



NOTTINGHAM CITY COUNCIL
COMMISSIONING AND PROCUREMENT SUB-COMMITTEE

Date: Tuesday, 12 December 2017

Time: 10.00 am

Place: LH 0.06 - Loxley House, Station Street, Nottingham, NG2 3NG

Councillors are requested to attend the above meeting to transact the following business

Corporate Director for Strategy and Resources

Governance Officer: Kate Morris, Governance Officer **Direct Dial:** 01158764353

AGENDA

Pages

- | | | |
|----------|--|---------|
| 1 | APOLOGIES | |
| 2 | DECLARATIONS OF INTERESTS | |
| 3 | MINUTES
To confirm the minutes of the meeting held on 14 November 2017 | 3 - 6 |
| 4 | WIDE AREA NETWORK (WAN) SERVICE PURCHASE - KEY DECISION
Report of the Corporate Director for Strategy & Resources | 7 - 10 |
| 5 | MENTAL HEALTH ACCOMMODATION AND SUPPORT PATHWAYS - EXTENSION OF COMMISSIONED MENTAL HEALTH SERVICES - KEY DECISION
Report of the Director of Commissioning and Procurement | 11 - 30 |

ALL ITEMS LISTED 'UNDER EXCLUSION OF THE PUBLIC' WILL BE HEARD IN PRIVATE. THEY HAVE BEEN INCLUDED ON THE AGENDA AS NO REPRESENTATIONS AGAINST HEARING THE ITEMS IN PRIVATE WERE RECEIVED

IF YOU NEED ANY ADVICE ON DECLARING AN INTEREST IN ANY ITEM ON THE AGENDA, PLEASE CONTACT THE GOVERNANCE OFFICER SHOWN ABOVE, IF

POSSIBLE BEFORE THE DAY OF THE MEETING

CITIZENS ATTENDING MEETINGS ARE ASKED TO ARRIVE AT LEAST 15 MINUTES BEFORE THE START OF THE MEETING TO BE ISSUED WITH VISITOR BADGES

CITIZENS ARE ADVISED THAT THIS MEETING MAY BE RECORDED BY MEMBERS OF THE PUBLIC. ANY RECORDING OR REPORTING ON THIS MEETING SHOULD TAKE PLACE IN ACCORDANCE WITH THE COUNCIL'S POLICY ON RECORDING AND REPORTING ON PUBLIC MEETINGS, WHICH IS AVAILABLE AT WWW.NOTTINGHAMCITY.GOV.UK. INDIVIDUALS INTENDING TO RECORD THE MEETING ARE ASKED TO NOTIFY THE GOVERNANCE OFFICER SHOWN ABOVE IN ADVANCE.

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 14 November 2017 from 10.04 am - 10.20 am

Membership

Present

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

Absent

Councillor Jon Collins
Councillor David Mellen
Councillor Jane Urquhart
Councillor Nick McDonald

Colleagues, partners and others in attendance:

Kaj Ghattaora	- Market Strategy and Development Officer
Christine Oliver	- Head of Commissioning
Paul Ritchie	- Lead Commissioning Officer
Jane Garrard	- Senior Governance Officer

Call-in

Unless stated otherwise, all decisions are subject to call-in. The last date for call-in is 23 November 2017. Decisions cannot be implemented until the working day after this date.

33 APOLOGIES

Councillor Collins – Other Council business
Councillor McDonald - Personal
Councillor Mellen – Other Council business
Councillor Urquhart - Personal

34 DECLARATIONS OF INTERESTS

None

35 MINUTES

The minutes of the meeting held on 12 September 2017 were confirmed as a correct record and signed by the Chair.

36 VOLUNTARY AND COMMUNITY SECTOR UPDATE

The Committee was informed that, in the future, updates from the voluntary and community sector would be provided by Louise Craig, Chief Executive Nottingham Community Voluntary Service, on a quarterly basis.

37 VERBAL UPDATES

38 CONTRACT FOR THE SUPPLY AND DELIVERY OF STATIONERY AND COMPUTER CONSUMABLES

Kaj Ghattaora, Market Strategy and Development Manager, provided a verbal update on the supply and delivery of stationary and computer consumables. She informed the Committee that there was financial analysis of the current position and this was linked to wider work to look at all corporate contracts and identify the need for expenditure. It was intended to hold a consolidated contract with the relevant provider and recharge departments for their expenditure.

The Committee discussed opportunities for reducing cost by restricting colour printing and expressed a desire to see this implemented as soon as possible.

39 CRIME AND DRUGS PARTNERSHIP CONTRACT APPROVAL

Christine Oliver, Head of Commissioning, provided a verbal update on the Crime and Drugs Partnership contract approval. She informed the Committee that the Portfolio Holder for Adults and Health had requested that a review was undertaken two months after the contract was approved. The review was ongoing and savings were continuing to be found. There was a savings target of £6million to be found from the Public Health budget for 2018/19 and Crime and Drugs Partnership savings would be joined up with that. There were five significant services due to go out to tender shortly and it was anticipated that these would achieve cost savings.

40 NOTTINGHAM CITY COUNCIL PROCUREMENT PLAN 2017-22

Christine Oliver, Head of Commissioning, introduced a report on the Nottingham City Council Procurement Plan 2017-2022 which set out the Council's planned programme of procurement activity for all goods, works and services over that five year period.

