

NOTTINGHAM CITY COUNCIL

EXECUTIVE BOARD COMMISSIONING SUB-COMMITTEE

MINUTES of the meeting held at LB31 - Loxley House, Station Street, Nottingham, NG2 3NG on 16 April 2014 from 14.00 - 14.28

Voting members:

- | | |
|--------------------------------------|--|
| ✓ Councillor Dave Liversidge (Chair) | Portfolio Holder for Commissioning and Voluntary Sector |
| Councillor David Mellen (Vice Chair) | Portfolio Holder for Children's Services |
| ✓ Councillor Jon Collins | Portfolio Holder for Strategic Regeneration and Community Safety |
| ✓ Councillor Nicola Heaton | Portfolio Holder for Community Services |
| ✓ Councillor Dave Trimble | Portfolio Holder for Leisure and Culture |

Non-voting members:

- | | |
|--|---|
| ✓ Dave Robinson (substitute Voluntary Sector Representative) | Nottingham Community and Voluntary Service (NCVS) |
| Safdar Azam | Nottingham Equal |
| Helen Kearsley-Kree | Nottingham Community and Voluntary Service (NCVS) |
| ✓ Councillor Alex Norris | Chair of Health and Wellbeing Board |
- ✓ indicates present at meeting

Colleagues, partners and others in attendance:

Irene Andrews	Market Development Programme Manager	
Katy Ball	Head of Early Intervention and Market Development	
Candida Brudenell	Strategic Director of Early Intervention	Children and Adults
Steve Oakley	Head of Quality and Efficiency	
Jo Pettifor	Strategic Procurement Manager	
Laura Shepherd	Commissioning Manager	
Darren Revill	Finance Analyst	
Naomi Vass	Senior Solicitor	Corporate Services
Zena West	Constitutional Services Officer	

Call-in

Unless stated otherwise, all decisions are subject to call-in and cannot be implemented until **29 April 2014**

89 APOLOGIES FOR ABSENCE

Councillor David Mellen – annual leave

90 DECLARATIONS OF INTERESTS

None.

91 MINUTES

The Committee confirmed the minutes of the meeting held on 12 March as a correct record and they were signed by the Chair.

92 VOLUNTARY SECTOR UPDATE

Dave Robinson provided an update for the Sub-committee on the success of the Look After Each Other launch event at the Indian Community Centre, an event for stakeholders on Welfare reform hosted by NCVS which is currently in the planning stage, and meetings for the Stronger Together Forum.

93 PROVISIONAL SUB-COMMITTEE WORK PROGRAMME JUNE - OCTOBER 2014

Steve Oakley, Head of Quality and Efficiency, presented a Work Programme for the Sub-Committee for the period June to October 2014.

RESOLVED to note the provisional agenda items shown below:

**11 June 2014: Financial Vulnerability Advice and Assistance Progress Update
Health Improvement Strategic Commissioning Review
Crime and Drugs Partnership Commissioning Plan
Crime and Drugs Partnership Public Health Allocation 2014/15
Allocation of Police and Crime Commissioner's Grant 2014/15**

**16 July 2014: Voluntary Sector Infrastructure Contract Progress Update
Youth Provision Progress Update
Child Development Strategic Commissioning Review
Early Intervention Directorate Integrated Procurement Plan**

**10 September 2014: Children In Care Contracts Commissioning
Financial Vulnerability Advice and Assistance
Commissioning Intentions
Residential Care Commissioning and Contracting Arrangements
Residential Care Contracting Proposals**

15 October 2014: Voluntary Sector Infrastructure Contract Commissioning Intentions

94 PRICING OF RESIDENTIAL AND NURSING CARE - PROPOSALS AND BUDGET - KEY DECISION

Steve Oakley, Head of Quality and Efficiency, introduced a report of the Strategic Director for Early Intervention. The report seeks approval to move from the current pricing structure, backdated to 1 April 2014. A 1% inflationary uplift is proposed for

the 2014/15 financial year on rates up to £650 per week. Extensive consultation was undertaken with service providers and responses were made available to the Sub-committee.

The Sub-committee noted that this was a significant piece of work which had been done thoroughly.

RESOLVED to

- (a) **approve rates set out below to be paid for residential and nursing care services in the City from 2014/15 onwards, to be implemented from 1 April 2014;**

OLDER PEOPLE – RESIDENTIAL CARE	Proposed Rates for 2014/15
Band 1	£441.66
Band 2	£441.66
Band 3	£441.66
Band 4	£441.66
Band 5	£441.66

OLDER PEOPLE – NURSING CARE	Proposed Rates for 2014/15
Band 1	£441.66
Band 2	£441.66
Band 3	£441.66
Band 4	£456.96

Mental Health, Learning Disability, Physical Disability and Other - Residential	Proposed Rates for 2014/15
	£441.66
	1% increase on existing fee on packages below £650.00 per week
	0% increase on existing fee on packages £650.00 or more per week

Mental Health, Learning Disability, Physical Disability and Other - Nursing	Proposed Rates for 2014/15
	£441.66
	1% increase on existing fee on packages below £650.00 per week
	0% increase on existing fee on packages £650.00 or more per week

- (b) **note the process that has been undertaken to develop the proposals for the pricing of residential care in the City, including consultation with**

service providers, in order to ensure the Council has due regard to the actual costs of care, in accordance with its legal obligations;

