

**COMMISSIONING AND PROCUREMENT SUB-COMMITTEE – July 2016**

<b>Subject:</b>	Crime and Drugs Partnership Contract Approval 2016/17 (2)		
<b>Corporate Director(s)/ Director(s):</b>	Candida Brudenell, Assistant Chief Executive		
<b>Portfolio Holder(s):</b>	Cllr Norris, Cllr Collins and Cllr Heaton		
<b>Report author and contact details:</b>	Christine Oliver Head of Commissioning 01158765725		
<b>Key Decision</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<b>Subject to call-in</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<b>Reasons:</b> <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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<b>Total value of the decision: Up to £ 2,089,877</b>			
<b>Wards affected: All</b>	<b>Date of consultation with Portfolio Holder(s): 7 and 8 December 2015 (Leader)</b>		
<b>Relevant Council Plan Key Theme:</b>			
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 checked="" type="checkbox"/>
Leisure and Culture			<input type="checkbox"/>
Resources and Neighbourhood Regeneration			<input type="checkbox"/>
<b>Summary of issues (including benefits to citizens/service users):</b>			
In March 2016 this committee approved delegations and approvals for spend for the CDP budget for 2016/17. This report seeks further authorities to allocate funds and award contracts in 2016 as set out in the exempt appendix. In addition to delegate authority to the Director of Commissioning and Procurement to award and extend contracts in the absence of the Assistant Chief Executive or with the Assistant Chief Executives approval. Further to delegate authority to the Head of Commissioning to sign contracts up to the value of £50,000.			
<b>Exempt information:</b>			
<b>State 'None' or complete the following.</b>			
Appendix 1 to the report is exempt from publication under paragraph 3 of Schedule 12A to the Local Government Act 1972 because it contains information relating to commercial confidentiality and, having regard to all the circumstances, the public interest in maintaining the exemption outweighs the public interest in disclosing the information. It is not in the public interest to disclose this information because it is commercially confidential.			
<b>Recommendation(s):</b>			
1. To delegate authority to the Assistant Chief Executive to award extend and sign the contracts set out in this Report and that of March 2016. This will ensure best value for Nottingham citizens in line with the exempt appendices.			
2. To delegate authority to the Head of Commissioning to sign those contracts set out in this Report up to the value of £50,000			
3. To approve dispensation from Contract Procedure Rules 5.1.1 and 5.1.2 in accordance with Financial Regulation 3.29 in respect of the direct award of those contracts identified in exempt appendix 1 to ensure continuity of services.			

## **REASONS FOR RECOMMENDATIONS**

- 1.1 To ensure the Public Health, Police and Crime Commissioner, NCC and partner contributions are utilised to commission and contract with services in an appropriate way and in accordance with the correct legislation.
- 1.2 To allow for relevant and necessary commissioning activity to continue in order to maintain service provision for the citizens and meet identified local need.
- 1.3 To enable timely contract variations, extensions, direct awards and allocations to be made to services in order to deliver continuation of services in 2016/17.
- 1.4 To allocate funding to deliver the required savings across the Public Health, NCC and Police and Crime Commissioner funding streams in 2016/7.

## **2 BACKGROUND (INCLUDING OUTCOMES OF CONSULTATION)**

- 2.1 A paper was agreed at the March meeting of the Commissioning and Procurement sub-committee approving collation of grant and funding and allocation of fund to the FCDP. The report also delegated authority to the assistant Chief Executive to award funding and to award and extend contracts.
- 2.2 The CDP continues to work with partners and now seeks further authorities to award or extend contracts and undertake reviews as set out in the exempt appendix. The awards are within the allocation of funds made in March 2016.
- 2.3 Exempt appendix 1 sets out contracts where approvals were given in March 2016 to direct award contacts. Authority is now sought to determine or extend the length of the contacts from that agreed the March 2016 sub-committee. (Shared Care. pharmacy needle and syringe exchange, hospital liaison extension. inpatient extension to 1.9.16, In addition in respect of pharmacies to direct award to new pharmacies to offer needle exchange.)

