



## **Nottingham City Council Commissioning and Procurement Executive Committee**

**Date:** Tuesday, 12 November 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

- 1 Apologies for absence**
- 2 Declarations of interests**
- 3 Minutes** 3 - 8  
Last meeting held on 15 October 2024 (for confirmation)
- 4 Supply contract for refuse vehicles between 7.5T to 32T - key decision** 9 - 16  
Report of Corporate Director for Communities, Environment and Resident Services
- 5 Dispersed care alarm equipment procurement - key decision** 17 - 22  
Report of Corporate Director for Growth and City Development
- 6 Acceptance of grant monies for the Asylum Dispersal Scheme - key decision** 23 - 30  
Report of Corporate Director for Communities, Environment and Resident Services
- 7 Procurement of building insurance for residential leasehold properties - key decision** 31 - 36  
Report of Corporate Director for Growth and City Development
- 8 Handheld power tools solution - key decision** 37 - 48  
Report of Corporate Director of Growth and City Development

**9 Works Order Management System - key decision**  
Report of Corporate Director for Growth and City Development

49 - 66

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](http://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, Nottingham, NG2 3NG, on 15 October 2024 from 9.32 am - 9.50 am

#### Membership

##### Present

Councillor Linda Woodings (Chair)  
Councillor Cheryl Barnard  
Councillor Corall Jenkins

##### Absent

Councillor Jay Hayes  
Councillor Pavlos Kotsonis  
Councillor Ethan Radford

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

Dawn Cafferty - Head of Procurement  
Mark Leavesley - Governance Office  
Reshma Michael - Senior Energy Projects Officer  
Jorge Santana - Low Carbon Energy Projects Manager

#### Call-in

Unless stated otherwise, all decisions are subject to call-in. The last date for call-in is 23 October 2024. Decisions cannot be implemented until the working day after this date.

#### 35 Apologies for absence

Councillor Hayes - leave  
Councillor Kotsonis - personal  
Councillor Radford - other Council business

#### 36 Declarations of interests

None.

#### 37 Minutes

The Committee agreed the minutes of the meeting held on 10 September 2024 as a correct record and they were signed by the Chair.

#### 38 Provision of security staff - key decision

Councillor Jenkins, Executive Member for Communities, Waste and Equalities, presented the report, and stated the following:

- a) there are legacy site security requirements in place, which are there for a reason (to protect assets, employees, customers and, in some circumstances, for insurance requirements);

- b) these sites are primarily covered by Council employees. The posts were offered up as a saving, with a proposal to utilise 3<sup>rd</sup> party companies rather than inhouse, thereby saving on 33% night enhancement, holiday or sick pay, and National Insurance contributions etc, but this was rejected. What was agreed was to not replace leavers and utilise 3<sup>rd</sup> party suppliers to cover holidays, sickness and nights;
- c) there are currently only enough staff to cover 3,500 hours per month, and the current requirement is around 8,000 hours per month, with a split of 3,500 regular hours to cover as a requirement to the Council and 4,500 hours considered as adhoc. Adhoc being sites like the Guildhall or Broadmarsh Intu building, which will eventually be resold or repurposed but legally requires security to prevent harm and protect assets;
- d) the majority of the adhoc requests come via Corporate Landlord and Car Parking, who will have their own spend approval and any costs associated with that work is recharged back to Security, so in essence no cost to the department;
- e) we only cover where asked, and some of the estate is difficult to manage, especially the Guildhall and the old Broadmarsh shopping centre, which still has working shops who legally have access via the service deck and also fire escape routes;
- f) we regularly review requirements and consider other options with colleagues and, wherever possible, we have come up with options which are cheaper, such as 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;
- g) to highlight the issue, since the original spend approval was given, we have been asked to increase our requirement on a particular site (due to anti-social behaviour, theft and vandalism) and this has taken the original request for £950k to an estimated £1.3m.

### **Resolved to approve**

- (1) entering into a call-off contract for the provision of security staff under the terms of the City Council Corporate Security Services Framework;**
- (2) a spend of up to £1.3m due to increase in service demand.**

### Reasons for recommendations

- a) 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.

Other options considered

- b) Removing security requirements – this would impact income generation, affecting car parking and events, with increased risk to staff, citizens, assets and of anti-social behaviour.
- c) Recruit more in house security employees – this would increase costs, still may not meet the demand, or mean having more staff than work. This would also leave gaps to cover holiday and sickness as sites still require guarding.

**39 Harvey Hadden Sports Village solar PV project (Phase 3) - key decision**

Reshma Michael, Senior Energy Projects Officer, presented together this report and the urgent item and stated the following:

- a) Harvey Hadden Sports Village is a very high user of energy and uses on average 2,960 units of electricity per day, imports approximately 1,080,566kWh of electricity per year. and accounts for 4.8% of the Council's energy budget;
- b) by installing an additional 304.3KWp solar PV system into the building's design, the system is expected to generate 254,730kWh in year 1, contributing a 20.84% reduction in the building's current energy import;
- c) 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;
- d) the anticipated Return on Investment for the 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;
- e) the positive carbon value of the initiative has significantly enhanced the overall net benefit, and the improvement is reflected in an increased NPV of £2,087,915 Internal Rate of Return of 24.6% and a reduced payback period of 3 years. 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, and the favourable environmental impact positions the organisation as a frontrunner in sustainability.

Following a request from the Deputy S151 Officer, the urgent item being considered in conjunction with this report contained the following additional clarifying information:

- f) SALIX is a revolving Capital Fund whereby the Council is able to drawdown funding for energy improvement / efficiency projects. The funding drawn down has to be repaid interest free from the revenue savings generated from the project. Once the funding is repaid the Council keeps the ongoing savings;
- g) SALIX Funding is repayable funding and is in accordance with both the Capital and Treasury Strategy;

- h) the financial models assume that the repayments are made from the revenue energy savings generated from the solar panels and return a surplus to the Council over the life of the asset. The revenue impact of this scheme will be included within the 2025/26 budget process;
- i) if the savings, as set out in the body of the report and the exempt appendix, do not materialise as planned, this scheme could generate a revenue pressure if the actual savings are less than forecast. If this occurs, any pressure would need to be contained within Energy Services or, if this is not achievable, declared within the budget process as a growth item.

### **Resolved to**

- (1) approve spend of up to £419,750 of Salix funds on solar PV at Harvey Hadden Sports Village;**
- (2) 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) delegate authority to the Corporate Director of Communities, Environment and Resident Services to enter into a contract with the successful tenderer;**
- (4) delegate authority to the Corporate Director of Communities, Environment and Resident Services, in consultation with the Corporate Director of Finance and Resources, for the signing of the SALIX funding agreement;**
- (5) approve the anticipated revenue savings and repayment of capital funding as set out within the reports and exempt appendix, noting that the identified net saving will be incorporated in the 2025/26 Budget and Medium Term Financial Plan process.**

### Reasons for recommendations

- a) 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.
- b) 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.
- c) 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.

