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NOTTINGHAM CITY COUNCIL

COMMISSIONING AND PROCUREMENT SUB-COMMITTEE

MINUTES of the meeting held at LH 0.06 - Loxley House, Station Street, Nottingham, NG2 3NG on 12 December 2017 from 10.03 am - 10.17 am

Membership

Present

Councillor Graham Chapman (Chair)
Councillor David Mellen
Councillor Dave Trimble
Councillor Toby Neal

Absent

Councillor Jon Collins
Councillor Jane Urquhart
Councillor Nick McDonald

Colleagues, partners and others in attendance:

Paul Burrows	-	IT Change, Projects and Strategy Manager
Bobby Lowen	-	Commissioning Lead
Christine Oliver	-	Head of Commissioning
Noel McMenamin	-	Governance Officer

Call-in

Unless stated otherwise, all decisions are subject to call-in. The last date for call-in is 20 December 2017. Decisions cannot be implemented until the working day after this date.

42 APOLOGIES

Councillor Nick McDonald – work commitments
Councillor Jane Urquhart – work commitments

43 DECLARATIONS OF INTERESTS

None.

44 MINUTES

The minutes of the meeting held on 14 November 2017 were agreed as a true record and they were signed by the Chair.

45 WIDE AREA NETWORK (WAN) SERVICE PURCHASE - KEY DECISION

Paul Burrows, IT Change, Projects and Strategy Manager, introduced a report of the Portfolio Holder for Community and Customer Services to enter into a contract to purchase Wide Area Network (WAN) connectivity, in order to connect Council offices to each other and to other organisations to enable digital communications.

During discussion, it was confirmed that the contract cost will be tracked closely, and if the service was delivered below estimates then savings could accrue. A change control process was built into the contract to take account of revised requirements arising from changes to the network size.

RESOLVED to

- (1) delegate authority to the Corporate Director for Strategy & Resources to enter into a single 3 year contract through the CCS framework (with the option of extension by a further 2 year period) with the supplier offering best value for Wide Area Network (WAN) services, which is a combination of both Voice and Data Circuits;**
- (2) approve the expenditure of up to £ 2.5 million from the IT Efficiency Fund to fund the supply of WAN services for the contracted period.**

Reasons for decisions

To comply with Financial Regulations relating to testing the market to demonstrate best value for money is being obtained.

The current contract for WAN connectivity will end in October 2018 and so authorisation is sought to enter an exercise in compliance with Financial Regulations to purchase this service. The contract will be for 3 years with an option to extend for a further 2 year period.

A new supplier of the service will require a significant period of time to set up to provide the service and so it is planned to undertake the purchasing exercise well in advance of the end of the contract.

Other Options considered

Extended the current contract under the terms it was awarded for a further two 1 year periods. This option was rejected as it is believed greater value for money can be achieved through a competitive exercise.

**46 MENTAL HEALTH ACCOMMODATION AND SUPPORT PATHWAYS -
EXTENSION OF COMMISSIONED MENTAL HEALTH SERVICES - KEY
DECISION**

Christine Oliver, Head of Commissioning, introduced a report of the Portfolio Holder for Adults and Health, to approve the extensions of a number of contracts for Housing Related Support services for people with mental ill health.

During discussion, it was confirmed that the proposals will deliver increased provision without an increase in cost. A strategic commissioning review of mental health services will be required before the end of the extension period.

RESOLVED to

- (1) approve spend on services and agree to exercise the option to extend, as outlined in Appendix 1, table 1;**
- (2) approve dispensation from Contract Procedure Rules 5.1.1 and 5.1.2 in accordance with Financial Regulation 3.29 to allow for extensions and funding of services as outlined in Appendix 1, table 2;**
- (3) delegate authority to the Head of Contracting and Procurement to issue extensions to contracts up to the values noted in Appendix 1;**
- (4) note that the further delivery of Star - Hughenden is subject to agreement by NHS Nottingham City Clinical Commissioning Group to maintain joint funding;**
- (5) note that Phase 2 of the Mental Health Strategic Commissioning Review of wider support for citizens with mental ill health will be undertaken.**

Reasons for decisions

These services were reviewed recently within the first phase of the Mental Health Strategic Commissioning Review (SCR). The review concluded that these services are operating effectively in line with current requirements. These services also enable the Council to deliver against its statutory requirements under the Mental Health Act 1983 and the Care Act 2014.

The Head of Contracting and Procurement will ensure that the best value possible is obtained in respect of the ongoing delivery of these services through negotiations with providers prior to the extension of agreements.

Nottingham City Council (NCC) and NHS Nottingham City CCG fund Star – Hughenden, one of the supported accommodation services jointly. The further delivery of this service is subject to Nottingham City CCG maintaining its funding.

