



Nottingham City Council

Commissioning and Procurement Executive Committee

Date: Tuesday, 15 October 2024

Time: 9.30 am

Place: Loxley House, Station Street, Nottingham, NG2 3NG

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

Director for Legal and Governance

Governance Officer: Mark Leavesley

Direct Dial: 0115 876 4302

Agenda	Pages
1 Apologies for absence	
2 Declarations of interests	
3 Minutes Last meeting held 10 September 2024 (for confirmation)	3 - 14
4 Provision of security staff - key decision Report of Corporate Director for Communities, Environment and Resident Services	15 - 20
5 Harvey Hadden Sports Village solar PV project (Phase 3) - key decision Report of Corporate Director for Communities, Environment and Resident Services	21 - 28
6 Exclusion of the public To consider excluding the public from the meeting during consideration of the remaining item 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	
7 Exempt appendix - Harvey Hadden Sports Village solar PV project (Phase 3)	29 - 32

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 are advised that this meeting may be recorded, including 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 Executive Committee

Minutes of the meeting held at Loxley House, Station Street, NG2 3NG, on 10 September 2024 from 9.30 am - 10.17 am

Membership

Present

Councillor Linda Woodings (Chair)
Councillor Jay Hayes (Vice Chair)
Councillor Corall Jenkins
Councillor Ethan Radford
Councillor Pavlos Kotsonis

Absent

Councillor Cheryl Barnard

(minutes 30 to 34 only)

(non-voting co-opted member,
minutes 31 to 34 only)

Colleagues, partners and others in attendance:

Dawn Cafferty	- Head of Procurement
Mike Carey	- Governance Officer
Paul Crookendale	- Employment and Skills Development Manager
Charlotte Dodds	- Commissioning Lead Officer
Tracey Ford	- Changing Futures Senior Systems Change Commissioning Manager
Helen Johnston	- Consultant in Public Health
Claire Labdon-West	- Commissioning Manager
Zoey Titchener	- Commissioning Officer
Matthew Wheatley	- Head of Economic Development

Call-in

Unless stated otherwise, all decisions are subject to call-in. The last date for call-in is 19 September 2024. Decisions cannot be implemented until the working day after this date.

27 Apologies for absence

Councillor Cheryl Barnard - leave

28 Declarations of interests

None.

29 Minutes

The minutes of the meeting held on 9 July 2024 were confirmed as a correct record and signed by the Chair.

30 Commissioning of Changing Futures Services for Nottingham 2025/26-29/30 - key decision

Councillor Jenkins joined the meeting at this point.

Helen Johnston, Consultant in Public Health, and Tracey Ford, Changing Futures Senior Systems Change Commissioning Manager, presented the report and highlighted the following:

- a) the Changing Futures programme aims to improve outcomes for people experiencing Severe Multiple Disadvantage (SMD), working intensively with people who are the most vulnerable and with the most complex needs in our communities. Recipients of support will have a concurrent combination of at least three out of five key sources of disadvantage: homelessness, substance misuse, mental ill health, experience domestic/sexual abuse or violence, and connection with the criminal justice system;
- b) this decision authorises receipt of funding from NHS Nottingham and Nottinghamshire Integrated Care Board (ICB) Health Improvement and Innovation Fund (HIIF) through a Section 256 agreement between the ICB and Nottingham City Council, and approves the outlined service model for the commissioning of Changing Futures services from 2025/26-29/30 against that funding envelope.

During discussion and in response to questions from the Committee, the following points were made:

- c) Changing Futures is only able to work with individuals with the most complex needs, but through working and learning about what works with the most complex individuals, the programme can highlight system changes and enable improvements throughout the whole network of services, as well as bringing services into closer coordination;
- d) there had been concerns that the Changing Futures programme would not receive funding, despite being remarkably successful in Nottingham. The HIIF funding from the ICB is crucial for enabling that service to continue.

Resolved to:

- (1) approve receipt of £7,346,875 of ringfenced ICS Health Inequalities and Innovation Investment Funding (HIIF) between 01 April 2025 to 31 March 2030 (£1,469,375 per year);**
- (2) delegate authority to the Director of Public Health to;**
 - i. enter into a Section 256 NESA 2006 Agreement with the Integrated Care Board for the transfer to the Council of the HIIF of up to £7,346,875 (£1,469,375 per year) from 01 April 2025 to 31 March 2030;**
 - ii. approve the service model for the commissioning of Changing Futures services against the entire budget available;**

- iii. **subject to prior Spend Control / s151 Officer approval:**
- a. **spend £1,469,375 per year for the next five years on Changing Futures services and activity to 31 March 2030 as set out in the indicative budget at appendix A, including the extension of four specialist navigator contracts from 01 April 2025 to 31 March 2026;**
 - b. **procure, award and enter into two contracts for Changing Futures services and activity for three years from 01 April 2025, with an option to extend for a further two years from 01 April 2028 for (i) Main Delivery Service and (ii) Partnership Learning Hub;**
 - c. **enter into 1-year extensions of four specialist navigator contracts from 01 April 2025 to 31 March 2026.**

Reasons for decision

- e) all of the funding for Changing Futures services commissioned by Nottingham City Council sits either under ring-fenced grant conditions (national Changing Futures grants from DLUHC and TNLFC) or partnership agreements (the ICB), for which the Director of Public Health is accountable, and the resource must be stewarded in line with these conditions;
- f) the current Changing Futures Main Delivery Service contract expires on 31 March 2025. As the funding for the services is now recurrent, the services must be competitively procured. Recommendation 2(3)(b) approves separating the services currently deliver under one contract into two lots and procure separately, under 3 + 2 year contracts. There is an expectation that the programme will attract additional funding over the next five years. The advertised contract values will therefore be in excess of the funding currently secured, to provide flexibility for additional capacity in those contracts; all additional funding will be subject to separate decisions to approve receipt and spend and procurement approach;
- g) four specialist navigator services designed to meet the needs of women and people from minority ethnicities experiencing SMD were competitively procured in 2023. One-year contracts were awarded from 01 April 2024, each contract has provision to be extended until 31 March 2026. The decision also seeks approval to utilise this extension provision. Separate decisions to approve will be needed for re-procurement of that service beyond 31 March 2026;
- h) the ICB funding includes a requirement for the provision of system and programme leadership. Recommendation 2 incorporates approval of the budget allocation for the programme staffing. A review of the staffing structure has been proposed to explore the most appropriate future arrangements, including the development of permanent roles.