RESOLVED to:

- (1) note the Nottingham City Council Procurement Plan 2017-2022;**
- (2) note that the Procurement Plan is indicative of planned procurement activity and timescales, which may be subject to change dependent on the outcomes of the strategic commissioning process, service budgets and priorities and the full consideration of procurement options for each requirement; and**
- (3) note that the outcomes of procurement activity undertaken in accordance with the Plan during 2017/18 will be reported at the end of the year.**

Reasons for decision

The Procurement Plan:

- a) is a key mechanism in the implementation of the Nottingham City Council Procurement Strategy 2014-17, enabling the planning of procurement activity to deliver the Council's strategic priorities:
 - Grow the local economy
 - Drive increased local job opportunities for local people
 - Deliver effective value for money for our citizens
 - Lead as an Early Intervention City
 - Lead as a Green City;
- b) enables the Council to secure value for money, manage financial resources effectively and align its commissioning and procurement activity with the Council's Medium Term Financial Plan, through a planned approach and robust financial analysis for each project. A strategic category management approach in key areas of spend will maximise the value of spend and generate savings wherever possible for client departmental budgets;
- c) supports compliance with the Public Procurement Regulations and the Contract Procedure Rules of the Council's Financial Regulations by enabling procurement activity to be planned and undertaken within the duration of existing contracts. This will minimise the need for dispensation from the Financial Regulations to be sought to extend contracts beyond their expiry date without formal tendering being undertaken, other than in genuinely exceptional circumstances. This is particularly important in relation to goods and services that are subject to the full application of the European Procurement Directives;
- d) provides information for internal and external stakeholders about planned procurement activity and presents a clear, transparent and robust process of procurement planning. It facilitates joint working with partner organisations and collaboration in procurement activity. It allows other service departments (such as Legal Services) to include support for procurement activity in their work plans;
- e) supports the Council's commercialism agenda by enabling potential 'make or buy' opportunities to be identified in a timely way in advance of existing contracts being due for renewal. It facilitates the forward planning of 'make or buy' considerations by the Make or Buy Panel; and
- f) informs provider markets about forthcoming opportunities to bid for contracts with the Council; enabling potential suppliers to prepare for these and enabling market development support to be offered.

The Council's long term programme of procurement activity is currently under review to ensure the alignment of key projects with legal and procurement capacity. Therefore the Plans detail timescales for procurement activity over the forthcoming year and timescales for longer term projects will be reported to the Committee in April 2018.

Other options considered

The option of doing nothing was considered but rejected because it would impact on the planning of the Council's procurement activity across all goods, works and services. It would risk non-compliance with the Council's Contract Procedure Rules and Financial Regulations through contracts needing to be extended beyond their expiry date due to procurement activity not being undertaken in a timely way. In relation to commissioned services it would impact on the alignment of procurement activity with the programme of commissioning activity undertaken within the Strategy and Resources Department.

41 CONTRACT AND SUPPLY OF CLEANING CONSUMABLES

Paul Ritchie, Lead Procurement Officer, introduced the report on the procurement of cleaning consumables. The Committee welcomed the approach of carrying out a joint procurement exercise with Derby City Council and suggested that opportunities for other joint procurement activities with Derby City Council should be explored.

RESOLVED to:

- (1) go out to tender for cleaning consumables and award the contract for a period of 4 years to the most economically advantageous tender received;**
- (2) delegate the award of the contract to the Corporate Director Commercial Operations; and**
- (3) carry out a joint procurement with Derby City Council, with Nottingham City Council leading the tendering exercise.**

Reasons for decision

The decision will enable the Council to provide a clean and safe environment to work and live in. The joint procurement with Derby City Council will increase the spend on cleaning consumables and it is anticipated that this increase in economies of scale will enable savings to be achieved for both local authorities.

Other options considered

The option of doing nothing was considered but rejected because the Council has an on-going demand for cleaning consumables.

COMMISSIONING AND PROCUREMENT SUB-COMMITTEE**12/12/17**

Subject:	Wide Area Network (WAN) Service Purchase		
Corporate Director(s)/ Director(s):	Candida Brudenell Corporate Director for Strategy & Resources		
Portfolio Holder(s):	Councillor Toby Neal Portfolio Holder for Community and Customer Services		
Report author and contact details:	Paul J. Burrows, IT Change, Projects & Strategy Manager paul.burrows@nottinghamcity.gov.uk , 0115 87 63153		
Key Decision	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Subject to call-in	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Reasons: <input checked="" type="checkbox"/> Expenditure <input type="checkbox"/> Income <input type="checkbox"/> Savings of £1,000,000 or more taking account of the overall impact of the decision	<input checked="" type="checkbox"/> Revenue <input checked="" type="checkbox"/> Capital		
Significant impact on communities living or working in two or more wards in the City	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Total value of the decision: The value of the contract is estimated to be in the region £ 2,500,000 over the life of the contract period including the potential extension period.			
Wards affected: All	Date of consultation with Portfolio Holder(s): Councillor Toby Neal, Portfolio Holder for Community and Customer Services – 9 November 2017		
Relevant Council Plan Key Theme:			
Strategic Regeneration and Development			<input type="checkbox"/>
Schools			<input type="checkbox"/>
Planning and Housing			<input type="checkbox"/>
Community Services			<input type="checkbox"/>
Energy, Sustainability and Customer			<input type="checkbox"/>
Jobs, Growth and Transport			<input type="checkbox"/>
Adults, Health and Community Sector			<input type="checkbox"/>
Children, Early Intervention and Early Years			<input type="checkbox"/>
Leisure and Culture			<input type="checkbox"/>
Resources and Neighbourhood Regeneration			<input checked="" type="checkbox"/>
Summary of issues (including benefits to citizens/service users): Nottingham City Council purchase WAN connectivity from the market to connect Council offices to each other and to other organisations to enable digital communications. These digital communication channels allow systems to be accessed and information to be shared across the City so that services can be offered to citizens from offices in localities. The WAN also allows digital 'phone services for citizen, colleague, partner and Councillor contact across the Council.			
Exempt information: None			
Recommendation(s):			
1) To 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 WAN services, which is a combination of both Voice and Data Circuits. 2) To 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.			

