

NOTTINGHAM CITY COUNCIL

COMMISSIONING AND PROCUREMENT SUB-COMMITTEE

MINUTES of the meeting held at LB31 - Loxley House, Station Street, Nottingham, NG2 3NG on 11 March 2015 from 14.00 - 14.38

Membership

Present

Councillor Dave Liversidge
Councillor David Mellen (Vice Chair)
Councillor Alex Norris (Chair)
Councillor Dave Trimble

Absent

Councillor Jon Collins
Councillor Nick McDonald

Colleagues, partners and others in attendance:

Antony Dixon	- Strategic Commissioning Manager, Nottingham City Council
Ian Greatorex	- Finance Business Partner, Nottingham City Council
Colin Monckton	- Director of Commissioning, Policy and Insight, Nottingham City Council
Dave Robinson	- Quality Assurance Manager, NCVS
James Welbourn	- Governance Officer, Nottingham City Council

Call-in

Unless stated otherwise, all decisions are subject to call-in and cannot be implemented until **24 March 2015**.

22 APOLOGIES FOR ABSENCE

Cllr Jon Collins	- other Council business
Cllr Nick McDonald	- other Council business
Helen Kearsley-Cree	- sent substitute

23 DECLARATIONS OF INTEREST

None

24 MINUTES

The minutes of the meeting held on 11 February 2015 were confirmed and signed by the Chair.

25 VOLUNTARY SECTOR UPDATE

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

- (a) with the VCS Support Services contract ending in March, and a different model of delivery via the Area Based Grants process being setup, the sector is keen for information about what happens from 1st April and pathways to support services;
- (b) under the support service contract due to cease at the end of March, NCVS alone has been supporting around 500 groups annually. Information the sector is asking for includes who and where to go to for:
 - 1. Volunteer brokerage – who will be helping to advertise and find volunteers
 - 2. Volunteer management
 - 3. Funding advice and help with funding bids and tenders
 - 4. Specialist help registering as charities, incorporating as companies and broader governance support and advice
 - 5. 1-2-1 casework group development support
 - 6. Information about other city groups via an online directory of city VCS groups
 - 7. Clear pathway / single point of access to support services via a Helpdesk;
- (c) NCVS has been promoting the Nottingham City procurement strategy to the sector. The strategy has been embedded in our 'introduction to tenders' training. A city council officer also attended a joint NCVS/NCVO (National Council for Voluntary Organisations) 'Building Campaigns and Influencing Skills' event to promote the strategy;
- (d) NCVS is working to the D2N2 Social Inclusion Framework under TO9 (social inclusion and anti-poverty), as well as leading on behalf of our city as part of a new voluntary sector consortium for the D2N2 Local Enterprise Partnership (LEP) area – which covers the whole of Derbyshire and Nottinghamshire.

The new consortium has been given the working title of 'The Social Inclusion Consortium', and is a collaboration between Nottingham CVS and three other local infrastructure organisations in the region – Bassetlaw CVS, Rural Action Derbyshire and Community Action Derby.

The consortium is planning to increase its membership, and will be bidding for funding as part of the D2N2 LEP and Big Lottery's 'Building Better Opportunities' programme;

RESOLVED to:

- (1) thank NCVS for the update;**

- (2) **ask Councillor Norris to respond to a list of questions on the subject of Area Based Grants submitted by Dave Robinson;**

26 WORK PROGRAMME

Antony Dixon, Strategic Commissioning Manager, submitted a work programme for the Sub-Committee, covering June 2015.

RESOLVED to note the provisional agenda items shown below:

June 2015	Learning Disability Strategic Commissioning Review Commissioning Intentions; Procurement Strategy Update; Children & Young Peoples Review Commissioning Intentions;
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27 EARLY INTERVENTION DIRECTORATE COMMISSIONING INTENTIONS

Colin Monckton, Head of Commissioning and Insight, presented the Early Intervention Directorate Commissioning Intentions, and highlighted the following points in addition to responding to Councillor's questions:

- (a) one of the purposes of this paper was to split out and identify a handful of major work programmes, as well as highlighting main programmes of activity relating to cost and contract requirements;
- (b) more information on the priority activities listed in the report will be available in the next Forward Plan; additionally further updates can be provided at future meetings. Councillors were particularly keen to have more information on the 'whole life disability' activity;
- (c) the 'child development core offer' activity has more clarity than it did 3-4 months ago;