- d) **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.
- e) **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.
- f) **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.
- g) Following a Capital Board meeting, the project received approval, but Finance requested two additional recommendations (resolutions 4 and 5 above) to provide further clarity on key financial aspects and gave further advice (as detailed in section 7 of the urgent report item).
- h) These amendments include detailed guidance on the Salix repayable funding, confirming that repayments will be made from the revenue energy savings generated by the solar panels and ensuring the Council benefits from a long-term surplus. Additionally, Finance highlighted Salix funding risks, emphasising the need to monitor potential revenue pressure if actual savings fall below forecasts.
- i) Despite these updates, the project's total value, anticipated bill savings and carbon reduction targets remain unchanged.

#### Other options considered

- a) **Do nothing** - The alternative is to not proceed with the third phase of solar PV installations at the Sports Village. 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.

#### **40 Urgent item - Harvey Hadden Sports Village solar PV project (Phase 3)**

The Chair of the Committee agreed that this item, although not on the agenda, could be considered (in the public domain and in conjunction with agenda item 5, minute 39, Harvey Hadden Sports Village solar PV project) as a matter of urgency in accordance with Section 100B(4)(b) of the Local Government Act 1972, because, at the request of the Deputy S151 Officer, it provided greater financial clarity to the original report.

For detail of the consideration, and resolutions of the Committee, please see minute 39 above.

**41 Exclusion of the public**

The Committee agreed to exclude 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 outweighed the public interest in disclosing the information, as defined in Paragraph 3 of Part 1 of Schedule 12A to the Act.

**42 Exempt appendix - Harvey Hadden Sports Village solar PV project (Phase 3)**

The Committee noted the exempt appendix.



<b>Subject:</b>	Creation of a single source supply contract for refuse vehicles between 7.5T to 32T for Nottingham City Council and the Nottinghamshire/Derbyshire Transport Group Consortium		
<b>Corporate Director:</b> <b>Director:</b>	Colin J. Parr - Communities, Environment and Resident Services Mary Lester – Resident Services		
<b>Executive Member:</b>	Councillor Khan – Strategic Regeneration, Transport and Communities		
<b>Report author and contact details:</b>	Andrew Smith, Assistant Fleet Manager <a href="mailto:andrew.smith@nottinghamcity.gov.uk">andrew.smith@nottinghamcity.gov.uk</a>		
<b>Other colleagues who have provided input:</b>	Tom Straw – Finance Del Sander – Legal Paul Ritchie - Procurement		
<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> taking account of the overall impact of the decision	<input checked="" type="checkbox"/> Expenditure	<input type="checkbox"/> Income	<input 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
<b>Type of expenditure:</b>	<input type="checkbox"/> Revenue <input checked="" type="checkbox"/> Capital		
	If Capital, provide the date considered by Capital Board Date: 2024/25 approval in place, 2025 onwards Capital funding requirement to be confirmed.		
<b>Total value of the decision:</b>	£8.1m		
<b>Section 151 Officer expenditure approval</b>	Has the spend been approved by the Section 151 Officer? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/a		
	Spend Control Board approval reference number:		
<b>Commissioner Consideration</b>	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.		
<b>Wards affected:</b>	All		
<b>Date of consultation with Executive Member:</b>	30/10/2024		
<b>Relevant Council Plan Key Outcome:</b>	<ul style="list-style-type: none"> <li>Green, Clean and Connected Communities <input checked="" type="checkbox"/></li> <li>Keeping Nottingham Working <input checked="" type="checkbox"/></li> <li>Carbon Neutral by 2028 <input type="checkbox"/></li> <li>Safer Nottingham <input type="checkbox"/></li> <li>Child-Friendly Nottingham <input type="checkbox"/></li> <li>Living Well in our Communities <input type="checkbox"/></li> <li>Keeping Nottingham Moving <input type="checkbox"/></li> <li>Improve the City Centre <input type="checkbox"/></li> <li>Better Housing <input type="checkbox"/></li> <li>Serving People Well <input checked="" type="checkbox"/></li> </ul>		
<b>Summary of issues (including benefits to citizens/service users):</b>	<p>Members of the Nottinghamshire/Derbyshire Transport Group Consortium have a statutory duty Under section 45 of the Environmental Protection Act 1990, as they are deemed to be a “waste collection authority” (in this instance, the Council(s)), and they have a duty to collect “household waste” and this service is delivered internally within by the members of the group. This new Procurement project will enable the Consortium authorities to access a compliant and qualified contracted supplier for the supply of Refuse collection vehicles.</p>		

**Exempt information:** None.

**Recommendations:**

- 1 To authorise undertaking a procurement process for the necessary framework agreement(s).
- 2 To delegate authority to the Corporate Director for Communities, Environment and Resident Services to enter into:
  - (a) the initial Refuse Vehicle Supply Framework Agreement;
  - (b) any call-off contracts under the terms of the Framework Agreement for NCC fleet requirements and maintenance.

**1. Reasons for recommendations**

- 1.1 To enable the Nottingham City Council Fleet Services team and the aforementioned Consortium members to be able to access the Refuse Collection Vehicle market to enable the members ongoing Vehicle Replacement Programme requirements to be delivered as required.
- 1.2 The Fleet Services Team and members of the Consortium wish to retain the Single Source Supply Contract model currently in place for the supply of Refuse vehicles as this is shown to deliver the required levels of Contract Management, After Sales Service and Maintenance Support across the group. This support enables all members of the consortium can deliver the required statutory services.
- 1.3 A common base specification is created which ensures collective learning from across the consortium is shared to deliver better outcomes.
- 1.4 Ensure all vehicle purchases are going through a compliant procurement mechanism with a specification created with the consortium in mind.
- 1.5 Using a Contracted supplier enables prices to be fixed for 12-month periods within the proposed contract lifespan of 4 years which helps with the budgeting process when creating future replacement plans. A three month-notice period is mandated for the evidenced based price increases to be proposed within the contract period.
- 1.6 Under the terms of the Contract, there is no commitment to spend or to place a minimum number of orders.
- 1.7 The vehicle types within the Tender specification will include both Diesel and Alternative fuel chassis. The Tender will include the option to purchase Food Waste Collection and Kerbside recycling bodied vehicles as well as the standard and any specialist Refuse Collection vehicles in any body configuration as required by the contracting authorities within the Consortium.

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

- 2.1 The Nottinghamshire and Derbyshire Transport Group Consortium, an organisation made up of the Vehicle Services/Fleet teams from 17 other local authorities in Nottinghamshire and Derbyshire. The group was created with the support of the Chief Executives group promoting collaborative working and seeking best value by pooling the groups purchasing power and knowledge base. This group has

delivered a compliant solution since 2008 which has enabled all authorities to deliver their duties as necessary. The group renewed the Memorandum of Understanding in 2022 and all members of the group agreed to the continuance of the group to work together to deliver best outcomes.

- 2.2 The current contract for the supply of Refuse vehicles will expire on 31st March 2025, this contract is not able to be extended beyond this date.
- 2.3 Nottingham City Council proposes to procure and enter into the replacement framework agreement as lead authority for the consortium, with each consortium member directly entering into their own call-off arrangement with the successful bidder(s).

### 3. **Other options considered in making recommendations**

- 3.1 Extend the current contract – this option is not available as it would not comply with the Public Contracts Regulations 2015.
- 3.2 Undertake ad-hoc tenders at the point of demand – this option was rejected to avoid any duplication of work across the Consortium.
- 3.3 All members could access external third-party procurement frameworks at the point of demand – this option was rejected to avoid any duplication of work and to be paying rebate fees to third parties.