The first phase of the Mental Health SCR identified the need for further investigation of the wider arrangements in place to respond to the health and social care needs of citizens with mental ill health and to promote their independence. A second phase of the Mental Health SCR with Nottingham City CCG will be undertaken. This will enable both organisations to identify opportunities to maximise resources and deliver improved outcomes for citizens through closer alignment and integration of commissioning.

The extension of current contracts is recommended in order to align the delivery of these services with the Council's commissioning activity for 2017/18. The extensions will allow for Phase 2 of the Mental Health SCR to be completed.

It would not be practical or feasible to bring in a new provider and transition vulnerable citizens into the new services for a short period before the implementation of longer term commissioning decisions under phase 2.

Other options considered

To re-commission services now: This option was not recommended because further work is needed to ensure that services and pathways of support for citizens with mental ill health are effective. Procurement of services in advance of this work is not recommended on the basis that further procurement may be necessary once the review has concluded. This would not only create uncertainty for vulnerable citizens and instability for providers, but would also not be a good use of the Council's resources.

Appendix 1:

Table 1: Seeking approval for finance

Service Name	Provider organisation	Potential to extend until	Annual Contract value	Total of value of Funding	Notes
Mental Health Complex Needs Accommodation service – The Crescent Recovery Service.	Framework	30/03/2020 (contract end date currently 31/03/18)	£284,813	£569,626	<p>The extension period runs until March 2020. This report seeks approval for 2018 – 2020 financial value of £569,626 (1st of April 2018 - 31st March 2020).</p> <p>The previous Portfolio Holder approved extension and funding of this service until 31st of March 2018 (refer to DDM 2803).</p>
All Saints	NCHA	31/03/2020 (contract end currently 31/03/18)	£220,664	£441,328	<p>The extension period runs until March 2020. This report seeks approval for 2018 – 2020 financial value of £441,328 (1st of April 2018 -31st March 2020).</p> <p>The previous Portfolio Holder approved extension and funding of this service until 31st of March 2018 (refer to DDM 2803).</p>
Star - Hughenden	Framework	31/03/2020 (contract end currently 31/03/19)	£419,463	£419,463	<p>Includes contribution of £185k per annum from Nottingham City Clinical Commissioning Group (CCG). This contract will not be extended without confirmation of continued funding for the period.</p> <p>The extension period runs until March 2020. This report seeks approval for 2019 – 2020 financial</p>

					<p>value of £419,463 (1st of April 2019 -31st March 2020).</p> <p>The previous Portfolio Holder approved extension and funding of this service until 31st of March 2019 (refer to DDM 2831). 2831</p>
<p>Mental Health Forensic Independent Living Support Service</p> <p><i>Under current contract arrangements, there is the ability to extend contract for a further 21 months. To bring it in line with all other Housing Related Mental Health, table 2 below (row 2) seeks approval for the ability to extend and fund for a further 3 months (1st of January 2020 – 31st March 2020).</i></p>	Framework	31/03/20 (contract end date currently 31/03/18)	£45,275	£79,231	<p>The extension period runs until March 2020. This report seeks approval for 2018 – December 2019.</p> <p>The previous Portfolio Holder approved extension and funding of this service until March 2018 (refer to DDM 2799).</p>
Total value of extension:				£1,509,648	

Table 2: Seeking approval for extension and finance

Service Name	Provider organisation	Contract end date	Proposed extension to contract term	Proposed final extension end date	Annual contract value	Total value of Proposed extension	Notes
Mental Health Independent Living support service	Framework	31/03/2018	2 years	31/03/2020	£397,829	£795,658	The contract was awarded from 1 st of July 2013 on the basis of 3 years plus potential 3 years extension to 30 th of June 2019. The council has previously exercised the option to extend to March 2018

Service Name	Provider organisation	Contract end date	Proposed extension to contract term	Proposed final extension end date	Annual contract value	Total value of Proposed extension	Notes
							(refer to DDM's 2803 and 2569). Dispensation is required to extend beyond 1 st of July 2019 at an additional value of £298,372 in addition to the value of the original contract awarded.
Mental Health Forensic Independent Living Support Service.	Framework subcontracted to NCHA	31/12/2019 (Refer to Table 1)	3 months	31/03/2020	£45,275	£11,319	Table one seeks approval to fund this service for 21 months as the current contract allows for extension up until December 2017. However, dispensation is required to extend beyond December 2019 at an additional value of £11,319 to bring this in line with all other service, (until 31 st March 2020).
Total Value of Extensions:						£806,977	

TOTAL VALUE OF TABLE 1 AND TABLE 2	£2,316,625
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