1 REASONS FOR RECOMMENDATIONS

- 1.1 To comply with Financial Regulations relating to testing the market to demonstrate best value for money is being obtained.
- 1.2 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.
- 1.3 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.

2 BACKGROUND (INCLUDING OUTCOMES OF CONSULTATION)

- 2.1 Financial Regulations and procedures require the review of contracts and market testing to achieve best value for money. The Council has a single supplier of WAN services in order to deliver lower prices (through economies of scale) and more operational efficiency (i.e. speedier fault resolution).
- 2.2 The current contract was entered into in 2015 with a 3 year contract period and so expires in October 2018. Whilst this contract includes the option to extend it for up to two additional 1 year periods it is considered opportune to test the market at the 3 year point.
- 2.3 The Council's WAN, which carries both voice and data traffic, connects a significant number of sites and a new supplier may wish to implement new technologies, e.g. fibre to the cabinet, Multiprotocol Label Switching (MPLS), to provide the service. For this reason the purchasing process needs to provide a sufficient lead in period to allow any new supplier sufficient time to set up the new service.

3 OTHER OPTIONS CONSIDERED IN MAKING RECOMMENDATIONS

- 3.1 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.

4 FINANCE COLLEAGUE COMMENTS (INCLUDING IMPLICATIONS AND VALUE FOR MONEY/VAT)

- 4.1 The current contract for the Wide Area Network (WAN) expires in October 2018. Although the current contract can be extended beyond this date the intention is to go out to tender in advance of this in order to achieve greater value for money against the current contract and to ensure continuity of service delivery once the contract expires.
- 4.2 The cost of the contract is expected to be in the region of £1,5m over the 3 year period with an option to extend a further two years taking the full 5 year cost to £2.5m (approx. £0.5m cost annually).

- 4.3 The full cost of the WAN will be met from existing IT Medium Term Financial Plan (MTFP) base budgets in the service areas that the WAN supports. Savings against current levels of spend for the service will be sought although the amount is unknown at this stage. There will be no budgetary pressure as a result of the tender exercise, providing the service is on a like-for-like basis.
- 4.4 VAT will be treated in accordance with HMRC guidance.

Hayley Mason, Strategic Finance Business Partner – 23 November 2017

5 LEGAL AND PROCUREMENT COLLEAGUE COMMENTS (INCLUDING RISK MANAGEMENT ISSUES, AND INCLUDING LEGAL, CRIME AND DISORDER ACT AND PROCUREMENT IMPLICATIONS)

- 5.1 Any tender exercise to purchase the service referred to in the report should, if possible, be on terms and conditions that are acceptable to the Council rather than relying on the suppliers standard form terms and conditions . In this respect, the Procurement Team should be fully engaged in the reprocurement process.
- 5.2 From a purely legal perspective any new contract should ensure that there is flexibility to add and remove buildings should the need arise. It should also include provision for service credits and/or rebates in the event of delivery failure. As far as the technical aspects are concerned, it is assumed that any reprocurement will set minimum technical specifications for bidders' consideration.

Malcolm Townroe, Director of Legal and Governance – 21 November 2017.

6 STRATEGIC ASSETS & PROPERTY COLLEAGUE COMMENTS (FOR DECISIONS RELATING TO ALL PROPERTY ASSETS AND ASSOCIATED INFRASTRUCTURE (STRATEGIC REGENERATION COMMITTEE REPORTS ONLY)

- 6.1 None

7 SOCIAL VALUE CONSIDERATIONS

- 7.1 There are no social value considerations directly associated with this decision.

8 REGARD TO THE NHS CONSTITUTION

- 8.1 Local authorities have a statutory duty to have regard to the NHS Constitution when exercising their public health functions under the NHS Act 2006. In making this decision relating to public health functions, we have properly considered the NHS Constitution where applicable and have taken into account how it can be applied in order to commission services to improve the health of the local community.

The NHS Constitution states in section 2, 'NHS Values' that:

'Working together for patients.

Patients come first in everything we do. We fully involve patients, staff, families, carers, communities, and professionals inside and outside the NHS.

We put the needs of patients and communities before organisational boundaries. We speak up when things go wrong.'

The Council's WAN enables data communications with the NHS and supports joint working at shared service centres.

9 EQUALITY IMPACT ASSESSMENT (EIA)

9.1 Has the equality impact of the proposals in this report been assessed?

No



An EIA is not required because:

- (a) This report does not contain proposals for new or changed policies, services or functions.
- (b) WAN services provide a communications channel is not directly accessed by colleagues or citizens.