### 4. **Consideration of Risk**

- 4.1 The Current Refuse vehicle supply contract expires on 31st March 2025 and a replacement contract is required to enable continuity of the supply of vehicles. Without access to a compliant procurement solution, delays in supply of vehicles could impact on the ability of the contracting authorities within the consortium including Nottingham City Council being able to deliver the statutory requirements as determined.
- 4.2 With no Consortium based contract the individual authorities would not necessarily receive the same level of support as they would when part of the group. The pooled resource enables the group to receive enhanced access to technicians, technical support, training and after sales provision as well as an input to product design.

### 5. **Best Value Considerations**

- 5.1 The single source supply contract enables Nottingham City Council and the other members of the Consortium to effectively pool their buying power and knowledge base to enable delivery of good contract management and contracted pricing. The below two conditions are included within the scope of this project;
  - BIWO - buy it with others- joint procurement;
  - DIWO - do it with others e.g. shared services/ partnerships with local authorities.
- 5.2 Nottingham City Council Fleet and Depot Operations have introduced a new robust business case process which is required for each individual replacement vehicle. The business case is required to evidence approvals, Funding route, service need,

and alternative service delivery options including but not exclusive to extending the life of the current fleet or increased utilisation of the current fleet.

## 6. **Commissioner comments**

6.1 The Commissioners are content with this report. (31/10/2024)

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

7.1 This decision does not commit the Council to incur capital expenditure with the budget for replacement vehicles being incorporated into the Capital Budget process.

7.2 Due to the current financial pressures within the Council the Capital Programme has set aside £nil budget for the replacement of vehicles beyond 31st March 2025.

7.3 Capital resources will have to be identified, and formal approval obtained prior to the Council procuring any Refuse Vehicles as part of this contract.

Tom Straw, Senior Accountant (Capital Programmes) - 15 October 2024

## 8. **Legal colleague comments**

8.1 This decision is to conduct a procurement exercise and award a contract and budget to establish a framework for the outright purchase of Refuse Collection Vehicles that Nottingham City Council and the Nottinghamshire/Derbyshire Transport Group Consortia members can access.

8.2 There are no significant legal issues arising from the decision as it is proposed that a compliant procurement process is run through the Council's corporate procurement team. Legal advice and support will be provided with regard to the contracting arrangements to be put in place.

8.3 As it is proposed that the framework will be available for use by Nottinghamshire/Derbyshire Transport consortia members there must be appropriate contract management in place by Nottingham City Council to ensure that the framework is managed and used correctly.

Del Sander, Locum Solicitor - 15/10/2024

## 9. **Other relevant comments**

### 9.1 Procurement comments

The procurement team will support the tendering exercise in compliance with our CPRS and considers the approach of joining up the demand of the 17 other Contracting Authorities, a best value approach to reduce the unit cost per vehicle to each member of the Consortia.

Paul Ritchie, Procurement Manager - 09/10/2024

## 10. **Crime and Disorder Implications (If Applicable)**

10.1 N/a

**11. Social value considerations**

11.1 Due to the anticipated overall value of the Contract the supplier will be expected to agree to the Business Charter and meet the specified employment and opportunity targets.

**12. Regard to the NHS Constitution (If Applicable)**

12.1 N/a

**13. Equality Impact Assessment (EIA)**

13.1 An EIA is not required because the Contract is for the provision of vehicles only and only considers potential contract spend.

**14. Data Protection Impact Assessment (DPIA)**

14.1 A DPIA is not required because the Contract is for the provision of vehicles only and only considers potential contract spend.

**15. Carbon Impact Assessment (CIA)**

15.1 Attached as appendix A and due regard will be given to any implications identified in it.

**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.

This page is intentionally left blank

Refuse Vehicle Supply Contract Carbon Impact Assessment Rationale

The Tender document will ask the bidders to supply information on how they are reducing the amount of Co<sup>2</sup> generated from their production methods and within their overall operations as a company. The Supplier will therefore be required to use reasonable endeavours to limit the impact of their activities on the environment during the manufacturing process, and will be asked to provide details of actions or plans with regard to (but not limited to):

- Reducing their carbon footprint, reducing the volume of waste produced, especially were requiring specialist disposal, and reducing energy use and increasing energy efficiency and self-sufficiency;
- Increasing the proportion of materials reused / recycled.

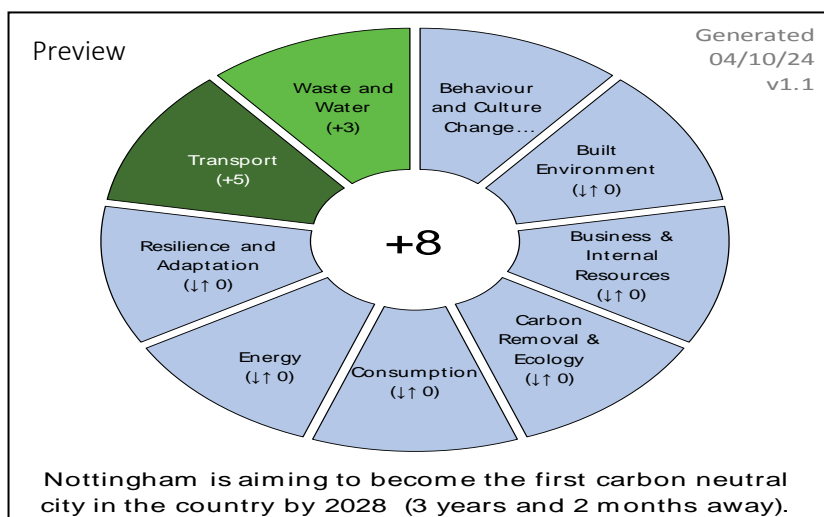
The Consortium has pledged to phase out its use of single-use plastic. Suppliers will be expected to support this aspiration through their delivery of the framework wherever realistically feasible.

The supply of new vehicles does mean that as a group the Consortium will have access to new vehicles manufactured to the latest emission standards which will mean the removal of older “dirtier engine vehicles” from their fleets. The newer internal combustion engine vehicles will be able to use Hydrotreated Vegetable oil which can replace standard diesel fuel. The use of HVO fuel can remove 80 to 90% of the Co<sup>2</sup> emitted from the tail pipe.

The new contract will include the option for members to purchase ULEV types of chassis for the refuse vehicles which are zero tail pipe emission vehicles in the most cases. Many of the spare parts and components for the Refuse vehicle bodies are manufactured within the UK therefore shipping emissions generated are reduced.

As new vehicles will be going in to service they will break down less therefore the likelihood of an engineer coming to site to carry out warranty repair work is reduced and therefore less mileage is recorded by the engineer’s service van thus lessening the harmful emissions being produced across the region potentially by a diesel vehicle.

See below the Pie chart from the Carbon Impact Assessment Template.