Other options considered

- i) Do nothing. The current contracts have been aligned such that they cease on 31 March 2025. Without re-commissioning or extending, there would be no commissioned Changing Futures services and a lack of specialist, intensive provision for people experiencing SMD, with NCC failing to maximise the opportunity offered by the ICB's HIIIF grant, and there would be no change of attracting additional funding through partners or a national programme. NCC would not fulfil its partnership role with wider preventative benefits, with a lack of benefit for Nottingham residents;
- j) reprocure all services, including the Specialist Navigators. This is not possible for operational and capacity reasons, and would represent a significant risk to the continuity of services. To minimise the risk around transition, the programme has recommended the option to extend existing agreements where provided for within existing contracts. These services are distinct from the main delivery contract, currently delivered by community organisations, run by and for the communities they represent;
- k) procure the main delivery service and the Partnership Learning Hub together. This is how the services are currently delivered, with the PLH sub-contracted by the main delivery provider. To separate the contracts gives greater accessibility to delivery for new partners to the Changing Futures programme. It also gives greater accountability for managing the service directly by NCC.

31 Re-commissioning of Extra Care services in Nottingham City - key decision

Councillor Kotsonis joined the meeting at this point.

Claire Labdon-West, Commissioning Manager, presented the report, highlighting the following:

- a) the report proposes re-commissioning Extra Care services at five existing schemes, with provision in the budget to fund an additional service if needed, depending on demand;
- b) the schemes will be funded from the existing Adult Social Care budget, with a block-funded element and an individual element. This report seeks approval for the block-funded element, while individual care packages will be approved individually;
- c) Extra Care allows people to maintain independence in the community for longer, maintaining social contacts and routines as their care needs change, rather than going into residential care too soon;
- d) the strategic commissioning review of Extra Care conducted in 2023/24 identified demographic pressures, including a large increase in the cohort aged 75-84, and without developing alternatives to residential care that would be the only option for many individuals;

- e) there are risks in the market, due to rising costs and instability of care providers. Providers have advised that the current financial envelope provided for Extra Care is not enough to maintain those services;
- f) consultation with citizens has shown that they want consistency, the ability to get out and about and maintain social contacts, while receiving support around any health conditions and feelings of isolation and loneliness, and this has feedback has fed into the specifications for Extra Care;
- g) the new model includes three new elements: night care and background hours as standard across all the schemes, to make them a viable alternative to residential care, and an expectation that care providers and housing providers will work together to support residents' overall wellbeing;
- a) an implementation group is being set up to help implement the framework. The contract will be managed by colleagues, with appropriate termination clauses if providers do not accept those with high levels of need;
- b) the revised scheme will help to bolster the market, deal with demographic pressures, and help to reduce the number of people in residential care.

Councillor Kotsonis, Executive Member for Adult Social Care and Health, stated:

- c) at the moment, Extra Care is not able to provide a consistent offer, with night-care not always available, but the new model corrects that. The new offer is streamlined and flexible enough to meet people's needs as those needs change. The new model will enable other types of provision than residential care to meeting growing demand;
- d) modelling has been completed to understand the impact on the budget. It is not a saving at this point, but it is an avoidance of cost and may become a saving in time – if the target occupancy of 192 citizens is achieved, it will imply a saving of 0.582m per year;
- e) it is important than residential care and more intensive kinds of care do not grow out of proportion, in the context of rising demand for care services.

During discussion and in response to questions from the Committee, the following points were made:

- f) Extra Care facilities can provide a wonderful atmosphere, with a community feeling, communal spaces, and self-contained spaces. They can provide independence, dignity, and community while meeting care needs;
- g) lack of people wanting to take up Extra Care is a risk, even though they are very good facilities. The lack of geographical spread may be a barrier, as it may mean moving away from local connections, so wider provision would be welcome;
- h) it would be useful to start conversations with citizens about different housing options early and arranging visits so that people can see them for themselves.

Resolved to:

- (1) establish a framework of up to 10 providers for Extra Care services, for a duration of 4 years, and to undertake call off competitions under the framework to contract for individual scheme providers, for a maximum of 9 years;**
- (2) approve the Nottingham City Council budget expenditure on call off contracts of £2,777,777.77 per year, with an overall projected spend for the entire contract term under all call off contracts of £25,000,000;**
- (3) delegate authority to the Interim Director of Adult Social Care and Health to approve the outcome of the procurement process for the framework and to call off and award contracts;**
- (4) delegate authority to the Head of Personalisation, Quality and Contracting to agree and sign the contract documentation relating to the services, save where sealing as a deed is necessary, which shall be sealed and signed by the Director for Legal and Governance / Head of Legal and Governance.**

Reasons for decision

- i) Extra Care services support citizens to maintain their levels of independence and enable them to remain living in the community for longer, resulting in better outcomes for citizens as they can maintain social contacts, interests, and routines even as their care needs change;
- j) Extra Care can provide flexible support to meet changing needs and delay the need for intensive forms of care, such as residential care. This supports the Better Lives Better Outcome (BLBO) programme to reduce the number of older citizens requiring residential care;
- k) the current contracting arrangements for the on-site care providers at five Extra Care services end in 2025 and there are no provisions for extending the contracts beyond their current end dates. Therefore, the services must be recommissioned;
- l) the estimated contract value is based on current commissioned packages of care, which have been agreed through separate Adult Social Care processes, as well as the block contract values for night care and background hours which have been modelled against existing block contracts for night-care and the existing Extra Care hourly rate for the background hours;
- m) whilst the proposed contract awards are likely to increase the current annual spend on Extra Care, this will be offset by the avoidance of costs if citizens were to receive care under homecare and residential care contracts;
- n) the decision will enable a compliant procurement process to be undertaken;

- v) the framework will enable new services to be secured in the future if and when required for the existing schemes. Best value will be secured through competitive tender and call off procedures.