Yes



10 LIST OF BACKGROUND PAPERS RELIED UPON IN WRITING THIS REPORT (NOT INCLUDING PUBLISHED DOCUMENTS OR CONFIDENTIAL OR EXEMPT INFORMATION)

10.1 None

11 PUBLISHED DOCUMENTS REFERRED TO IN THIS REPORT

11.1 NHS Constitution for England – March 2012, updated October 2015

Agenda Item 5

COMMISSIONING AND PROCUREMENT SUB-COMMITTEE
12/12/2017

Subject:	Mental Health Accommodation and Support Pathways – Extension of Commissioned Mental Health Services		
Corporate Director(s)/ Director(s):	Katy Ball – Director of Commissioning and Procurement		
Portfolio Holder(s):	Councillor Nick McDonald, Portfolio Holder for Adults and Health		
Report author and contact details:	Rasool Gore, Lead Commissioning Manager rasool.gore@nottinghamcity.gov.uk Tel: 0115 876 2299		
Key Decision	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Subject to call-in	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Reasons:	<input checked="" type="checkbox"/> Expenditure <input type="checkbox"/> Income <input type="checkbox"/> Savings of £1,000,000 or more taking account of the overall impact of the decision		<input checked="" type="checkbox"/> Revenue <input type="checkbox"/> Capital
Significant impact on communities living or working in two or more wards in the City		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Total value of the decision: £2,316,625			
Wards affected: All		Date of consultation with Portfolio Holder(s) Councillor McDonald 8 December 2017	
Relevant Council Plan Key Theme:			
Strategic Regeneration and Development			<input type="checkbox"/>
Schools			<input type="checkbox"/>
Planning and Housing			<input type="checkbox"/>
Community Services			<input type="checkbox"/>
Energy, Sustainability and Customer			<input type="checkbox"/>
Jobs, Growth and Transport			<input type="checkbox"/>
Adults, Health and Community Sector			<input checked="" type="checkbox"/>
Children, Early Intervention and Early Years			<input type="checkbox"/>
Leisure and Culture			<input type="checkbox"/>
Resources and Neighbourhood Regeneration			<input type="checkbox"/>
Summary of issues (including benefits to citizens/service users): <p>This report seeks approval to fund the extensions of a number of contracts for Housing Related Support services for people with mental ill health (as outlined in Appendix 1). These services work to help adults with mental ill health to live independently or to recover more independent living arrangements and to help reduce the need for other more intensive forms of support.</p> <p>These services have been reviewed collaboratively through the first phase of the Mental Health Accommodation and Support Pathways Strategic Commissioning Review (SCR). Further work informed by this review has highlighted the need to consider these services alongside other assistance for people with mental ill-health (including assistance commissioned by NHS Nottingham City Clinical Commissioning Group) in order to ensure that resources are used efficiently and that effective pathways are in place to support vulnerable citizens.</p> <p>This report notes (recommendation 5) that more opportunities for using resources efficiently and delivering good outcomes for citizens are likely to be identified through a wider system view of support for people with mental ill health in collaboration with NHS Nottingham City Clinical Commissioning Group (CCG). A second phase of the Mental Health SCR will be undertaken with NHS CCG in order to prepare longer-term commissioning decisions in relation to these services.</p>			
Exempt Information: None			

Recommendation(s):	
1	To approve spend on services and agree to exercise the option to extend, as outlined in Appendix 1, table 1.
2	To 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	To delegate authority to the Head of Contracting and Procurement to issue extensions to contracts up to the values noted in Appendix 1.
4	To note that the further delivery of Star - Hughenden is subject to agreement by NHS Nottingham City Clinical Commissioning Group to maintain joint funding.
5	To note that Phase 2 of the Mental Health SCR of wider support for citizens with mental ill health will be undertaken.

1 REASONS FOR RECOMMENDATIONS

- 1.1 The services within the scope of this recommendation were reviewed recently within the first phase of the Mental Health 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.
- 1.2 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. It is proposed to delegate authority to the Head of Contract and Procurement to issue the contract extensions and agree the corresponding contract values (up to the values noted in Appendix 1) subject to the outcome of this process.
- 1.3 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 during the period of extension shown in Appendix 1.
- 1.4 The first phase of the Mental Health SCR has 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 (see section 2.3). 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.
- 1.5 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 MH SCR to be completed. This will better inform longer-term commissioning decisions and allow sufficient time to procure future services. Procurement of services in advance of this work is also not being recommended on the basis that further

procurement may be necessary once Phase 2 of the MH SCR 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.

- 1.6 The extension of current contracts is also being requested on the basis that 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.

2 BACKGROUND (INCLUDING OUTCOMES OF CONSULTATION)

- 2.1 As part of the 2016/17 Strategic Commissioning Review plan and priorities set by the Health & Wellbeing Board (25 May 2016) a review into specialist secondary mental health services was initiated.
- 2.2 A project team comprising key internal and external stakeholders (with representation from other commissioners, provider organisations, NCC Adult Social Care and other partners) was set up to oversee the review. A range of engagement with stakeholders, including citizens accessing services, has been conducted to inform the review.
- 2.3 The first phase of the Mental Health SCR found that:
- the occurrence of serious mental health problems within the population of Nottingham City is increasing (see Appendix 2)
 - short term block commissioned supported accommodation services are effective for many citizens, but more consideration needs to be given to the role of these services within wider pathways of support
 - demand for supported accommodation services is outstripped by current supply
 - further consideration should be given to outcomes delivered and value for money offered across services that work to assist people with mental ill-health
 - uncertainty exists over the effectiveness of pathways between services, with evidence of movement between similar short-term services rather than a return to stable / settled living arrangements.
- 2.5 The review also noted the degree of overlap between citizens with mental ill health who have accessed both social care and health based support commissioned by NCC and by Nottingham City CCG. A second phase of the review has therefore been put forward in order to consider where resources available to both organisations can be put to best use to deliver positive outcomes for citizens and promote recovery and independence. This work will help to inform longer-term future commissioning intentions to meet shared commitments and to make efficient and effective use of resources. The second phase of this review will also seek to ensure that pathways between services are effective and promote recovery.
- 2.6 The extension of current contracts for temporary supported accommodation and Independent Living Support as detailed in Appendix 1 will allow for the completion of this work to inform longer-term commissioning decisions.