RESOLVED to approve the Early Intervention Directorate commissioning priorities for 2015/16;

28 PROJECT EVOLUTION - SOCIAL CARE SYSTEM (CAREFIRST) REPLACEMENT - KEY DECISION

Colin Monckton, Head of Commissioning and Insight, presented the report on Project Evolution – Social Care System Replacement, and highlighted the following points in addition to responding to Councillor's questions:

- (a) there has been a long and protracted history with the social care system, leading to some discontent in the workforce. This project has been positioned as an evolution from the current system;
- (b) the money involved in the decision can be broken down into three areas:

1. money for the system itself
2. implementation costs
3. ongoing development of application support

Any savings would be likely to come under point 2.

- (c) contingency has been built into some of these figures, so as a result, some savings may not be required;
- (d) internally at Nottingham City Council, there has been a high level of involvement from staff, but as yet, there has been no external communications around this subject;
- (e) specification for this system has been pulled together with a large amount of detail from practitioners;
- (f) existing business processes are being worked to, so that changes needed in the system can be identified. The particular software vendor that is chosen will have a steer on this; it is advised that standard software is used where possible, so that minimal modifications are required;

RESOLVED to:

- (1) delegate authority to the Corporate Director for Children and Adults to approve the outcome and award the tender to the winning vendor to a value of £1.399m. This will be awarded on April 7th;**
- (2) delegate authority to the Director of Commissioning, Policy and Insight to sign the contract arising from the tender process once the tender outcome is agreed;**
- (3) approve the spending of £4.197m associated with the contract and introduction of the new system over the next 5 years as indicated in paragraph 4;**
- (4) approve the sources of funding of £4.197m as indicated in paragraph 4;**

Reasons for Decision

- (1) to enable the timely award of the contract for the social care system in order to achieve first phase delivery in April 2016;
- (2) to allocate funding to implement the solution, in order to recruit to posts required to deliver the solution within the required time frame;
- (3) to comply with our statutory duties under the Care Act. The new solution will also address the issues outlined by the recent Ofsted report;
- (4) to support the management and delivery of children's and adult's social care transformation programmes and big ticket savings;

- (5) to facilitate the funding of the project;

Other options considered

- (1) upgrading CareFirst to the new generation product – there is an option to upgrade to OLM’s new product ‘Eclipse’; however the product has not been tried and tested with other authorities and is still in its testing phase;
- (2) do nothing – there is the option of retaining the current system and accepting the risks that this presents. As a result of this, systems will be disparate, data will continue to be poor, systems will remain non-compliant and Ofsted feedback will not be addressed.

It will prove difficult to meet new statutory and business requirements. This will have an impact on social care practice and the ability to manage cases. Additional bolt on solutions may need to be developed at additional cost to the current contract.

The current systems are not easy to use and lack the functionality of newer products on the market. This has resulted in less take up and enthusiasm from users. As a result the Council has not maximised the full potential or benefits from an electronic social care case management and recording system as it perhaps should and could have and data quality is compromised. Commissioning of services, forward projection and planning is compromised by the lack of flexibility of the current systems.

Financial management will remain limited with little potential for improvement.

For these reasons, this option was rejected.

29 ICELS COMMISSIONING ARRANGEMENTS - KEY DECISION

Antony Dixon, Strategic Commissioning Manager, presented the report on the Integrated Community Equipment Loan Service (ICELS), highlighting the following points and responding to Councillor’s questions:

- (a) ICELS is a partnership between Nottingham City Council, Nottinghamshire County Council, Nottingham City Clinical Commissioning Group (Notts CCG), and the six Nottinghamshire CCG’s. It provides essential equipment for adults and children enabling them to live independently. The Nottinghamshire ICELS model is considered good practice nationally;
- (b) paragraph 2.6 contains proposed changes to the current model. It is anticipated that these changes will help cap projected cost pressures associated with inflation and demand.