Other options considered

- w) Do nothing, and allow Extra Care contracts to terminate when they reach their end dates throughout 2025, without procuring new services. This would not fulfil the authority's statutory duty to provide care to all citizens with an eligible need through Extra Care, and would not represent best value, as the authority would have to put more costly alternatives in place;
- x) Procure Extra Care services under the current model operating within Nottingham City. This was not recommended, because consultation with citizens living in Extra Care and providers indicated that a new model is needed. This is also reflected in the underutilisation of Extra Care currently, partly due to the lack of a standard offer in areas such as night-care.

32 Children's Advocacy and Independent Visitor Service - key decision

Charlotte Dodds, Commissioning Lead Officer, introduced the report, highlighting the following:

- a) for noting, since the report was published, Nottinghamshire County Council has slightly changed their figures. There will be an additional £28,000 in block funding per annum, on top of the £200,000 outlined in the report, and a further unconfirmed amount which may be available from 2026/27. The updated figures will be included in the tender, so it would be permissible under procurement regulations should they secure that funding;
- b) this report seeks approval for the joint commissioning of a Children's Advocacy and Independent Visitor Service with Nottinghamshire County Council, on a five-year contract (with an initial three years with the option to extend it to 2030);
- c) the service will provide issue-based advocacy for children in care, with advocates regularly visiting children and young people in residential homes and champion their wishes and views, Independent Persons for secure accommodation review panels, and Independent Visitors who befriend children in care and act as an adult role model;
- d) currently, Nottingham City Council and Nottinghamshire County Council hold separate contracts with the same provider. Both have provision to extend these contracts to 2026, however the incumbent provider does not wish to extend these contracts. The provider has stated that holding the contracts jointly allows for efficiency savings;
- e) the current contract is out of line with government guidance, which recommends that young people aged 16 and 17 who may be homeless should have access to an independent advocate during their Joint Housing Assessment interview process. There is also updated guidance related to advocacy for Looked-After

Children, Children in Need and Care Leavers, which the new contract will meet on a payment by activity basis to ensure Best Value;

- f) a consultation was undertaken through a tender process in 2022, including consultation with the Children in Care Council. It is hoped that the contract opportunity will be advertised through an open tender process in late September / early October, ready for the new contract start date in April 2025.

During discussion and in response to questions from the Committee, the following points were made:

- g) there should not be any risk that Nottinghamshire County Council would not approve the joint commissioning approach, as they have been securing additional funding;
- h) the Nottinghamshire County Council funding element has been updated, but the Nottingham City Council funding element remains as in the report.

Resolved, subject to Nottinghamshire County Council's approval to spend up to £1,190,000 or more for the purposes of a joint Nottingham City Council and Nottinghamshire County Council Children's Advocacy and Independent Visitor Service, with a maximum contracts value of £1,681,000 (or more, depending on any further approved spending by Nottinghamshire County Council) and appropriate Spend Control Board approval for Nottingham City spend, to:

- (1) approve Nottingham City Council's spend of up to £491,000 over a maximum 5-year contractual term for the above purpose;**
- (2) delegate authority to the Director of Commissioning and Partnerships or Head of Personalisation, Quality and Contracting as appropriate, on behalf of Nottingham City Council, to:**
 - i. procure, award and enter into a contract / agreement for the above purpose for an initial 3-year period (1 April 2025 – March 2028), with the option to extend for a further 2-year period to 30 March 2030;**
 - ii. enter into a Collaboration Agreement with Nottinghamshire County Council for the duration of the above contract, agree and sign the contract documentation relating to the service, save for either agreement being required to be executed as a deed, which shall be executed on behalf of Nottingham City Council by the Director for Legal and Governance / Head of Legal and Governance.**

Reasons for decision

- i) The incumbent provider of the Children's Advocacy and Independent Visitor Service has advised they will not be agreeing to an extension of their contract beyond March 2025, therefore a tender is required to secure a new service provider from April 2025 onwards;

- j) all Children in Care, Children in Need and Care Leavers, and when children and young people are subject of a Child Protection Plan and the local authority is considering care proceedings, have the right to an independent advocacy service;
- k) provision of an Independent Visitor for Children in Care is a statutory duty;
- l) government guidance recommends that homeless young people aged 16 and 17 should have access to an independent advocate during their Joint Housing Assessment interview process;
- m) the incumbent provider has stated they were able to make cost efficiencies due to holdings contracts with both Nottingham City and Nottinghamshire County, so commissioning a joint service will ensure NCC continue to benefit from these efficiencies. It has been agreed that Nottingham City will lead the procurement of the service on behalf of both local authorities.

Other options considered

- n) Do nothing, and allow the Children's Advocacy and Independent Visitor service contract to terminate without securing a new service. This would leave the authority's statutory duty to provide such a service unfulfilled, and would be contrary to government guidance regarding homeless young people aged 16 and 17;
- o) to procure a service that supports only Children in Care and homeless 16- and 17-year olds, but does not support Children in Need, Care Leavers, and children and young people subject to child protections. This would be contrary to government guidance;
- p) to procure a Children's Advocacy and Independent Visitor Service for Nottingham City only. This was not recommended, as there would be a risk that City and County would secure contracts with different organisations, losing the opportunity to secure current and future efficiencies related to a joint approach. This would not achieve Best Value, and would likely see an increase in the cost of the service, or reduce the service offer, impacting vulnerable children and young people.

33 Children's Residential Block call-off - key decision

Charlotte Dodds, Commissioning Lead Officer, introduced the report, highlighting the following:

- a) the tender is for two, two-bed homes for those facing challenges within standard residential services, due to diverse needs often requiring specialist support;
- b) the tender is for a five-year contract, with options for two extensions for two years, under the D2N2 framework. It is part of a series of tenders intended to maintain sufficient places. The initial contract period of five years enables initial investment, but the options to extend provide flexibility and easier contract management;

- c) there is a maximum block element, and additional funding for the second child, and the provider's profit will be weighted towards this second placement;
- d) the Council is asking providers for details costings, to understand the market better and to introduce more transparency into the market for children's residential homes.

