Appendix 1, Table C will commence during quarter 3 and be completed in time for new contracts to be in place from 1 April 2015.
- (4) General Practitioners and community pharmacies are important providers of demand led community based primary care services. There is good evidence that open access to sexual health services is important to address identified public health needs across Nottingham City. In particular, the LCPHS contracts enable front line providers to help address the high rates of sexually transmitted infections in the City and reduce further transmission. As well as ensuring easy access within local communities, the services offer the additional benefit of building on well-established and trusted relationships between citizens and their local GP and community pharmacists.

Other Options Considered

- (1) Decommissioning all services in exempt Appendix 1 Tables A, B and C, on expiry of the contract dates. This would provide no continuity of service and would not be in the best interests of citizens. A range of services, essential to addressing health inequalities and meeting the health priorities set out in the both Nottingham Plan and the Health and Wellbeing Strategy, would be lost. The local authority also has a specific mandatory responsibility to ensure that a comprehensive programme of sexual health services is provided. The contracts detailed in exempt Appendix 1, Table C offer a relatively low cost alternative to the Genitourinary Medicine service provided by Nottingham University Healthcare Trust. Any reduction in activity is likely to lead to increased take up of more expensive provision. For these reasons, this option was rejected.
- (2) Extending the contracts in exempt Appendix 1 Tables A, B and C rather than re-procuring them for a further year. It is considered important to test the market through an open tender process, unless there are clear circumstances that prevent this. Dispensation from financial regulations would be required for a one year extension and would not ensure best value. For these reasons, this option was rejected.

31 CHILDREN IN CARE CONTRACTS COMMISSIONING (KEY DECISION)

Holly Macer, Lead Contract Officer – Placement Service, presented the report of the Corporate Director of Children and Adults, and the Strategic Director of Early Intervention, which was a follow-up to a report presented to the Executive Board Commissioning Sub-Committee on 16 July 2014. The report seeks to set an agreed maximum contract length of 10 years, initially for 5 years, with an option to extend for another 3, then another 2. The County Council have proposed a contract length of 10 years, initially for 7 years, with an option to extend for another 2, then another 1. The Sub-Committee requested that the delegated authority in recommendation 2 be subject to consultation with the Portfolio Holder for Children’s Services.

RESOLVED to:

- (1) agree a contract length of up to 10 years for the block contract of 20 local children’s residential care placements, up to the values in exempt appendix 2;**
- (2) delegate authority to the Strategic Director of Early Intervention, in consultation with the Portfolio Holder for Children’s Services, to agree the terms of the contract length, up to a maximum of 10 years and up to the values in exempt appendix 2.**

Reasons for Decision

- (1) The block contract for children’s residential care placements will address current market challenges by ensuring increased local capacity and greater choice for Nottingham City’s children and young people. It will also enable the

Local Authority to significantly reduce the current spend on residential care placements.

- (2) A contract length of up to ten years is recommended to achieve best value for money for Nottingham City Council. Appropriate and timely termination clauses will be included within the contract. Offering this level of financial stability through a minimum occupancy guarantee will enable providers to plan longer term, and to invest in the infrastructure and resources required to ensure successful and consistent services are delivered to children and young people at a reduced cost to the Local Authority.
- (3) To allow for any increase in demand, the contract will include the opportunity for providers to deliver services above the minimum occupancy guarantee at a discounted rate. This will provide flexibility to meet any changing demand, and enable best value for money to be achieved.
- (4) Analysis confirms that a proportion of Looked After Children will always require residential care placements. In addition to Nottingham City Council's own internal residential estate, since 2010 Nottingham City Council has consistently commissioned an average of 55 external residential care placements at any one time. It is therefore reasonable to assume that the need for 20 residential placements will be present throughout the duration of up to a ten year contract.
- (5) The procurement process to commission the block contract will ensure compliance with the Council's Financial Regulations and Contract Procedure Rules. It will support the modernisation agenda and will meet the Council's aims to ensure value for money, quality and variety of services.

Other Options Considered

A shorter contract length may disadvantage Nottingham City Council through losing the opportunity to achieve best value for money. For this reason, this option was rejected.

32 EXCLUSION OF THE PUBLIC

RESOLVED to exclude the public from the meeting during consideration of the remaining agenda items in accordance with section 100a(4) of the Local Government Act 1972 on the basis that, having regard of all the circumstances, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

33 HUCKNALL HOUSE DECOMMISSIONING - EXEMPT APPENDIX

As minute 29, above.

34 PUBLIC HEALTH CONTRACTS - EXEMPT APPENDIX

As minute 30, above.

35 CHILDREN IN CARE CONTRACTS COMMISSIONING - EXEMPT APPENDIX

As minute 31, above.