In addition exempt appendix 1 sets out those services where tender is due to take place in 2016/17 followed by award of contract. (Helpline and Rise).

## **3 OTHER OPTIONS CONSIDERED IN MAKING RECOMMENDATIONS**

- 3.1 Option 1 – To competitively tender those services set out in exempt appendix 1. This is not considered an option due to the specialist nature of the services provided and for the reasons set out in Appendix 1..
- 3.2 Option 2 - To decommission the services by terminating the contracts. This is not considered an option due to the impact on the Crime & Drug Partnership Overall Aims to reduce crime. Anti-social behaviour substance misuse and reoffending.
- 3.3 Option 3 – Do nothing - this is not considered as an option as contracts will end and service provision will cease which is not considered acceptable due to the likely adverse impact on the Crime & Drug Partnership Overall Aims to reduce crime. Anti-social behaviour substance misuse and reoffending

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

- 4.1 The maximum value of the contracts as described in exempt Appendix 1 is £2,089,877 and can be contained within the expected CDP budget allocation to 2018/19.
- 4.2 Allocation of the funds as set out in exempt Appendix 1 will allow savings to be delivered in 2016/17 which aligns to the Medium Term Financial Plan (MTFP).
- 4.3 Continuing commissioning activity as described will ensure a seamless service provision for residents and assist delivery of efficiencies in future years. Alignment of contract expiry dates gives the opportunity to increase the integration of services to residents and explore options for efficient service delivery and maximising resources.
- 4.4 Any increase in contract value exceeding the amounts stated in exempt Appendix 1 would require further approval to be gained through the appropriate process.
- 4.5 Dispensation from Contract Procedure Rules 5.1.1 and 5.1.2 as allowed by Financial Regulation 3.29 due to operational issues are appropriate in this instance.

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

Contracts to commission and procure the services referred to in this report are subject to the procurement rules set out in Chapter 3 of the Public Contracts Regulations 2015. These rules are sometimes referred to as the 'light touch regime' and have a much higher financial threshold than for other public services contracts – currently £589,148. Direct awards may be made below the threshold without a competitive tender but the contracts should still demonstrate value for money. Contracts can be extended where there is an option to do so in the contract. Where there is no extension option a contract should not be extended without consideration of the risks of a procurement challenge where the value of the extension takes the aggregate value of the contract above the applicable financial threshold.

### **Procurement Comments**

- 5.2 This report requests dispensation from the provisions of the Contract Procedure Rules (5.1.2) in accordance with Financial Regulations (3.29), to make direct awards and extensions of contracts as detailed in exempt Appendix 1. The reasons for the proposed contract awards relate to the specialist nature of the service provision and consideration of the provider market. The proposed contract extensions are to allow time for a commissioning process to be completed and new contractual arrangements to be established. For these reasons the recommendations are supported, provided the value of the individual contracts awarded does not exceed the relevant thresholds under the Public Contracts Regulations 2015. For those contracts extended to enable a commissioning review to be completed and new contractual arrangements implemented, the review should be completed in sufficient time for a complaint procurement process to be

undertaken. Procurement activity will be undertaken by the Procurement Team through a fully compliant process.

## **6 SOCIAL VALUE CONSIDERATIONS**

- 6.1 Recommendations have been considered in line with the Public Services (Social Value) act 2012. All services within this report aim to improve the social wellbeing of the client groups they target.

## **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 the 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 No. An EIA is not required because this decision only applies to the extension of these services for which there is an existing EIA.

## **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 None

## **11 OTHER COLLEAGUES WHO HAVE PROVIDED INPUT**

- 11.1 Tim Clark Financial - Analyst CDP

- 11.2 Jo Pettifor, Category Manager – Strategy and People, Contracting and Procurement