Resolved to:

- (1) subject to receipt of appropriate spend control approval, approve spend of up to £18.72m over 9 years for the provision of up to 4 children's residential care beds, of which up to £11.262m will be as a guaranteed block payment;**
- (2) approve procurement through the existing D2N2 framework of 2x 2-bed residential care homes for children with complex needs for 5+2+2 years;**
- (3) delegate authority to the Director of Commissioning and Partnerships to approve and award the outcome of the tender process;**
- (4) delegate authority to the Head of Service Contracts, Quality and Personalisation to sign the call off contract, save for any agreement/contract being required to be executed as a deed, which shall be executed on behalf of Nottingham City Council by the Director for Legal and Governance / Head of Legal and Governance.**

Reasons for decision

- e) offering D2N2 providers a guaranteed income under a block contract will encourage investment in the development of homes for children in care for whom it is challenging to find placements within standard residential services;
- f) the contract is arranged to allow an initial assessment period for both the authority and the provider to ensure the arrangements are working, with extensions to enable longer-term arrangements;
- g) the Council currently has 11 children placed in unsuitable provision, using unregistered accommodation as a short-term emergency fix, but this would help to move children into registered provision as quickly as possible;
- h) these unregistered placements tend to be costly, set up quickly with high staffing levels and prices reflecting the lack of choice within the market. Indicative costs for specialist 1 and 2 bed homes indicate this decision would provide savings, but to invest providers require the assurance of continued utilisation;
- i) the intention is to limit the block contract element to a cost which would enable a 2-bed home to be run as a solo provision with reduced payment for the second child, which would allow the home to be cost effective if it had to be run as a solo home for a period of time, but enable efficiencies of scale when the

second child moves in. Weighting the provider profit/surplus to the second child also incentivises use of the second placement.

Other options considered

- j) Waiting for the larger block contract to be let and incorporating these beds into that tender. Going to the D2N2 framework for these beds is a faster process as providers have already been approved, and demonstrates NCC's commitment to an on-going relationship with the D2N2 framework providers;
- k) continuing to commission on an individual call off basis. This has not proved successful to date, either through the D2N2 framework or by sport purchasing and providers have indicated that a block arrangement would give them more confidence to invest in property and ring fence beds for Nottingham City.

34 NEET Reduction Service - key decision

Matthew Wheatley, Head of Economic Development, introduced the report, highlighting the following:

- a) the report sought approval to enter into a contract for a NEET reduction service for 2024/25 and to place that contract with Nottingham and Nottinghamshire Youth Services (NNYS), part of the Futures group, under a TECKAL exemption;
- b) the Council has a statutory duty to encourage, enable and assist young people, as well as those between 20-25 with SEN and disabilities, to participate in education and training. It is a priority for the Council in the strategic plan, as the longer a young person spends as a NEET, the more the long-term cost to the public sector;
- c) Futures has performed well, contributing to Nottingham City's combined NEET and unknown rate being recorded as 5.1% in 2023, the second lowest of all the core cities;
- d) the service will be delivered in three parts: core services, meeting statutory requirements, to be met from the local authority's base budget; an enhanced service, targeted for those with the highest risk of becoming NEET; and making use of public health grants to undertake activity supporting the wellbeing, including the financial wellbeing, of young people across the city;
- e) the value has reduced by £50,000. The Council is working with the provider to drive efficiencies and savings. An outline Best Value review has been undertaken, which showed that performance was good and cost was comparable with other cities and local authority areas.

During discussion and in response to questions from the Committee, it was stated that the report sought one-year's funding, and it was difficult for those working on one-year contracts renewed year-on-year. With the development of the East Midlands Combined County Authority, it is hoped that the landscape for skills funding would change positively in the future.

Resolved to delegate authority to the Corporate Director for Growth and City Development to:

- (1) enter into a new joint contract with Nottinghamshire County Council for the delivery of NEET reduction activity, delivered by NNYS under TECKAL arrangements within Nottingham City for the period 2024/25, with the combined value not exceeding £941,300 (£410,300 LA base budget) and the contract to be reviewed by Legal Services in advance of signature;**
- (2) sign the contract and any subsequent modifications on behalf of Nottingham City Council, subject to compliance with the applicable Public Procurement regime and review by Legal Services.**

Reasons for decision

- f) The local authority has a statutory duty under Section 68 of the Skills and Employment Act to support young people in participating in education or training, and implementing a NEET reduction service in Nottingham ensures that the local authority complies with its legal obligations;
- g) reducing the number of NEET individuals is crucial for economic development and is a key metric in the Keeping Nottingham Working strand of the Strategic Council Plan;
- h) young people who are NEET often face multiple social challenges, including mental health issues, social exclusion, and lower life satisfaction. Providing targeted support can help to address these issues directly, improving social outcomes for young people, reducing social inequality, and creating a more inclusive community;
- i) a Best Value review is being carried out to inform delivery and contracting in the 2025/26 financial year. Pending that review, and subject to performance, the continuation of the award to NNYS under TECKAL arrangements allows for significant benefits:
 - a. NNYS have maintained good performance achieving profiled results;
 - b. they have established relationships and a deep understanding of the local context;
 - c. NNYS through Futures holds additional Employment and Skills grant awards to enhance NEET reduction activity (UKSPF);
 - d. there are significant administrative savings due to not having to undergo a commissioning and re-implementation process.

Other options considered

- j) not delivering the statutory service could leave the Council open to potential legal challenge, would result in poor performance on the Strategic Council Plan NEET rate key metric, and would create demand for other Council services;
- k) the Best Value review will examine the best route to source future delivery of the NEET reduction service.