3 OTHER OPTIONS CONSIDERED IN MAKING RECOMMENDATIONS

- 3.1 To re-commission services now: This option is 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.

4 FINANCE COLLEAGUE COMMENTS (INCLUDING IMPLICATIONS AND VALUE FOR MONEY/VAT)

- 4.1 Budget is currently allocated within the Medium Term Financial Plan to support the extension of these contracts and the approval of this report will not impact on the current MTFP assumptions.
- 4.2 A strategic commissioning review is required of Mental Health services before the end of this extension period to ensure the most appropriate value for money service/provision is being provided that aligns to the requirements and financial delivery of the Adult's Big Ticket.

Ceri Walters, Head of Commercial Finance 28 November 2017

5 LEGAL AND PROCUREMENT COLLEAGUE COMMENTS (INCLUDING RISK MANAGEMENT ISSUES, AND INCLUDING LEGAL, CRIME AND DISORDER ACT AND PROCUREMENT IMPLICATIONS)

5.1 Procurement Observations

- 5.1.1 The proposed contract extensions detailed in Table 1 (Appendix 1) of this report are in accordance with extension provisions contained in the original contracts awarded; therefore do not present any procurement implications.
- 5.1.2 The proposals within Table 2 (Appendix 1) require dispensation from the Council's Contract Procedure Rules (5.1.1 and 5.1.2) in accordance with Financial Regulations (3.29), to allow for extensions beyond their initial term without undertaking a tender process. The proposed extensions are considered permitted under Regulation 72 of the Public Contracts Regulations for the reasons presented in the report.
- 5.1.3 The Forensic Independent Living Support Service contract represents a small modification to the original contract and the Mental Health Independent Living Support Service contract is supported on the basis that to ensure continued service delivery to vulnerable citizens, it would be impracticable and costly to retender the contract for the period proposed.
- 5.1.4 The proposals are therefore supported from a procurement perspective provided best value for money be secured during the extension period. The proposed extensions will allow for the completion of a commissioning review to inform longer term commissioning decisions, which will be undertaken in partnership with Nottingham City CCG to maximise the use of resources through the integration of

commissioning. The commissioning review should be completed in time for a compliant procurement process to be undertaken for future services.

Jo Pettifor, Category Manager (Strategy and People) 27 November 2017

5.2 Legal Observations

5.2.1 The proposals in this report are split into two separate recommendations- 1) those seeking permission to exercise options to extend within the existing contract remits and approval for funding to do so and 2) those that are seeking dispensation from Contract Procedure Rule 5.1.1 and 5.1.2 in accordance with Financial Regulation 3.29 to allow extensions to existing contracts without carrying out a quotation process and tender process, respectively.

5.2.2 The Contracts mentioned within Table 1 raise no legal issues as the requested extensions are deemed modifications as permitted under Regulation 72 of the Public Contracts Regulations as they were included as extension options within the initial procurement documents.

5.2.3 The Contracts mentioned within Table 2 require dispensation from Contract Procedure Rule 5.1.1 and 5.1.2 in accordance with Financial Regulation 3.29 to enable the Council to extend the Contracts beyond their initial term until March 2020.

5.2.4 These extensions are also deemed modifications as permitted under Regulation 72 of the Public Contracts Regulations and for the reasons provided within the report, dispensation is supported. The Forensic Support Service Contract which requires an extension representing a low value increase is considered as a 'de-minimis' amendment which is minimal and supported.

5.2.5 The extension to the Independent Living Support Services Contract is supported on the basis that for technical and economic reasons and to ensure continued service delivery to vulnerable citizens. It would be impracticable, would cause significant inconvenience and substantial duplication of costs to retender the contract at this time.

5.2.6 The extensions will allow the services to be considered under a collective strategic commissioning review of all Mental Health Accommodation and Support services with the view for the long term commissioning decision in relation to these services to be taken and appropriate procurement processes commenced.

5.2.7 This decision also requests allocation of funding for the extension periods, which was not, previously approved which raises no legal issues.

Dionne Screatton, Solicitor 28 November 2017

6 SOCIAL VALUE CONSIDERATIONS

6.1 The contracts listed in Appendix 1 provide assistance to improve the health and wellbeing of vulnerable adults with mental ill health. These services have also been commissioned with the requirement for providers to deliver additional social value.

7 REGARD TO THE NHS CONSTITUTION

- 7.1 Local Authorities have a statutory duty to have regard to the NHS Constitution when exercising their public health functions under the NHS Act 2006. In making decisions relating to public health, functions we consider the NHS Constitution where appropriate and take into account how it can be applied in order to commission services to improve health and wellbeing.

8 EQUALITY IMPACT ASSESSMENT (EIA)

- 8.1 Has the equality impact of the proposals in this report been assessed?

