

## **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 13 February 2018 from 10:00 – 10:48**

#### **Membership**

##### Present

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

##### Absent

Councillor Jon Collins  
Councillor Dave Trimble  
Councillor Jane Urquhart  
Councillor Nick McDonald

#### **Colleagues, partners and others in attendance:**

Katy Ball	- Director of Commissioning and Procurement
Kaj Ghattaora	- Market Strategy and Development Manager
Kate Morris	- Governance Officer
Steve Oakley	- Head of Contracting and Procurement
Christine Oliver	- Nottingham Crime and Drugs Partnership
Jo Pettifor	- Strategic Procurement Manager
Jules Sebelin	- NCVS

#### **Call-in**

Unless stated otherwise, all decisions are subject to call-in. The last date for call-in is 22.02.2018. Decisions cannot be implemented until the working day after this date.

#### **47 APOLOGIES FOR ABSENCE**

Councillor Jon Collins – Council Business  
Councillor Nick McDonald – Work Commitments  
Councillor Jane Urquhart – Work Commitments

Louise Craig – Nottingham CVS.

#### **48 DECLARATIONS OF INTERESTS**

None

#### **49 MINUTES**

The minutes of the meeting held on 12 December 2017 were agreed as a true record and they were signed by the Chair.

#### **50 VOLUNTARY AND COMMUNITY SECTOR UPDATE**

Jules Sebelin, Business Development Manager, Nottingham CVS gave a verbal update report on the relevant issues from the Community and Voluntary services. She highlighted the following points:

- (a) It is positive to see community and voluntary groups feature so much in the Procurement Strategy to be discussed in a later item, Nottingham CVS are working hard with small groups to ensure that they are ready to bid in competitive tendering processes;
- (b) the smaller, more specialised networks are still running well. Additional networks are being formed to address emerging issues, including one working to address food poverty;
- (c) the Journey to Employment development tool is doing good work encouraging people into voluntary work then on to employment from that point. Last year Nottingham placed in the top 2 across the Midlands and Wales for helping people on this programme;
- (d) the introduction of new data protection legislation is causing concerns among the voluntary and community sector. Nottingham CVS have been offering very low cost training to groups to ensure that groups know what they need to do to be compliant with new rules.

Following questions and comments the following further information was highlighted:

- (e) Fuel poverty is also an issue within certain areas of Nottingham City. There are pieces of joint work taking place to improve this situation and to improve private rented accommodation.

**RESOLVED to thank Jules Sebelin for her attendance and to note the content of her update.**

## **51 NOTTINGHAM CITY COUNCIL PROCUREMENT STRATEGY 2018-2023**

Katy Ball, Director of Commissioning and Procurement presented a report on the Nottingham City Council Procurement Strategy 2018-2023 highlighting the following points:

- (a) The Procurement Strategy currently in place has increased social value, with 50% of contracts being awarded to small or voluntary groups, and helped to drive the local economy with over 60% of contracts remaining local, providing over 360 jobs in the local job market in the last 3 year;
- (b) the renewed Procurement strategy for 2018-2023 continues to focus spending power of the Council with the key strategic objectives of:
  - Citizens at the heart
  - Securing economic, social and environmental benefits
  - Commercial efficiency

**RESOLVED to:**

- (1) **Endorse the revised Nottingham City Council Procurement Strategy 2018-2023 as attached to the report published in the agenda, and to recommend the draft strategy to Full Council for approval;**

- (2) Note that outcomes of procurement activity undertaken under the Procurement Strategy will be reported to Committee on an annual basis;**

Reasons for decision

- (1) Adopting a robust framework for the procurement of goods, works and services is essential to delivering the Council's strategic priorities;
- (2) The Strategy will drive the delivery of social value for the city and set out the following core principles for all procurement activity:
  - Commercial efficiency
  - Citizens at the heart
  - Partnership and collaborations
  - Governance, fairness and transparency
  - Ethical standards; and
  - Innovation and improvement
- (3) The Strategy supports compliance with legal and procedural requirements of EU and UK Procurement regulations;
- (4) The Strategy will inform the supplier market of the Council's key strategic objectives and will enable suppliers, in particular local businesses, SME, SE's and the voluntary and community sector to access contract opportunities.
- (5) The implementation of the Procurement Strategy is expected to deliver significant financial benefits allowing the Council to maximise savings and value for money.

Other options considered

Another option considered is to do nothing. This was rejected as the procurement strategy 2014-17 is due to expire and a refreshed strategy is needed to set out strategic direction and approach for procurement activity.

**52 FEE RATES FOR ADULT SOCIAL CARE SERVICES 2018/19 - KEY DECISION**

Kaj Ghattaora, Market Strategy and Development Manager presented a report on the Fee rates for adult social care services 2018/19. During discussion the following points were highlighted:

- (a) The rates as detailed in the exempt appendix to the report take into account the National living wage rates from April 2018.
- (b) consultation with providers will take place in February and March 2018;

**RESOLVED to:**

- (1) Approve proposals which will be consulted on with service providers for fee rates in 2018/19 for Adult Social Care Services as outlined in the exempt appendix pricing detail;**
- (2) To delegate authority to the Director of Commissioning and Procurement to agree fee rates in accordance with the proposals detailed in the exempt appendix pricing details. This is subject to the outcome of consultation with providers in line with the Council budget;**
- (3) To approve the total spend associated with this decision of £2.657million. Approval to spend against the high cost placement provision will be through the Council's scheme of delegation for Adult Care Packages;**
- (4) To delegate authority to the Director of Commissioning and Procurement to agree any adjustments to residential and nursing fee rates in accordance with the final Valuing Care report, within the available budget;**

Reasons for decision

- (1) The Council is contractually bound to consider fee rates on an annual basis where it has a statutory duty to provide a service. This is balanced against budget commitments and pressures for the Council.
- (2) Nottingham City Council has a policy to pay the Nottingham living wage in respect of all services it directly commissions;

Other options considered

There are three alternative options. The first is to do nothing. This was rejected as the Council is contractually bound to review rates annually and doing nothing would put the Council at risk of legal challenge.

The second alternative option is to offer different fee rates. This would put pressure on the Adult Social Care budget and as such this option was rejected.

Lastly there is the option to undertake analysis of individual provider costs and offer fee rates based on the cost of care to factor wage rate paid, pension contributions, profit and void levels etc. This option was rejected as it represents a cumbersome piece of work that is not currently feasible. It is proposed that a review is undertaken in 2018/19 to establish the true cost of care across the social care sector rather than in isolation.

**53     EXCLUSION OF THE PUBLIC**

**RESOLVED to exclude the public from the meeting during consideration of the remaining items in accordance with Section 100A(4) of the Local Government**

**Act 1972 on the basis that, having regard to all the circumstances, the public interest in maintaining the exemption outweighs the public interest in disclosing the information as defined in paragraphs 3 and 5 of part 1, Schedule 12A of the Act.**

**54     FEE RATES FOR ADULT SOCIAL CARE SERVICES 2018/19 EXEMPT APPENDICES - KEY DECISION**

**RESOLVED** to note the content of the exempt appendix to the report on Fee rates for adult social care services 2018/19.

**55     SOURCING INVESTORS AND PROVIDERS FOR DELIVERY OF THE DN2 CHILDREN'S INTERVENTIONS SOCIAL IMPACT BOND - KEY DECISION**

**RESOLVED** to note the content of the report on Sourcing investors and providers for delivery of the DN2 Children's interventions social impact bond and to approve the recommendations it sets out.