This page is intentionally left blank



<b>Subject:</b>	Dispersed Care Alarm Procurement		
<b>Corporate Director:</b>	Nicki Jenkins – Growth and City Development		
<b>Executive Member:</b>	Councillor Jay Hayes – Housing and Planning		
<b>Report author and contact details:</b>	Antony Dixon - Head of Supported Housing <a href="mailto:Antony.dixon@nottinghamcity.gov.uk">Antony.dixon@nottinghamcity.gov.uk</a>		
<b>Other colleagues who have provided input:</b>	Andrew Berry - Finance Tom Button - Legal Louise Dobson – Procurement		
<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> taking account of the overall impact of the decision	<input checked="" type="checkbox"/> Expenditure	<input type="checkbox"/> Income	<input type="checkbox"/> Savings of £750,000 or more
			<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
<b>Type of expenditure:</b>	<input checked="" type="checkbox"/> Revenue <input type="checkbox"/> Capital		
<b>Total value of the decision:</b> £1,400,000			
<b>Section 151 Officer expenditure approval</b>			
Has the spend been approved by the Section 151 Officer? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/a			
Spend Control Board approval reference number:			
<b>Commissioner Consideration</b>			
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.			
<b>Wards affected:</b> All			
<b>Date of consultation with Executive Member:</b> 30 October 2024			
<b>Relevant Council Plan Key Outcome:</b>			
Green, Clean and Connected Communities	<input type="checkbox"/>		
Keeping Nottingham Working	<input type="checkbox"/>		
Carbon Neutral by 2028	<input 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 type="checkbox"/>		
<b>Summary of issues (including benefits to citizens/service users):</b>			
This report is to secure agreement for the re-procurement of dispersed care alarm equipment and associated peripherals.			
This equipment is installed by Nottingham on Call in the homes of vulnerable citizens and independent living accommodation and enables these citizens to continue to live independently reducing the need for more intensive provision and adult social care spend.			
Approval is sought to enter into a contract for a term of 2+1+1 years with an anticipated total contract value of £1.4m. The contract will stipulate that there is no commitment to spend.			

**Exempt information:** None.

**Recommendations:**

- 1** To authorise commencement of procurement activities to tender a contract for the supply of dispersed care alarm equipment, for a period of 2+1+1 years for an estimated contractual value of up to £1.4m.
- 2** To delegate authority to the Strategic Director of Housing to award and sign the contract.

**1. Reasons for recommendations**

- 1.1 The current contract for provision of dispersed care alarm equipment expires January 2025. A new contract is required to enable Nottingham on Call to continue to purchase this equipment.
- 1.2 A compliant tender process is considered the best mechanism for securing a supplier of dispersed alarm equipment given the anticipated value and duration of award. This will be undertaken with Compliant Purchasing support.
- 1.3 It is recommended that the Strategic Director of Housing be given delegated authority to award to expedite the inception of the new contract.

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

- 2.1 Nottingham on Call installs and monitors assistive technology equipment in citizens homes. This equipment enables vulnerable citizens to summon assistance in an emergency or automatically raises an alert if there may be a risk to a vulnerable citizen. The core equipment installed is a care alarm and pendant to which a variety of peripherals can be linked including; smoke detectors, CO detectors, falls detectors, bed sensors, motion sensors etc.
- 2.2 The service installs approximately 130 alarms and associated peripherals per month. There are approximately 3,500 private customers with alarms installed at any one time and a further 1,800 approx alarms installed in independent living homes and communal areas. The majority of service referrals come from adult social care and health teams. The service is provided predominantly to Nottingham City residents but also those who reside within the conurbation. Citizens are charged for the provision of the service with the rate that they pay dependent on the extent of equipment provided and whether they are in receipt of a long-term care package funded by Nottingham City Council.
- 2.3 The rate of alarms that are being installed has increased due to the need to swap out all existing analogue alarms for digital by January 2027. The rate of alarms purchased will likely reduce after this date following digital transition. The service attempts to re-use alarm equipment when it is removed from the homes of customers who no longer require the service, however this is not always possible.
- 2.4 All alarms require a SiM to connect to Nottingham on Call. Due to the critical nature of the service provided it is specified that all alarms have true roaming dual SiM's on board. These are installed at manufacture. The monthly charge for the SiM is factored into the total contract price and forms part of the pricing assessment.

2.5 The contract will stipulate that there is no guarantee of spend against the contract. The level of spend will depend on a number of factors including service demand, rate of reuse of supplied equipment and pace of analogue to digital transition.

2.6 A contract for provision of dispersed alarm equipment was let to Chiptech International in January 2021 following a compliant procurement exercise. This contract will expire in January 2025.

### **3. Other options considered in making recommendations**

3.1 Using a third-party framework contract. This was considered but there is not a framework which specialises in dispersed alarm equipment, or which has a sufficient choice of providers. Undertaking our own procurement process enables the Council to tailor the specification to our own requirements.

3.2 Partnering with another authority. There is not an obvious choice of local authority to partner with for a joint procurement. Nottinghamshire County Council would have been an option but they are tendering for a fully managed service as opposed to a supplier of equipment.

3.3 Varying the contract length. The award of a 2+1+1 contract strikes a balance between fixing the price of the equipment provided for reasonable timeframe aiding business planning and providing the opportunity to take a different course of action following contract review. In particular, two extension periods allows for consideration of technological advancement and whether more effective technological solution have been developed and made available

### **4. Consideration of Risk**

4.1 Commitment to spend. The contract will stipulate that there is no guarantee of volume of orders/spend. As such there will be no liability to the Council should the model of delivery for assistive technology services change.

4.2 Technological advancement. Awarding a contract for 2 + 1 + 1 years will protect the service from rapid technological change and being tied into purchasing out-dated equipment.

### **5. Best Value Considerations**

5.1 Best value will be achieved through undertaking a compliant procurement process. The award of the tender will be based on a 40% price, 60% quality ration to ensure that quality considerations are foremost. Dispersed care alarms and associated peripherals are specialist equipment manufactured to BS standards with a limited number of suppliers. As such procurement is the best option for securing supply.

5.2 A requirement of the tender process will be that the equipment supplier needs to be accredited by the TSA, the industry standards body for assistive technology service provision and equipment. This will ensure that the provider of the equipment is quality assured by an external accreditation mechanism

### **6. Commissioner comments**

6.1 It is noted that the budget is set at £1m over the 4 years, but the proposed maximum spend is £1.4m, and it is envisaged that the additional costs relating to this investment 'will be covered through both efficiencies and redeploying existing peripheral hardware and equipment where feasible to keep spend inside the annual NOC budget'. It is essential that this is done. (31/10/2024)

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

7.1 The current contract for provision of dispersed care alarm equipment expires January 2025. A new contract is required to enable Nottingham on Call to continue to purchase this equipment.

7.2 The proposed maximum spend of £1.4m will be a blend of capital and mostly revenue spend spread over the four-year period (2+1+1).

7.3 The current level of expenditure over a four-year period is £1m through Chip Tech, however advancement in technology and digitalisation requires additional investment.

7.4 The potential annual increase in cost of c.£100k pa has not been included in a growth bid as it is envisaged additional costs relating to this investment will be covered through both efficiencies and redeploying existing peripheral hardware and equipment where feasible to keep spend inside the annual NOC budget.