No ☐

Yes ☒

Attached, as Appendix 3 and due regard will be given to any implications identified in it.

9 LIST OF BACKGROUND PAPERS RELIED UPON IN WRITING THIS REPORT (NOT INCLUDING PUBLISHED DOCUMENTS OR CONFIDENTIAL OR EXEMPT INFORMATION)

- 9.1 None.

10 PUBLISHED DOCUMENTS REFERRED TO IN THIS REPORT

- 10.1 Mental Health Accommodation and Support Pathways – Health & Well-Being Board Commissioning Executive Group – 14 December 2016.

- 10.2 Health and Wellbeing Board – 25 May 2016 - Minute 9

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
---	-------------------

This page is intentionally left blank

Appendix 2: Pattern of Mental Health Problem Within Nottingham City's Population

GP Information

- numbers of people with severe mental illness. We only get an annual figure for that -the next update will be in October 2017. The figures and graph show this is increasing year on year in terms of number and the rate is increasing too. The England rate is increasing but Nottingham remains higher.

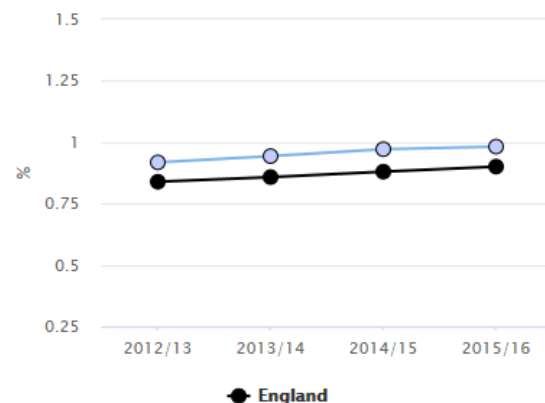
Severe mental illness recorded prevalence (QOF): % of practice register (all ages)

NHS Nottingham City CCG

Proportion - %

Export chart as image

Show confidence intervals



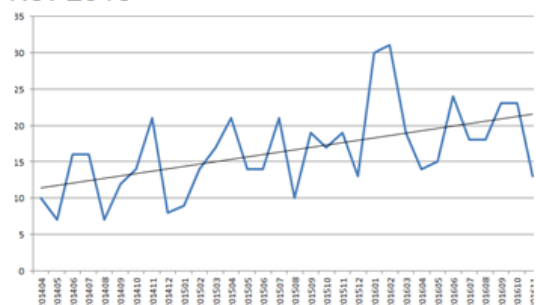
Recent trend: -

Period		Count	Value	Lower CI	Upper CI	North Midlands	England
2012/13		3,233	0.92	0.89	0.95	0.73*	0.84
2013/14		3,349	0.94	0.91	0.98	0.75*	0.86
2014/15		3,506	0.97	0.94	1.00	0.77	0.88
2015/16		3,590	0.98	0.95	1.01	0.79	0.90

Source: Quality and Outcomes Framework (QOF). <http://content.digital.nhs.uk/qof>

Nottingham City CCG statistics

Referral for first episode of psychosis Apr 2014- Nov 2016



Admissions and treatment for psychosis.

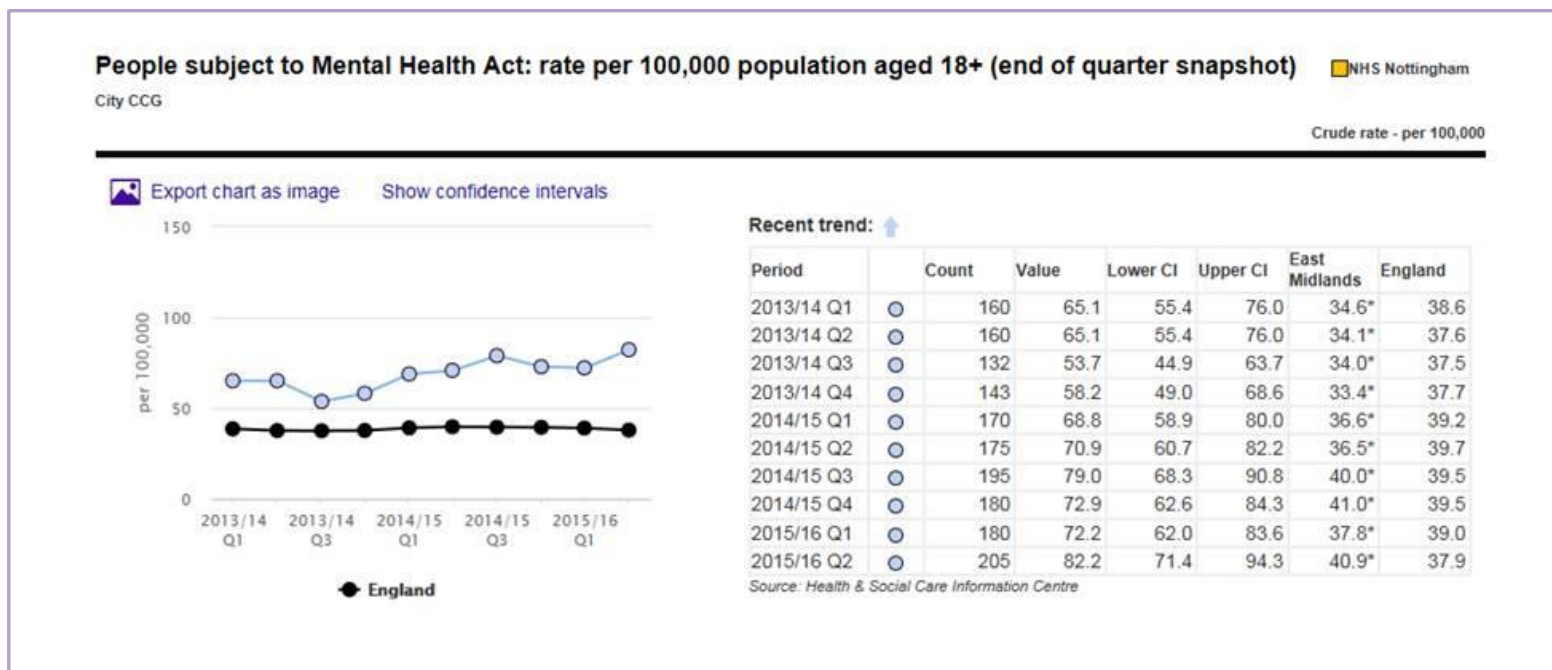
The graph is from the CCG showing the referrals per month for people experiencing psychosis for the first time. This shows that we have an increasing number of people experiencing psychosis for the first time.