There will be a break clause in the contract after five years;

- (c) the city costs are split equally between Nottingham City Council and the CCG. The ICELS Partnership Finance Group will review future partnership funding

splits in line with current delivery and projected overspend; it is anticipated that this will not result in a greater split for Nottingham City Council;

- (d) four organisations have expressed an interest in delivering this service. The service must be delivered from Middleton Court, which is leased by Nottingham City Council on behalf of the partnership;
- (e) the tender process for ICELS commences in May, with an outcome being reached in September;

RESOLVED to:

- (1) approve the commissioning of an Integrated Community Equipment Loan Service (ICELS) in accordance with the model detailed in 2.3-2.6;**
- (2) approve the commencement of a tender process for a replacement Integrated Community Equipment Loan Service (ICELS) led by Nottinghamshire County Council;**
- (3) approve the Council entering into the partnership agreement with Nottinghamshire County Council and the Clinical Commissioning Groups of Nottingham City, Nottinghamshire County and Bassetlaw for ICELS;**
- (4) note the budget allocation set out in table 1 to support ICELS spend of £1.410m per annum;**
- (5) approve the spend of up to £9.870m for the period 2016/17-2022/23 from revenue and capital budgets as Nottingham City Council's contribution to the partnership contract for ICELS;**
- (6) approve the carry forward of any under-spend against the ICELS budget to mitigate demand pressures and availability of capital grant over the duration of the contract. Any further increases in spend due to demand will be contained within Medium Term Financial Plan (MTFP) inflationary allocations and any unallocated capital grant;**
- (7) approve the use of delegated authority by the Director of Early Intervention to approve the outcome of the tender on behalf of the City Council;**

Reasons for Decision

- (1) Nottinghamshire County Council will commence a tender process for a replacement ICELS service in April 2015. A commitment from Nottingham City Council is required to enter into and fund the outcome of this process;
- (2) Delivery of an integrated community equipment Loan Service will assist vulnerable people to live independently in their own homes and facilitate discharge from hospital. Jointly commissioning the service with

Nottinghamshire County Council and the Clinical Commissioning Group (CCG) will deliver increased value for money for the Council;

Other options considered

- (1) Nottingham City could commission and procure a Community Equipment Service for the City separately from the other commissioners. This option is not recommended as we would lose the benefits of economies of scale associated with a countywide service with a likely consequent reduction in value for money. It is unlikely that Nottingham City CCG would support this model given that they also have responsibilities towards those registered with a City general practitioner but resident in the County;

30 BETTER CARE FUND SECTION 75 AGREEMENT - KEY DECISION

Antony Dixon, Strategic Commissioning Manager, presented the report on the Better Care Fund section 75 agreement, highlighting the following points and responding to Councillor's questions:

- (a) the decision-making process will be much smoother than having Nottingham City Council (NCC) and the CCG's going through their governance processes;
- (b) NCC would host the budget, so there would need to be an allocation to Nottingham Clinical Commissioning Group, and then a transfer back of the budget (outlined in Appendix 1);
- (c) this mechanism will be set up in a manner whereby it can be amended in future years;

RESOLVED to:

- (1) note the requirement for the Council to enter into an agreement pursuant to s75 National Health Service Act 2006 with the Nottingham City Clinical Commissioning Group (CCG) in relation to the Better Care Fund (BCF);**
- (2) note the proposed governance arrangements under the s75 agreement;**
- (3) grant delegated authority to the Corporate Director of Children and Adults to approve and enter into the s75 agreement, in consultation with the Portfolio Holder for Adults, Commissioning and Health;**
- (4) approve that the Council will host the pooled budget;**
- (5) approve the allocation and transfer of BCF funding for Clinical Commissioning Group (CCG) commissioned schemes in 2015/16 as detailed in Appendix 1;**

Reasons for recommendations

- (1) to establish the governance arrangements and mechanisms for management of the BCF pooled funds;

- (2) regulations require that one of the partners is nominated as the host of the pooled budget and this body is responsible for the financial administration and auditing requirements of the fund;
- (3) the Council can transfer pooled funds to the CCG in respect of services that they have responsibility for commissioning;

Other options considered

- (1) establishment of a s75 agreement is necessary to enable the pooling of local authority and NHS funds that is a requirement of the Better Care Fund;
- (2) the CCG could host the pooled budget. In general however, there are accounting benefits for the Local Authority being the host. This will be the practice in the majority of local authority areas;