Andrew Berry, Strategic Finance Business Partner (HRA) – 17 October 2024

**8. Legal colleague comments**

8.1 There are no significant legal concerns arising from the recommendations set out in this report.

8.2 The recommendations are asking for authority to procure dispersed care alarm equipment over a maximum four-year period.

8.3 The most suitable contracting arrangements and procurement processes will be determined in consultation with the Corporate Procurement Team and, where required, Legal Services. In any event, they must be in accordance with the Council's Constitution and relevant laws, including the Public Contract Regulations 2015 (or Procurement Act 2023, depending upon timing).

Tom Button, Contracts and Commercial Team Leader - 17 October 2024

**9. Other relevant comments**

Procurement colleague comments

9.1 Procurement advice is sought on the setting up of a contract to purchase dispersed alarm equipment and other peripheral items for Nottingham On-call to be installed into citizen homes on a case-by-case basis.

9.2 Procurement Team will therefore work with Nottingham On-call to set up a Framework Agreement to meet their requirements of having a provider(s) to provide the equipment required but without the commitment to volume/spend.

9.3 Relevant Framework Agreement and Call-off Terms will be developed in conjunction with Legal colleagues.

Louise Dobson (Lead Procurement Officer) – 14 October 2024

**10. Crime and Disorder Implications (If Applicable)**

10.1 Not applicable.

**11. Social value considerations**

11.1 Dispersed alarm equipment installed by Nottingham on Call enables vulnerable citizens to continue to live independently in their own homes reducing the need for more intensive and residential forms of provision.

11.2 Bidders will be asked how social value can be enhanced through delivery of the contract. This will form part of the scoring framework for the tender.

**12. Regard to the NHS Constitution (If Applicable)**

12.1 Not applicable.

**13. Equality Impact Assessment (EIA)**

13.1 An EIA is not required because this is only for the procurement of equipment.

**14. Data Protection Impact Assessment (DPIA)**

14.1 A DPIA is not required because this is only for the procurement of equipment. Equipment delivered from supplier to Nottingham on Call. DPIA on service provided already undertaken.

**15. Carbon Impact Assessment (CIA)**

15.1 A CIA is not required because this procurement is concerned with the purchase of equipment needed to enable vulnerable citizens to live independently in their own homes.

**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.

This page is intentionally left blank

<b>Subject:</b>	Home Office grant monies for the Asylum Dispersal Scheme		
<b>Corporate Director:</b>	Colin Parr – Communities, Environment and Residents Services		
<b>Executive Member:</b>	Councillor Coral Jenkins – Communities, Waste and Equalities		
<b>Report author and contact details:</b>	Beth Hanna, Migration Operations Manager <a href="mailto:Beth.hanna@nottinghamcity.gov.uk">Beth.hanna@nottinghamcity.gov.uk</a>		
<b>Other colleagues who have provided input:</b>	Susan Turner – Finance Del Sanders - Legal Jo Pettifor - Procurement		
<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 type="checkbox"/> Expenditure	<input checked="" 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
<b>Type of expenditure:</b>	<input checked="" type="checkbox"/> Revenue <input type="checkbox"/> Capital		
<b>Total value of the decision:</b> £1,458,000			
<b>Section 151 Officer expenditure approval</b>			
Has the spend been approved by the Section 151 Officer? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/a			
Spend Control Board approval reference number:			
<b>Commissioner Consideration</b>			
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.			
<b>Wards affected:</b> All			
<b>Date of consultation with Executive Member:</b> 30/10/2024			
<b>Relevant Council Plan Key Outcome:</b>			
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 checked="" 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"/>		
<b>Summary of issues (including benefits to citizens/service users):</b>			
<p>Nottingham City has been an Asylum Dispersal Area since 2002 and NCC were not allocated any government funding for this until 2021-2022 (received retrospectively in 2022). The asylum dispersal process provides accommodation and support via a Home Office-contracted provider (currently SERCO, previously G4S) while individual asylum claims are assessed.</p> <p>In 2022, participation in asylum dispersal became mandatory for all Local Authorities areas in England, Scotland and Wales to allow for movement from hotels to less expensive and more suitable dispersed accommodation.</p>			

The following grants have been received and now require retrospective approval to accept. The government allocate this funding retrospectively:

Grant 4	£171,500
Grant 5	£12,000
Grant 6	£1,099,500
Grant 7	£175,000

The funding received so far has been used to support existing and current services for people seeking asylum and the allocation of this resource is key to service delivery within the Council and Voluntary Community Sector. The funding will support and help alleviate additional pressures placed on these services, which currently already have a high demand and limited capacity. The funding will be used to support the delivery of vital services to this vulnerable cohort and adequately help resource services who have been delivering and developing quality provision previously without this additional funding.

**Exempt information:** None

**Recommendations:**

- 1** To authorise acceptance and drawdown of relevant grant monies (in part retrospectively) from the Government Asylum Dispersal Fund between 2023-2028 (5 years).
- 2** To grant delegated authority to the Corporate Director for Resident Services to approve the outcome of any funding agreements and Voluntary Community Sector grant programmes set up to meet the needs of people seeking asylum line with NCC processes.
- 3** To approve delegation of spending authority to the Corporate Director for Resident Services on other required services within NCC and externally with the voluntary and Community sector and other services, subject to compliance with Home Office Funding Instructions and Nottingham City Council's constitutional requirements.
- 4** To grant delegation to the Corporate Director for Resident Services to extend staff contracts as required subject to available funding at the time, associated with this project to deliver, manage and develop the service and improve governance, contractual and compliance arrangements responding to need and changing trends.

**1. Reasons for recommendations**

- 1.1 The Secretary of State for the Home Office has agreed to provide the Council a grant as a contribution to supporting Asylum Seeker Dispersal. This funding is ringfenced but can be used by Local Authorities on how best they see fit to support Asylum Seekers and ease specific local pressures on already overstretched services. Payment will however be subject to the conditions of the grant agreement (i.e. see attached funding instructions).
- 1.2 It should be noted that Central Government funding instructions are frequently changing in parameters and time scales and are often issued after implementation has begun.
- 1.3 The Asylum Dispersal Fund contributes along with other Government funding (such as Refugee Resettlement and Homes for Ukraine Scheme) to the cost of staff within the Migration team, to deliver work around Asylum.



- 1.4 The Asylum Dispersal Fund is also funding 1.5 Asylum Coordinators in the Migration Team that are currently being recruited to. This additional funding will ensure the posts can be extended and work embedded to make significant progress without a cost to the Council. These posts will ensure improved partnership working, responding to gaps and risks to avoid the escalation of issues and impact on existing overstretched council and other services, ie, Health, Housing, Social Care, Education and Voluntary and Community services.
- 1.5 The Migration team have an action plan and budget for the allocation of funds to support Asylum Dispersal, to alleviate pressure on existing services and meet gaps in provision. With the funding currently received we have a 5 year plan that enables the Migration Team to plan ahead, improve governance for projects and sets out improved commissioning and grant aid processes rather than responding to crisis with each new policy announcement. This will be supported by establishing a Strategic Migration Partnership/board within this financial year.
- 1.6 The previous funding secured has enabled initiatives to support departments such as Public Health, Education and the Slavery Exploitation Team, to secure additional resources for this cohort, freeing up and adding capacity in the system. And this current funding will be able to support the continuation of these partnership arrangements.
- 1.7 The Asylum Dispersal fund is currently funding the 'Into the Mainstream' service through grant arrangements for 2024-2025 following the Communities of Identify grant funding ceasing from March 2024. This is currently delivered by NNRF (Nottingham and Nottinghamshire Refugee Forum). Public Health have now developed this service specification and are due to procure this 'access to healthcare services' with a further contribution from the Asylum Dispersal Fund to jointly fund this service delivery.
- 1.8 A small grants programme funded by these Government monies, was established in 2023 with a 2<sup>nd</sup> round due this winter for local voluntary organisations to improve integration and inclusion, educational opportunities, mental and physical health and wellbeing, reduce isolation, promote health relationships, provide safe spaces, empower and support the voices of people seeking asylum and offer support around crisis, hardship and poverty. This has enabled a range of wrap around support to improve the lives and integration of Individuals seeking asylum.