This chart shows that Nottingham is high compared to similar CCGs
(Only similar CCGs for this figures as it is an NHS based figure)

This graph is the nationally published version of the graph above and shows Nottingham City have higher rates and increasing rates of people being treated for first episode of psychosis.

MH Act assessments-rate of people subject to the mental health Act.

This national data marries with the information from Oliver Bolam saying that MH Act assessments have increased (although I haven't seen data from him since earlier in the year)



This page is intentionally left blank

Appendix 3 Equality Impact Assessment Form (Page 1 of 2)

Title of EIA/ DDM: Mental Health Supported Accommodation Pathway. Name of Author: Celina Adams

Department: Strategy and Resources

Director: Katy Ball & Helen Jones

Service Area: Commissioning

Strategic Budget EIA Y

Author (assigned to Covalent): Rasool Gore

Proposal:

To extend the current Mental Health Supported Accommodation and Independent Living Support contracts in order to complete Phase 2 of the Strategic Commissioning Review.

Background:

Nottingham City Council has undertaken a review of the Mental Health Supported Accommodation Pathway (MHSAP). The Health and Well Being Board approved this review in July 2016. The services within the pathway provide for citizens who have been inpatients in mental health hospital and/or have difficulty maintaining independent living due to difficulties arising from their mental health. These services include independent living support (ILLS) services including peripatetic 'floating' support offering advice and assistance to assist citizens to sustain independent accommodation. It is proposed that these contracts are extended in order allow for further work and analysis as part of Phase 2.

The MHSAP review undertook phase 1, which focused on the current commissioned pathway. The project team included:

- Nottingham City Council Adult Social Care
- Nottingham City Clinical Commissioning Group (CCG)
- Nottingham Community Voluntary Service
- NHS Trust Foundation
- Opportunity Nottingham
- Current providers
- Service Users

The Mental Health JSNA (2016) reported the following amongst unmet needs and gaps:

- Citizens find the system of mental health services confusing and difficult to navigate.
- Broader understanding of mental health needs and the relationship with physical health needs to be improved at all levels within commissioning and provision.
- Black and minority ethnic (BME) communities and high-risk groups such as LGBT groups, offenders and asylum seekers/refugees may have challenges in terms of accessing mental health services.
- Mental Health problems are frequently reported amongst individuals who are homeless or at risk of becoming homeless. Work is needed to ensure systems of homelessness prevention and mental health support work together to ensure those in need receive adequate treatment, accommodation and support.

The JSNA also highlighted that

- Black men are 3 times more likely to be represented on a psychiatric ward and up to six times more likely to be detained under the Mental Health Act;
- Lesbian, gay, bisexual or transgender adults have a 4-fold increased risk of suicide;

Recommendations for commissioners ensure all commissioned mental health services include:

- Services are understood and accessible to all, including groups within the population who currently find services difficult to use for cultural reasons or because they believe the service will not meet their needs;
- Services have an emphasis on supporting recovery and promoting 'safe' independence;

- Services consider each individuals physical health needs as equally important as their mental health needs;
- Services to raise the profile of outcomes for people with mental health problems as an equality issue by consideration of the requirement to make reasonable adjustments to enable people with enduring mental health problems to benefit.

Although the current Supported Accommodation services are effective in enabling discharge from hospital of people with complex needs, there is a waiting list and half of the service users move from one type of supported accommodation to another. Considering that diagnosis of MH is on the increase, it is therefore recommended that further work is needed to fully understand if and how the MHSAP could be improved in order to best fit with the social care system, NHS treatment services and homelessness provision in the City and thereby improve outcomes for people with complex mental health needs.

Information used to analyse the effects on equality:

Phase 1 was informed by extensive research, analysis and consultation and included:

- Regular meetings of the Analysis team undertaking desktop analysis, research and literature searches.
- Analysis of information provided in monitoring returns from current providers.
- Data presented in the MH JSNA chapter (refreshed in 2016).
- Regular input from Stakeholders represented at Project Team meetings.
- Wider stakeholder's engagement workshops – An initial event held in November 2016 and a follow up event in May 2017 to discuss initial findings of Phase 1.
- Meetings to consult with current providers.
- A 'Barriers to move on' survey completed by current providers.
- Citizen engagement – involving those who are currently using Supported Accommodation or are in the process of moving on from Supported Accommodation.
- Consultation with NHS workforce.
- Consultation with Social Care workforce.
- Consultation with voluntary and community sector representing service for vulnerable adults.