Subject:	Provision of Security Staff		
Corporate Director:	Colin J Parr – Communities, Environment and Resident Services		
Executive Member:	Councillor C Jenkins – Communities, Waste and Equalities		
Report author and contact details:	Brian Bussey brian.bussey@nottinghamcity.gov.uk		
Other colleagues who have provided input:	Sue Turner - Finance Anthony Heath – Legal Holly Fisher - Procurement Stephanie Morley Lamb – Project Officer, Communities		
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 £750,000 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
Type of expenditure:	<input checked="" type="checkbox"/> Revenue <input type="checkbox"/> Capital		
Total value of the decision: £1.3m			
Section 151 Officer expenditure approval			
Has the spend been approved by the Section 151 Officer? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/a			
Spend Control Board approval reference number: Each department utilising the service submits for spend approval.			
Commissioner Consideration			
Has this report been shared with the Commissioners' Office? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			
Any comments the Commissioners wish to provide are listed in section 6 below below.			
Wards affected: All			
Date of consultation with Executive Member: 01/10/2024			
Relevant Council Plan Key Outcome:			
Green, Clean and Connected Communities	<input type="checkbox"/>		
Keeping Nottingham Working	<input type="checkbox"/>		
Carbon Neutral by 2028	<input type="checkbox"/>		
Safer Nottingham	<input checked="" type="checkbox"/>		
Child-Friendly Nottingham	<input type="checkbox"/>		
Living Well in our Communities	<input type="checkbox"/>		
Keeping Nottingham Moving	<input type="checkbox"/>		
Improve the City Centre	<input type="checkbox"/>		
Better Housing	<input type="checkbox"/>		
Serving People Well	<input type="checkbox"/>		
Summary of issues (including benefits to citizens/service users):			
There are legacy security requirements which are in place and are there for a reason, to either protect the assets, employees, Customers and in some circumstances are insurance requirements.			
These sites are primarily covered by NCC employees. These FTE's were offered up as a saving as it is cheaper to utilise 3 rd party companies than it is to use inhouse, no 33% night enhancement, holiday or sick pay NI etc, however this was rejected. What was agreed was to not replace leavers and utilise 3 rd party suppliers to cover holidays, sickness and nights. We only have enough staff to cover 3,500 hours per month, the ask is currently 8000 hours per month with a split of 3500 regular hours we need to cover as a requirement to the Council and 4500			

hours which is what we would consider, adhoc. Adhoc being sites like Guildhall or Broadmarsh Intu building which will eventually be resold or repurposed but legally require security to prevent harm and protect assets.

The majority of the adhoc requests comes via Corporate Landlord and Car Parking who will have spend approval, any costs associated with that work is recharged back to Security, so in essence no costs to the department.

We only cover where asked and some of the estate is difficult to manage, especially Guildhall and the Old Broadmarsh shopping centre which has working shops who legally need access via the service deck and also fire escape routes. We regularly review requirements and consider other options with colleagues. Wherever possible, we have come up with solutions which are cheaper options, installed reactive CCTV, alarms systems and electronic solutions to allow access, however it is not always possible to keep a site safe without on site Security.

To highlight the issue, since going to COB, we have been asked to increase our requirement on a site due to ASB, theft and vandalism which has taken the original ask of £950K to now an estimated £1.3M. This department as with all will have gone through the spend control process for approval to spend.

Benefits

The presence of a visible guard deters and reduces the risk of ASB, theft, vandalism and provides reassurance and protection to the citizens of Nottingham. Tasks include patrolling premises internally and externally and providing assistance and a level of customer service to citizens which has helped the councils car parks achieve the Purple Flag status.

There is also a saving of 33% enhancement payments which would normally be paid between the hours of 23:00 and 06:00 to in house security, no sick pay or holiday pay, NI or overtime.

Exempt information: None

Recommendations:

- 1** To enter into a call-off contract for the provision of security staff under the terms of the NCC Corporate Security Services Framework.
- 2** To approve the increase spend from the original ask of £950K to £1.3M due to increase in service demand.

1. Reasons for recommendations

- 1.1 We are seeking to procure Security Services on behalf of NCC Departments who have requested this service from ourselves having sought spending approval to do so. The call off contract enables us to respond to fluctuating demand in a timely way which would be impossible to achieve utilising current headcount.

2. Background (including outcomes of consultation)

- 2.1 In-house security staff are able to meet approx. 40% of the demand which fluctuates on a weekly/monthly basis according to requests from various NCC departments.

2.2 This fluctuation in demand and short timescales makes it difficult to recruit in order to meet the need. Having outsourced security companies on the NCC Corporate Security Services Framework on call-off contracts is a more effective and economical solution.

2.3 During 2023/24, the council entered into 12 month call-off contracts with 3 of the highest ranked providers under the terms of the NCC Corporate Security Services Framework for the provision of security staff to meet the fluctuating need of our internal and external customers.

3. Other options considered in making recommendations

3.1 Removing Security requirements impacting income generation affecting car parking and events with increased risk to staff, citizens, assets and anti-social behaviour.

3.2 Recruit more in house security employees which would increase costs, still may not meet the demand or the opposite and have more staff than work. This would still leave gaps to cover holiday and sickness as sites still require Guarding.

4. Consideration of Risk

4.1 Visible guarding and patrolling of premises reduces the incidence of crime and ASB and protects property and contents from vandalism, damage and theft.

4.2 Entering into a call off contract with companies on NCC Corporate Security Services Framework provides flexibility to meet. immediate and future need

5. Best Value Considerations

5.1 Value for Money: The framework was created through competition – the preferred suppliers are the top ranked after having being submitting the most advantageous tender.

5.2 Social Value Benefits: Social value was evaluated as part of the framework creation – creation of local jobs and work experience achieved is being monitored throughout the life of the framework.

5.3 As part of the ongoing Star Chamber efficiency programme, and in-line with our best value and continuous improvement journey, exploratory work is currently being undertaken to test the viability of fully outsourcing the security provision.

6. Commissioner comments

6.1 The Commissioners approve the report. (04/10/2024)

7. Finance colleague comments (including implications and value for money/VAT)

7.1 Last year the Council spent £1.058m in relation to agency staffing for Security Services. The agency requirement has been increasing over the last few years due to additional Security requirements. The core staffing levels have reduced slightly over this time with additional resourcing requirements to fulfil

the increasing contract obligations being met through agency staffing. The budget for 2024-25 is £0.784m, with the additional spend being offset through reduced core staffing and additional income as per 2023-24 with a proposed budget virement in year.