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

- 2.1 The Migration Team coordinates the Asylum and Refugee Resettlement Multi Agency Forum that includes statutory and voluntary specialist services to network, problem solve and share information and have been consulted with regarding the gaps and needs of individuals seeking asylum in the city to assist in the priorities for this funding. This is currently being analysed.
- 2.2 Forums and partnerships have been set up by the Migration Team in the last 2 years to focus on trends and risk, including 1) Safeguarding 2) Homelessness and 3) Anti Asylum narrative partnerships and are consulted on in regard to emerging issues, gaps in services, problem solving and priorities for funding.

2.3 The Migration team continues to collaborate with Public Health in relation to the JSNA for individuals seeking asylum that involved consultation with service providers and those with lived experience.

### **3. Other options considered in making recommendations**

3.1 As this is a statutory requirement declining to participate in this funding scheme may result in capacity reduction or closure of key voluntary services, which would displace support needs back to Nottingham City Council, without additional resources. Being an Asylum Dispersal area is mandatory, so we would still be expected to support asylum seekers but without funding to do this.

### **4. Consideration of Risk**

4.1 Without acceptance of the Government funding and approval to spend we would be breaching our statutory requirements, and this would mean we would have to fund this work internally.

### **5. Best Value Considerations**

5.1 The Migration team have restructured the team to include the recruitment of 1.5 Asylum Coordinators to work with partners in the community and statutory sectors to address issues relating to people seeking asylum, identify gaps and develop provision through this funding to address needs and mitigate risks and pressures on services and escalation of issues.

5.2 Specialist partners have been consulted with about the best value use of this funding to identify the gaps and find solutions to meet the needs in a proactive collaborative approach.

5.3 We have now allocated a small grant programme to address needs and provide advice services, activities, and support to people seeking asylum to aid integration. This work reduces pressure on existing services. This will be a transparent and robust process with a panel to review and assess applications to ensure they meet set criteria to offer quality provision.

5.4 The Migration team are working with Public Health to address actions and solutions following the JSNA including jointly funding the procurement of the new 'healthcare access service' that is a continuation of the 'Into the Mainstream' grant funded service, to ensure continued healthcare support to some of the city's most vulnerable populations. This new service has been subject to a separate approval.

### **6. Commissioner comments**

6.1 The Commissioners are content with this report. Attention is drawn to the specific grant conditions set out at para 7.3 and 7.4. (31/10/2024)

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

7.1 This decision seeks approval to accept multiple Asylum Dispersal Scheme Grant Fundings from the Home Office for financial year 2023-24 and 2024-25 to date to a value of £1.458m.

	<b>£m's</b>	
Grant 4	<b>(£0.172m)</b>	<b>2023-24</b>
Grant 5	<b>(£0.012m)</b>	<b>2023-24</b>
Grant 6	<b>(£1.100m)</b>	<b>2024-25 (Q1 and Q2)</b>
Grant 7	<b>(£0.175m)</b>	<b>2024-25</b>
	<b>(£1.458m)</b>	

7.2 This funding covers financial year 2023-24 and 2024-25 funding to assist with the costs of supporting Asylum Seekers under Full Asylum Dispersal. All funding identified has been received - except for the Grant 6, Q2 (£0.093m) for which the Payment Allocation has been received with a payment expected to be made by 31st December 2024 as stated in the Funding Instructions key dates (within 90 days). Each quarterly payment will be based on the extant population on 01 April 2024 and the subsequent net growth between 01 April 2024 and the Payment Eligibility Date less the payments already made for the net growth in prior quarters.

<b>Grant 4</b>	Grant payments of £3,500 based on net growth per new and occupied bedspace opened between 1 <sup>st</sup> april 2023 and 31 <sup>st</sup> March 2024 inclusive.
<b>Grant 5</b>	4 month pilot scheme – no LA guidance provided
<b>Grant 6</b>	Grant payments of £750 per asylum seeker in Home Office Asylum Seeker accommodation as of 01 April 2024.
<b>Grant 7</b>	grant payment of £3,500 based on net growth per newly occupied bedspaces in eligible properties between 01 April 2024 and 30 June 2024 inclusive.

7.3 Expenditure needs to be in accordance with the grant conditions some of which are highlighted below, meeting the funding requirements and validation to avoid the risk of clawback whilst ensuring best value and effective use of this funding.

“The payment is to address concerns raised by Local Authorities in relation to pressure on local services associated with supporting Asylum Seekers.”

“Funding provided must not be used for any purpose other than achieving delivery of the outcomes detailed in this Instruction, nor is it permissible to move/transfer any such funds elsewhere without prior written consent from the Authority”

“In all cases, to assist with monitoring and evaluation of the Schemes, the Recipient shall supply the Authority with all such financial information as is reasonably requested from time-to-time, on an open book basis.”

7.4 Also, the Service needs to ensure that all relevant reporting documentation is completed and stored appropriately by the operation to address any future information requests as required, as well as in year returns.

Susan Turner, Senior Commercial Business Partner - 18/10/2024

8. **Legal colleague comments**

- 8.1 Grant funding expenditure needs to be in accordance with the grant conditions, meeting the funding requirements and validation to avoid the risk of clawback whilst ensuring best value and effective use of this funding, whilst also ensuring all relevant reporting documentation is completed and stored appropriately by the Authority to address any future requests.
- 8.2 In issuing any grant funding or relevant financial assistance the Authority will need to be mindful to follow any relevant obligations placed on it under the Subsidy Control Act 2022.

Del Sanders, Solicitor - 17 October 2024

## 9. **Other relevant comments**

### **Procurement colleague comments**

- 9.1 This decision relates to the receipt and use of grant monies from the Government Asylum Dispersal Fund for the period 2023-2028. It is understood that for the remaining funding period, this grant will be used to fund required services within NCC and externally through the voluntary and Community sector. It is understood that a programme of small grants for the Voluntary Community Sector was established in 2023 will be continued during the coming winter, to support activities to improve the integration and inclusion of people seeking asylum.
- 9.2 As the external funding is as grants, there are no procurement implications. However, all funding should be used in compliance with Home Office Funding Instructions and the Council's Constitution and Contract Procedure Rules at Article 18. Should any funding be awarded externally as contracts for services or supplies, the Procurement Team will advise and support to ensure compliance.