Key messages from the consultation were that:

- The current commissioned pathway is operating well, offering an effective short-term support system that is value for money.
- Diagnosis of secondary Mental Health within Nottingham city is increasing.
- There is a need to consider how the whole system of support works and how better to manage this resource effectively in the future.
- Homeless provision has a high rate of citizens that have mental health needs who are receiving support but who feel that it is not sufficient
- Supported accommodation services are delivering high level of outcomes for around 50% of citizens accessing the pathway.
- Further work is needed with NHS and CCG to consider how capacity across the mental health support pathway can be increased to meet future need.
- A data strategy would enable City Council and NHS CCG to compare care across the pathway in order to provide greater insight on whether the system is working effectively and where further development of resources is required.

In addition to the very specific consultations above, Nottingham City Clinical Commissioning Group (CCG) undertook a range of engagement activity on community adult mental health support services during 2014 and 2015. Key themes included that services should include culturally specific and more specialist services.

	Could particularly benefit X	May adversely impact X
People from different ethnic groups.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Men	<input type="checkbox"/>	<input type="checkbox"/>

Women	<input type="checkbox"/>	<input type="checkbox"/>
Trans	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Disabled people or carers.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Pregnancy/ Maternity	<input type="checkbox"/>	<input type="checkbox"/>
People of different faiths/ beliefs and those with none.	<input type="checkbox"/>	<input type="checkbox"/>
Lesbian, gay or bisexual people.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Older	<input type="checkbox"/>	<input type="checkbox"/>
Younger	<input type="checkbox"/>	<input type="checkbox"/>
Other (e.g. marriage/ civil partnership, looked after children, cohesion/ good relations, <u>vulnerable</u> children/ <u>adults</u>).	<input type="checkbox"/>	<input type="checkbox"/>
Please underline the group(s) /issue more adversely affected or which benefits.		

<div> <div>Page 2</div> <div> How different groups could be affected (Summary of impacts) </div> </div>	Details of actions to reduce negative or increase positive impact (or why action isn't possible)
<p>Provide details for impacts / benefits on people in different protected groups.</p> <p>Benefits of proposal – Citizens</p> <ol style="list-style-type: none"> 1. Considering the unmet needs in the JSNA (see above), future specifications <u>can</u> stipulate that providers need to evidence that they will be able to accommodate the needs of different cultures to ensure services are accessible by all. 2. Individuals who are homeless or at risk of becoming homeless receive adequate treatment, accommodation and support. 	<p>Actions:</p> <ol style="list-style-type: none"> 1. Final specifications and monitoring requirements amended to address issues related to challenges for groups such as BME accessing mental health services. Responsible: Commissioning and Contracts processes. Timescale (at date of writing): August 2019 2. Align Phase 2 of the review with work being undertaken as part of the Adult Social Care Big Ticket programme and related Strategic Reviews - ensuring a method/system that identifies citizens who are in homeless provision but are eligible for support under NHS or Adult Social Care. Responsible: Commissioners. Timescale: December 2017 – December 2018

3. There is an increase in the number of citizens achieving safe independence or have a range of longer-term options across Adult social care, NHS and CCG commissioned services.

3. Development of shared systems – (Eg: dashboard of population being supported and current spends). In order to identify level of complexity of needs in order to understand spend related to needs.
Responsible: CCG and Nottingham City Commissioners.
Timescale: (at time of writing) July 2018 – July 2019.

Contract timescales:

Current contract end date: March 2018

Proposed extension end date: March 2020

New contracts proposed to be in place: April 2020

Has consultation been done or planned for this proposal? •Completed ☒ •Planned ☒

Has human rights legislation been considered in this proposal? •Yes ☒ •No ☐

Outcome(s) of equality impact assessment:

- No major change needed ☒ •Adjust the policy/proposal ☐ •Adverse impact but continue ☐
•Stop and remove the policy/proposal ☐

Arrangements for future monitoring of equality impact of this proposal / policy / service:

This assessment to be reviewed as part of Phase 2 of the review (July 2018)

Going forward actions will be monitored as part of:

Monthly and annual service reporting and monitoring submitted by Providers.

Data provided by other internal agencies (eg: Housing Aid, Adult Social Care)

Approved by (manager signature):

Rasool Gore – Lead Commissioning Manager:

rasool.gore@nottinghamcity.gov.uk

Tel: 8762299

Date sent to equality team for publishing:

Initial: 14th November 2017

Send document or link to:

equalityanddiversityteam@nottinghamcity.gov.uk

Signed:

Before you send your EIA to the Equality and Community Relations Team for scrutiny, have you:

1. Read the guidance and good practice EIA's
<http://gossweb.nottinghamcity.gov.uk/nccextranet/index.aspx?articleid=9770>
2. Clearly summarised your proposal/ policy/ service to be assessed.
3. Hyperlinked to the appropriate documents.
4. Written in clear user friendly language, free from all jargon (spelling out acronyms).
5. Included appropriate data.
6. Consulted the relevant groups or citizens or stated clearly when this is going to happen.
7. Clearly cross referenced your impacts with SMART actions.

This page is intentionally left blank