- 7.2 This year's agency cost is expected to increase to circa £1.3m in part with annual inflation increases but also additional Security requests that have been made to the Service for this financial year. Internal recharges for these Services will be managed utilising the existing Recharging Policy.
- 7.3 This is a very changeable service, however, and the existing contracts currently in place could increase or decrease with the associated agency resourcing costs increasing or decreasing proportionately with little notice.
- 7.4 It is anticipated that the requirement for agency staffing will continue and is key for supporting the occasionally sporadic nature of the service. The flexibility of utilising agencies enables new and existing contracts to be resourced swiftly and effectively as required utilising the existing agency Framework put in place in 2023-24 to ensure consistency and value for money. The framework is also reviewed regularly and is focused on providing Best Value.
- 7.5 The Council currently has significant challenges to balance its budget and the service is expected not only to manage and monitor the spend but also to develop options to offset the additional costs and minimise total spend on security. Inflationary pressures where possible are expected to be mitigated through this process and within the existing Framework.

Susan Turner, Senior Commercial Business Partner – 30/05/2024

8. **Legal colleague comments**

- 8.1 This report seeks approval to enter into call-off contracts, using the NCC Corporate Security Services Framework, with a value of £1.3M for the provision of security staff for Council use.
- 8.2 Assuming that the Framework allows for this financial value of call-off contracts and the call-off terms and conditions remain fit for purpose, this should provide a compliant route to market and present no significant legal risks to the Council.

Anthony Heath, Interim Head of Legal / Deputy Monitoring Officer – 29/05/24

9. **Other relevant comments**

9.1 **Procurement Comments**

The request to undertake a direct award to known suppliers complies with the terms of the named framework, and therefore the contract procedure rules. The creation of and access to the Corporate Security Services Framework was approved at Commissioning and Procurement Executive Committee on 14 March 2023. The framework was created following a competitive process.

Procurement will assist in the completion of the call-off contract.

Holly Fisher, Lead Procurement Officer (Products)

10. Crime and Disorder Implications (If Applicable)

10.1 Visible guarding and patrolling of premises reduces the incidence of crime and ASB and protects property and contents from vandalism, damage and theft.

11. Social value considerations (If Applicable)

11.1 Social value was evaluated as part of the framework creation – creation of local jobs and work experience achieved is being monitored throughout the life of the framework

12. Regard to the NHS Constitution (If Applicable)

12.1 N/A

13. Equality Impact Assessment (EIA)

13.1 We have considered the need for an EIA and determined it is not necessary as we are not making any changes to the service, policies, priorities, strategies, or plans.

14. Data Protection Impact Assessment (DPIA)

14.1 We have completed a DPIA questionnaire, which confirms that one is not required.

15. Carbon Impact Assessment (CIA)

15.1 A CIA is not required because security is a static Guarding duty only, involving no vehicles. As part of the framework, we have utilised local Companies employing local people.

16. List of background papers relied upon in writing this report (not including published documents or confidential or exempt information)

16.1 None.

17. Published documents referred to in this report

17.1 None.

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Subject:	Harvey Hadden Sports Village solar PV installation (phase 3)		
Corporate Director: Director:	Colin J Parr - Communities, Environment and Resident Services Michael Gallagher – Environment and Sustainability (Interim)		
Executive Member:	Councillor Sam Lux - Carbon Reduction, Leisure and Culture		
Report author and contact details:	Reshma K Michael reshma.michael@nottinghamcity.gov.uk		
Other colleagues who have provided input:	Tom Straw – Finance Tom Button – Legal		
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: taking account of the overall impact of the decision	<input checked="" type="checkbox"/> Expenditure	<input type="checkbox"/> Income	<input checked="" type="checkbox"/> Savings of £750,000 or more
			<input 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
Type of expenditure:	<input type="checkbox"/> Revenue <input checked="" type="checkbox"/> Capital		
If Capital, provide the date considered by Capital Board			
Date: Approved by Capital Board			
Total value of the decision: £4.5m (made up of £419,750 (spend) and £4m (approx. savings))			
Section 151 Officer expenditure approval			
Has the spend been approved by the Section 151 Officer? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/a			
Spend Control Board approval reference number: 9924			
Commissioner Consideration			
Has this report been shared with the Commissioners' Office? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			
Any comments the Commissioners wish to provide are listed in section 6 below.			
Wards affected: All			
Date of consultation with Executive Member: 12/08/2024			
Relevant Council Plan Key Outcome:			
Green, Clean and Connected Communities	<input checked="" type="checkbox"/>		
Keeping Nottingham Working	<input type="checkbox"/>		
Carbon Neutral by 2028	<input checked="" type="checkbox"/>		
Safer Nottingham	<input type="checkbox"/>		
Child-Friendly Nottingham	<input type="checkbox"/>		
Living Well in our Communities	<input checked="" type="checkbox"/>		
Keeping Nottingham Moving	<input type="checkbox"/>		
Improve the City Centre	<input type="checkbox"/>		
Better Housing	<input type="checkbox"/>		
Serving People Well	<input checked="" type="checkbox"/>		
Summary of issues (including benefits to citizens/service users):			
HHSV is a very high user of energy and uses on average 2,960 units of electricity per day, imports approximately 1,080,566 kWh of electricity per year and accounts for 4.8% of NCC's energy budget.			
By installing an additional 304.3KWp solar PV system into the building's design, the system is expected to generate 254,730 kWh in year-1, contributing a 20.84% reduction in building's current energy import.			
The utilisation of solar power will further help reduce greenhouse gas emissions associated with			

conventional energy sources and contribute to Nottingham City's commitment to net zero.

Exempt information:

An appendix 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 sensitivity 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 this could negatively affect competitive tenders and potentially complicate the tender process by giving contractors insight into our budget constraints.