Jo Pettifor, Category Manager – 14 October 2024

## 10. **Crime and Disorder Implications (If Applicable)**

- 10.1 As a vulnerable cohort, people seeking asylum are at risk of street homelessness, ASB, hate crime and exploitation etc. Early intervention around harm prevention is the Migration Teams first priority and we have for example funded (23-24) a Modern Day Slavery Caseworker in the SET (Slavery Exploitation Team) to work with this cohort around risk and safeguarding. Approval of this additional funding will ensure we can continue this work.
- 10.2 The Migration Team also work to deliver key messages around hate crime to challenge myths and stereotypes and build community cohesion, and ASB. Community partnerships work with Community Protection Intelligence Analysisists to ensure that such matters are registered for consideration in the Tasking and Tensions Monitoring processes. In partnership with other Community Protection teams and Notts Police we provide extensive support with these matters.

## 11. **Social value considerations**

- 11.1 The effective use of this funding to provide improved integration and support for this cohort will deliver considerable social value. Community development -

the services and initiatives developed will improve resilience by encouraging this community to access appropriate services and peer support each other e.g., through health literacy. Volunteering opportunities will be supported that will allow for upskilling and improving employability. The services and projects developed in partnership will link with other agencies to support, empower and signpost this community with a range of needs such as mental health, housing and learning opportunities such as English for Speakers of Other Languages (ESOL).

**12. Regard to the NHS Constitution (If Applicable)**

12.1 N/A

**13. Equality Impact Assessment (EIA)**

13.1 A specific EIA is not required because it overlap impacts on Domestic Abuse, hate crime, issues impacting new communities and other priorities are currently managed within the Directorate.

**14. Data Protection Impact Assessment (DPIA)**

14.1 A DPIA will be ongoing and due regard will be given to any implications identified.

**15. Carbon Impact Assessment (CIA)**

15.1 A CIA is not required because the work is person centred and does not impact on CN28 plans. Additionally, SERCO procure properties on behalf of the government that house people seeking asylum.

**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**

The following documents are available on the Government Website:

17.1 Funding Instruction for Local Authorities: Asylum Dispersal Grant Financial Year 2023-2024 Scheme Reference: 395 Asylum & Protection Transformation Grant 4;

17.2 Funding Instruction for Local Authorities: Asylum Dispersal Grant Financial Year 2024-2025 Scheme Reference: 395 Full Dispersal Grants Team Grant 6;

17.3 Funding Instruction for Local Authorities: Asylum Dispersal Grant Financial Year 2024-2025 – Quarter 1 Scheme Reference: 395 Full Dispersal Grants Team Grant 7;

This page is intentionally left blank

<b>Subject:</b>	Procurement of building insurance for residential leasehold properties		
<b>Corporate Director:</b> <b>Directors:</b>	Nicki Jenkins - Growth and City Development Geoff Wharton and Sharon Guest – Housing		
<b>Executive Member:</b>	Councillor Jay Hayes - Housing and Planning		
<b>Report author and contact details:</b>	Kim Smith, Leasehold Manager <a href="mailto:Kim.smith@nottinghamcity.gov.uk">Kim.smith@nottinghamcity.gov.uk</a>		
<b>Other colleagues who have provided input:</b>	David Worthington – Finance Vendie Charles – Legal Lorraine Hodgson – Procurement Jackie Handley – Insurance Risk Manager		
<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 £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
<b>Type of expenditure:</b>	<input checked="" type="checkbox"/> Revenue <input type="checkbox"/> Capital		
<b>Total value of the decision:</b> Up to £1.5m			
<b>Section 151 Officer expenditure approval</b>			
Has the spend been approved by the Section 151 Officer? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/a			
Spend Control Board approval reference number:			
<b>Commissioner Consideration</b>			
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.			
<b>Wards affected:</b> All			
<b>Date of consultation with Executive Member:</b> 30/10/2024			
<b>Relevant Council Plan Key Outcome:</b>			
Green, Clean and Connected Communities	<input type="checkbox"/>		
Keeping Nottingham Working	<input type="checkbox"/>		
Carbon Neutral by 2028	<input type="checkbox"/>		
Safer Nottingham	<input 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 checked="" type="checkbox"/>		
<b>Summary of issues (including benefits to citizens/service users):</b>			
NCC Housing Services need to procure for a new contract for a Building Insurance as the current contract is due to expire on 31 March 2025. NCC are, under the terms of a lease agreement, responsible for arranging Building Insurance cover for Residential Leasehold flats citywide. NCC Residential Lease Agreements contain an explicit clause that make it mandatory for NCC to provide Building Insurance. The Leaseholder agrees to pay a contribution to the landlord costs under the terms of the lease for providing Building Insurance. NCC pay the premium in advance and recharge Leaseholders within their annual Service Charge Accounts			

**Exempt information:** None

**Recommendation:**

- 1 To approve tendering for Leasehold Building Insurance for residential leasehold flats held on a long lease, on a 3+1+1-year contract, at a total cost of up to £1.5m.
- 2 To delegate authority to the Insurance and Risk Manager to place insurance cover with the insurer that provides best value on conclusion of the tender process.

**1. Reasons for recommendations**

- 1.1 There is a legal requirement to tender for the leasehold building insurance policy. It is the intention of the Leasehold Manager, Kim Smith, and Insurance Risk Manager, Jackie Handley, to enter a contract for Leasehold Building Insurance for a period of 5 years on a 3+1+1 contract.
- 1.2 NCC Housing Services Leasehold and Insurance Risk Department need to procure for a new contract for a Building Insurance as the current contract is due to expire on 31st March 2025. NCC are, under the terms of a lease agreement, responsible for arranging Building Insurance cover for Residential Leasehold flats citywide. NCC Residential Lease Agreements contain an explicit clause that make it mandatory for NCC to provide Building Insurance.
- 1.3 The Leaseholder agrees to pay a contribution to the landlord costs under the terms of the lease for providing Building Insurance.
- 1.4 NCC pay the premium in advance and recharge Leaseholders within their annual Service Charge Accounts.
- 1.5 A full procurement exercise is required to ensure NCC are legally compliant, to evidence that best value has been achieved for leaseholders and to ensure we are able to recover the insurance premium from Leaseholders as per the lease agreement.
- 1.6 NCC are required to satisfy the Leasehold Section 20 Consultation Requirements in accordance with Section 20 of the Landlord and Tenant Act 1985 and The Service Charges (Consultation Requirements) (England) Regulations 2003.
- 1.7 Due to the value of the overall contract public advertisement is required and a 60 day consultation period with its leaseholders. We therefore need to commence the procurement exercise in November to ensure there is sufficient time for consultation, the tender and placing of the insurance policy.
- 1.8 To estimate the total contract value an assumed inflation rate of 5% has been applied to the sums insured in 2024-2025, This was £115,105,160.35.
- 1.9 It is also assumed that we are honoured the same rates for the duration of the contract, and it is assumed that (IPT) Insurance Premium Tax does not rise above 12%.
- 1.10 Our current insurers charge £1.79 per £1,000 sum incurred

Assumed 5% increase for 2025-2026 £120,860,418.00 x 1.79/1000 + 12%IPT  
= £242,300.96.