- (c) approve the allocation of a 1% inflationary increase on the rates for residential and nursing care services for the year 2014/15 for all packages below £650.00 per week, to be implemented from 1 April 2014;**
- (d) approve the expenditure of the additional funding required to cover the cost of implementing the proposed rates for residential care as detailed in exempt appendix E;**
- (e) delegate approval of appropriate contractual indices for annual inflationary increases associated with Adults Social Care to the Strategic Director of Early Intervention;**
- (f) approve the inclusion of the indices agreed in the Council's 2015/16+ budget setting process;**
- (g) note that negotiations are underway with NHS Nottingham City about the potential to undertake a joint accreditation process for providers of residential and nursing care services in the City and for a joint contract to be issued to providers approved through this process. A further report will be presented to the Sub-committee with recommendations for these arrangements and the proposed commissioning model and service requirements.**

Reasons for Decision

- (1) The proposals are based on the principle of moving towards the proposed minimum 'core' price over a planned period and financial modelling undertaken on the options to achieve this.
- (2) The proposals move to a single rate of fees for all residential care services for older people, removing the previous variation in fees based on quality banding of these services. This process is expected to ensure that Nottingham City Citizens can receive the best quality of care from the Council and provide resilience in the number of providers available within the City.
- (3) The proposed fees will be implemented from 1 April 2014 as the consultation process highlighted a strong view amongst providers that the new rates should be effective from this date.
- (4) The proposal to award inflation at 1% for 2014/15 has been developed through a fair and consistent process across all adult social care services, aimed at ensuring a stable and quality service provision, which has included consultation with service providers.
- (5) Working jointly with NHS Nottingham City to develop an accreditation process and explore the potential for a joint contract will streamline the contracting arrangements and create efficiencies for providers and commissioners.

Other Options Considered

- (1) Do nothing. There is a risk to the quality of service and increased risk of safeguarding issues if providers are unable to sustain investment in the delivery of services, in particular staff recruitment and retention may be impacted. There is a risk that providers would decide not to accept new placements from the Council or withdraw services for existing residents, which would present operational issues in ensuring the needs of vulnerable citizens are met and a potential failure to meet the statutory duty to make provision for residential accommodation for vulnerable citizens. The Council is under a legal obligation to ensure that it has due regards to the actual costs of care provision and other local circumstances, with a clear rationale for the funding mechanism and level of fees, based on considering the actual delivery costs and consultation with providers. For these reasons, this option was rejected.
- (2) To implement the minimum core rate proposed from 2017/18 with immediate effect. The financial modelling work undertaken indicates that this would have a significant impact beyond the existing provision in the budget for these services in 2014/15 and subsequent years. For this reason, this option was rejected.
- (3) To offer a different level of inflationary increase in 2014/15. The proposed increase is based on financial modelling work undertaken across all Adult Social Care categories to ensure consistency, and taking into account the overall budget available for these services. For this reason, this option was rejected.

95 PROVISION OF ASSESSMENTS FOR PROSPECTIVE ADOPTERS AND FOSTER CARERS - KEY DECISION

Laura Shepherd, Commissioning Manager, introduced a report of the Corporate Director for Children and Adults. The report analysed the differences between the cost and quality of potential adopter assessments when provided externally and in-house, and looked to amend how the service will be paid for in future. Extensive consultation has taken place with both approved and non-approved foster carers and adoptive parents on the assessment process to see if it supported their needs. Nottingham City Council is in a good position to go out to tender for this service, and the service provided will be better performance managed on a pay-by-results basis. A recruitment drive is currently taking place which is already showing promising results. The recruitment process takes up to six months, and the recruitment drive started in November 2013, so specific details on the outcomes are not available yet. This recruitment drive will help to achieve the stated aim of moving seven children from external fostering to internal fostering, delivering a £184,000 cost saving.

The Sub-committee raised concerns regarding the pay-by-results method, but were reassured that 'results' in this instance refers to the quality of the assessments conducted, and not to the outcome of the assessments of potential foster carers and adoptive parents. The recruitment, pre-screening, and final decisions will still be made by Nottingham City Council, based on the assessments provided.

RESOLVED to:

- (1) commission a service to deliver adoption and fostering assessments, including connected persons and special guardianship, to replace the outgoing provision;**
- (2) proceed with procurement to establish a framework contract for Adoption and Fostering Assessment service for a period of three years at a value of approximately £1,200,000 to take effect from 1 August 2014;**
- (3) approve spend against the contract for three years up to a total value of £1,200,000;**
- (4) grant dispensation from Contract Procedure rule 5.1.2 under Financial Regulation 3.29 to extend the current contract with Social Work Choices for six months from 1 August 2014 to 31 January 2015 in order to complete all assessments commenced prior to August 2014, subject to consultation on this recommendation with Councillor Chapman;**
- (5) delegate authority to the Strategic Director of Early Intervention to sign both the new contracts and the contract extension for the current service.**

Reasons for Decision

- (1) The current contract for the provision of assessments is due to end in August 2014. As a result of a value for money/commissioning review presented to the Corporate Parenting Board, it was concluded that a framework agreement needs to be put in place to replace the outgoing provision. A competitive tendering process is now required.
- (2) The extension of the existing contract and dispensation from financial regulations are required to ensure that all assessments are fully completed by the current provider.

Other Options Considered

The other options considered are exempt from publication, and are included in the exempt appendix to the report.

96 EXCLUSION OF PUBLIC

RESOLVED to exclude the public from the meeting during consideration of the remaining agenda items in accordance with Section 1004(A) of the Local Government Act 1972 on the basis that, having regards to all the circumstances, the public interest in maintaining the exemption outweighed the public interest in disclosing the information.

97 PRICING OF RESIDENTIAL AND NURSING CARE PROPOSALS AND BUDGET KEY DECISION - EXEMPT APPENDICES

As minute 94, above.

98 PROVISION OF ASSESSMENTS FOR PROSPECTIVE ADOPTERS AND FOSTER CARERS KEY DECISION - EXEMPT APPENDICES

As minute 95, above.