Recommendations:

- 1 To approve spend of up to £419,750 of Salix funds on Solar PV at Harvey Hadden Sports Village.
- 2 To approve seeking competitive tenders for a design and build contract in conjunction with procurement colleagues for value for money and compliance with Contract Procedure Rules and award the contract to the most economically advantageous tender received.
- 3 To delegate authority to the Corporate Director of Communities, Environment and Resident Services to enter a contract with the successful tenderer.

1. Reasons for recommendations

Our high degree of confidence in the installation/operation of the solar PV system and certainty in the longevity of the facility, coupled with the unavoidable high energy demand totalling over 1 million kWh per annum and representing nearly 5% of the council's total energy consumption each year, the benefits of approving this project far outweigh the risks. Major reason for the recommendation as follows:

1.1 Return on Investment (ROI):

The anticipated Return on Investment (ROI) for the Solar PV project is 12.5% over a 6-year period, meeting the criteria of the Salix fund. This alignment with the financial objectives of the project makes it a robust and viable investment.

1.2 Energy Independence:

The project expects to generate a 20.84% of Harvey Hadden's remaining grid energy demand, thereby offsetting a substantial portion of imported electricity and gas with renewable sources.

1.3 Social Value:

The positive carbon value of this initiative has significantly enhanced the overall net benefit. This improvement is reflected in an increased NPV of £2,087,915 Internal Rate of Return (IRR) of 24.6% and a reduced payback period of 3 years.

1.4 Environmental Sustainability:

The reduction of carbon emissions by 53.1 tons annually, coupled with an overall +10 score in the Carbon Impact Assessment, aligns positively with Nottingham's

Carbon Neutral Action Plan. The favourable environmental impact positions the organisation as a frontrunner in sustainability.

1.5 Long-Term Viability:

The project is structured for enduring feasibility, aiming for a 6-year payback period while sustaining profitability for up to 30 years. Moreover, this project initiative is centred on scalability and adaptability to incorporate upcoming technological advancements.

2. **Background (including outcomes of consultation)**

- 2.1 Harvey Hadden Sports Village (HHSV), part of the Active Nottingham network managed by Nottingham City Council, reopened in 2015 after a major refurbishment and is expected to serve as a flagship leisure centre for Nottingham's citizens long into the future and has been confirmed by corporate landlord as an asset safe from disposal.
- 2.2 As a high energy user, HHSV imports approximately 1,080,566 kWh of electricity annually, accounting for 4.8% of the council's energy budget. The phase 3 solar PV installation at HHSV is anticipated to be successful, building on the existing 67.2 kWp canopy-mounted system and 200 kWp roof-mounted system.
- 2.3 The project, fully funded by the Salix Recycling Fund, has an estimated cost of £419,750, with a payback period of 6 years, an NPV of £876,162, and projected savings of £3,659,980 in electricity and £315,907 in gas over 30 years, along with annual carbon savings of 53.1 tonnes.
- 2.4 Salix Finance Limited ("Salix Finance") provides ring-fenced funding in the form of a conditional repayable grant (the "Conditional Grant") which is matched by the participating PSB to create a low carbon fund, "the Local Fund", to pay for low carbon projects across the PSB's estate.
- 2.5 The financial savings made from projects are then paid back into the Local Fund to finance further energy-saving projects. Once a Local Fund is established it becomes self-sustaining as savings generated by completed projects are recycled to finance further projects. A local fund between Nottingham City Council and Salix Finance was set up in 2009 with equal contributions from NCC and Salix Finance creating a fund totalling £1.5m. To date, this has resulted in over 300 projects being completed with savings close to £4m.
- 2.6 The Recycling Funds in England are set to close on March 31, 2025, with a deadline to commit any remaining funds, currently in our Local Fund account, to projects by 16/08/2024. Any uncommitted funds after 16/08/2024 are subject to return with 28 days of written request by Salix Finance. Any committed funds not spent by 31st March 2025 are also subject to return within 28 days to Salix Finance upon written request. Funds spent on committed projects will be returned to Salix according to the ROI and individual project loan agreement up to a maximum period of 10 years from completion.

- 2.7 As part of the approved 2024-2027 Medium Term Financial Plan (MTFP), the Sport and Leisure Service is exploring various management models to address the council's financial challenges.
- 2.8 Initial feedback from property colleagues suggested gaining project approval and delaying installation for six months to allow for consultant evaluations, ending in October.
- 2.9 Recent comments indicate that extending this hold period could align the project with the broader leisure services strategy, provided it does not risk the Salix funding. If delaying beyond October jeopardizes the funding or timeline, it is recommended to proceed with the installation as planned. This approach ensures tendering, and contractor appointments are completed before Christmas, with installation starting in late January 2025 and completion by March, allowing time for decisions on the leisure delivery model.
- 2.10 This proposal underwent consultation with the Divisional Management Team, Corporate Director Engagement, Divisional Leadership Team, and Executive Member Briefing, all of which provided positive feedback.

3. Other options considered in making recommendations

- 3.1 Do nothing - The alternative is to not proceed with the third phase of solar PV installations at HHSV. This would neither contribute to the Council's CN28 agenda, nor result in a 20.84% reduction in the building's current energy import. Consequently, it would fail to offset a substantial portion of imported electricity and gas with renewable sources.

4. Consideration of Risk

Risks identified	Mitigation
The EPC cost is higher than budgeted for and cost exceeds the approvals	The EPC cost has been increased by 10% which is still available and has an IRR of 12.35% and payback within 6 years
The expected annual production of electricity is lower than expected	Various business cases have been produced, taking into consideration a lower-than-expected annual production (10%), which still show positive results and <10-year payback period
Once project has started, there may be additional costs that were not considered or identified	The financial business case has A 16% contingency fund built in
Pigeon presence on the roof areas could potentially lead to nesting behind solar panels and debris accumulation, which may affect the performance of the solar panel system.	Pigeon protection measures are included within the costs
ASB issues with young people climbing on the low-height roof section above the reception and gym area may result in damage to the installed solar PV units. This could lead to reduced savings from the system or the need for costly replacements.	1)Discuss the frequency and severity of ASB incidents with climbing on the roof to assess the level of risk accurately. 2)Implement Protective Measures: Install physical barriers or deterrents to prevent unauthorised access to the roof area. 3)Enhanced Security Measures: Enhance security surveillance around the area to deter ASB incidents a promptly respond to any unauthorised access.
Export Level	Analysis of calendar year 2023 has been completed

<p>There is no export meter at HHSV, therefore the true levels of export are unknown</p>	<p>on the half hourly imported electricity data and this shows there was no export from phases 1 and 2 over calendar year 2023.</p>
<p>Leisure centre strategies - Delay in installation due to strategic review at site within NCC.</p> <p>Delay the installation for 6 months, this is influenced by whether if we gain approval, we will still incur payback liabilities on any grant, if this is the case the view is we hold back on gaining approval whilst the decision on outsourcing of the service is made.</p> <p>If we would not incur any payback liabilities by gaining approval, then we could proceed, but not install for 6 months.</p>	<p>1) Proceed with gaining approval now, but do not install for 6 months, which is ending on this October, contractor will be appointed before 31st of Christmas. The installation will be starting in January 2025.</p> <p>2) Confirm with funder (Salix): Funder (Salix) has agreed to proceed with the approval process and delay installation for 6 months. They have also confirmed that there will be no payback liabilities incurred by gaining approval or committing to the project. Additionally, the funder has agreed that if the site is under strategic review, the project can be backed off without penalty.</p>
<p>Leisure centre strategies - Sport and Leisure Service's alternative management model.</p> <p>As part of the approved 2024-2027 Medium Term Financial Plan (MTFP), the Sport and Leisure Service is exploring management models to address the financial challenges currently faced by the council.</p>	<p>This has been discussed at director level and there will be a hold on progressing the installation until a formal decision has been reached. If the site is to be sold, the solar PV will not be installed. However, Harvey Hadden Sports Village will not be closed due to the level of investment, both internally and externally.</p> <p>If the decision is to follow an outsourced management model, Nottingham City Council (NCC) will control the Invitation to Tender (ITT) specification, allowing a Power Purchase Agreement (PPA) option to be included. However, if a PPA option is not commercially viable to the third party due to the offer price, an alternative approach can be proposed, where NCC retains responsibility for imported electricity and recharges it to the third party at current import rates, including the solar PV-generated electricity consumed on site.</p> <p>Since the lifetime of the PV is 30 years and if an outsourced management option is pursued, at the end of the contract (15 years), the sites will either return to management or the contract will be renegotiated, including any PPA options.</p>

5. Best Value Considerations

5.1 Best value will be demonstrated by working with procurement colleagues to secure the best value tender, with consideration given to cost, quality and service.

5.2 A costing exercise, quality questions and previous customer testimonials will be required as part of the tendering process.

6. Commissioner comments

6.1 The Commissioners approve this report. (04/10/24)

7. Finance colleague comments (including implications and value for money/VAT)

7.1 The installation of solar panels meets the capitalisation criteria and as defined in the Capital Strategy before the Capital Programme is amended this scheme requires endorsement from the Capital Board.

7.2 The project manager should not commit and Council resources until formal approval and endorsement from the Capital Board has been confirmed.

7.3 As detailed in the body of the report this scheme is to be funded from SALIX funding and therefore does not require any match funding from the Council's capital resources.

Tom Straw, Senior Accountant (Capital Programmes) - 23 September 2024

8. Legal colleague comments

8.1 This decision primarily concerns the procurement of a design and build contractor for the installation of a Solar PV.

8.2 The procurement of any services by the Council needs to be in accordance with the Council's constitution and relevant legal requirements including the Public Contract Regulations 2015.

8.3 The conditions imposed by the Salix funding need to be understood, complied with by the Council and, where appropriate, mirrored in the design and build contract.

8.4 Due to the specialist nature of the subject matter, it is likely that external legal resource would be needed and that should be factored into the budget.

Tom Button, Team Leader, Contracts and Commercial - 24 September 2024

9. Procurement comments

9.1 There are no Procurement concerns with the recommendations proposed in this report. The Procurement Team will work with the client team and Legal Services to agree an appropriate form of contract, and to appoint a contractor in accordance with Contract Procedure Rules and the Public Contracts Regulations 2015.

10. Other relevant comments

10.1 Strategic Assets and Property

The scheme is supported by SAM, subject to the final alignment with the strategic review of Leisure services. It is understood that any decision to outsource the provision of Leisure services at HHSV would trigger repayment of the Salix funding by NCC or the operator, therefore the final installation should be delayed until a decision on the operating model is confirmed.

It is also assumed that full technical due diligence on the roof structure and fixings etc will be undertaken before final implementation.

11. Crime and Disorder Implications (If Applicable)

11.1 None.

12. Social value considerations

12.1 This project demonstrates a positive environmental impact with measurable carbon value, considering the economic value of these emission reductions.

12.2 The incorporation of this solar power is projected to reduce greenhouse gas emissions from site by 53.1 tons of carbon annually, earning a +9 score on the climate impact assessment dashboard. This achievement aligns positively with Nottingham's Carbon Neutral Action Plan.

12.3 The installation of solar panels at the leisure centre not only catalyses community discussions on renewable energy and climate change but also encourages similar actions among residents and businesses. The project fosters collaboration through competitive tenders, potentially involving local entities in the delivery of Solar PV at HHSV.

12.4 This initiative not only generates clean energy but also underscores Nottingham City's commitment to renewable energy adoption and environmental stewardship.

13. Regard to the NHS Constitution (If Applicable)

13.1 N/A

14. Equality Impact Assessment (EIA)

14.1 An EIA has been completed and due regard will be given to any implications identified in it.

15. Data Protection Impact Assessment (DPIA)

15.1 A DPIA is not required because it does not involve the processing of personal information.

16. Carbon Impact Assessment (CIA)

16.1 A CIA has been completed and due regard will be given to any implications identified in it.

17. List of background papers relied upon in writing this report (not including published documents or confidential or exempt information)

17.1 None.

18. Published documents referred to in this report

18.1 None.

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