Assumed 5% increase for 2026-2027 £126,903,439.00 x 1.79/1000 + 12%ipt = £254,416.02.

Assumed 5% increase for 2027-2028 £133,248,611.00x1.79/1000 + 12% IPT = £267,136.82.

Assumed 5% increase for 2028-2029 £139,911,041.55 x 1.79/1000 + 12IPT = £280,493,66.

Assumed 5% increase for 2029-2030 £146,906,593.63 x 1.79/1000 + 12IPT = £294,518.34.

- 1.11 Estimated contract value could be £1,338,865.80, but due to fluctuating market rates, its very likely the value would be higher than this, the maximum limit for the procurement could reach £1.5m

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

- 2.1 In 1990 Nottingham City Council updated the covenants of the standard lease agreement for residential flats held on a long lease, with a clause amendment to the way the property should be insured.
- 2.2 The new leases granted removed the responsibility of the Leaseholder insuring the property, and placed the responsibility upon the Landlord NCC, thus giving greater control of properties being insured and assurances that flats in multi-occupancy buildings that contain more than 1 dwelling have the required Building Insurance in place, to protect the structure of that property.
- 2.3 A further clause in the lease allows for recovery of the cost of providing this service.

## 3. **Other options considered in making recommendations**

- 3.1 Not to provide insurance – rejected as should we not provide the Building Insurance cover, Leasehold properties will not be insured in the event of a claim, leaving the leasehold exposed to a large financial cost of reinstating their property with no insurance cover to pay for the repairs. They would then have a course of action against the Council under a breach of contract in not placing the insurance cover as per the lease agreement.

## 4. **Consideration of Risk**

- 4.1 There is a legal requirement to tender the building insurance policy. Should we not provide the Building Insurance cover Leasehold properties will not be insured in the event of a claim leaving the leasehold exposed to a large financial cost of reinstating their property with no insurance cover to pay for the repairs. They would then have a course of action against the Council under a breach of contract in not placing the insurance cover as per the lease agreement.
- 4.2 If we do not start procurement by November 2024, we are at risk of not being able to award a contract and administer building insurance in time for the next renewal period, which is 1 April 2025.

4.3 By working with the Council's procurement team we will ensure we are legally compliant in the tender process and by utilising market experts we can ensure we achieve best value in this tender.

## 5. **Best Value Considerations**

5.1 NCCs expert independent insurance brokers, Griffiths and Armour, will assist the Council with all insurance tenders under a broker agreement, they will utilise their market expertise to generate interest from the market in tendering for this insurance cover.

5.2 There will be no additional fee to assist with this tender.

5.3 The tender will be procured utilising the YPO (Yorkshire Purchasing Organisation) framework which is a procurement framework to simplify and streamline the procurement process for the public sector.

5.4 YPO is publicly owned by 13 local authorities meaning any profits they make get returned to public sector customers to help deliver a better service at a better value for money. All major insurers are signed up to this framework.

5.5 Following leaseholders consultation and the use of external market experts we are confident that the Council will have done all we can to ensure best value when the insurance contract is awarded.

## 6. **Commissioner comments**

6.1 The Commissioners are content with this report. (31/10/24)

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

7.1 The report requires permission to start the process for the procurement of an Insurance Company to provide building insurance for leaseholders who have purchased their flats. It is a statutory requirement for the Council as landlord to provide building insurance for these leaseholders.

7.2 The current insurance contract will end on 31<sup>st</sup> March 2025, and it estimated that the value of the new contract will be approximately £1.5m over a 5-year period. The cost of the premiums will be fully recovered from leaseholders and therefore no cost to the Housing Revenue Account.

David Worthington, CPFA Interim HRA Accountant - 18 October 2024

## 8. **Legal colleague comments**

8.1 This report seeks approval for the spend of up to up to £1.5 million of revenue to a provider sourced through the YPO Framework, to deliver Leasehold Building Insurance for Residential Leasehold Flats held on a long lease for up to 5 years.

8.2 It is an expressed term of Lease Agreements that NCC must provide Leasehold Insurance cover. It is cautious to note that failure to provide the necessary insurance protection would result in NCC breaching a term of the Lease, and thereby this would expose NCC to substantial financial risks should an incident occur, that should have been protected by the insurance policy.

- 8.3 It is prudent for NCC to comply with its obligations under the lease requirements and obtain the necessary Insurance protection to guard against being in breach, which could result in NCC being at substantial financial risk. The report has confirmed that NCC will utilise the assistance of an expert insurance broker, which would support NCC in obtaining best value through this process.
- 8.4 In utilising the YPO Framework, there are standard contractual documents used when accessing services under the YPO Framework and the City Council must ensure that it complies with obligations imposed by such standard contractual documents and continues to act in accordance with the Council's Constitutional requirements.
- 8.5 There are no specific legal concerns arising from this decision and Legal will continue to offer legal support and assist to the client department as required.

Vendie Charles, Contracts and Commercial Solicitor - 21 October 2024

## 9. **Other relevant comments**

- 9.1 A compliant procurement process to tender a Leaseholder Insurance Policy. Residential Lease Agreements contain an explicit clause that make it mandatory for the council to provide Building Insurance.
- 9.2 The insurance is to be procured with the assistance of an insurance broker at no cost to the council via a compliant framework.

Lorraine Hodgson, Procurement Officer - 11 October 2024

## 10. **Crime and Disorder Implications (If Applicable)**

10.1 N/A

## 11. **Social value considerations**

11.1 N/A

## 12. **Regard to the NHS Constitution (If Applicable)**

12.1 N/A

## 13. **Equality Impact Assessment (EIA)**

13.1 An EIA is not required because there are no equality impacts in procuring this contract.

## 14. **Data Protection Impact Assessment (DPIA)**

14.1 A DPIA is not required because the processing of data does not involve medical, ethnicity, criminal, biometric, genetic or other sensitive data. The data will only be processed for the purposes of a claim made under the policy.

14.2 The only data to be shared will be the insured property, the sums insured and the name of the property owner, and upon a claim the name of the property owner, the property address, the inception date of the policy, sums insured,

whether the property is sublet and whether the premiums have been paid up to date.

**15. Carbon Impact Assessment (CIA)**

15.1 A CIA is not required.

**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 Landlord and Tenant Act 1985 Section 20

17.2 The Service Charge Regulations 2003

<b>Subject:</b>	Handheld Power tools solution		
<b>Corporate Director:</b>	Nicki Jenkins – Growth and City Development		
<b>Executive Member:</b>	Councillor Jay Hayes – Housing and Planning		
<b>Report author and contact details:</b>	Alison Brown, Director of Property (Housing)		
<b>Other colleagues who have provided input:</b>	Andrew Berry – Finance Anthony Heath – Legal Sue Oliver – Procurement		
<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 £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
<b>Type of expenditure:</b>	<input checked="" type="checkbox"/> Revenue <input type="checkbox"/> Capital		
<b>Total value of the decision:</b> (estimated) £1.3m over a 4-year proposed contract term			
<b>Section 151 Officer expenditure approval</b>			
Has the spend been approved by the Section 151 Officer? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/a			
Spend Control Board approval reference number:			
<b>Commissioner Consideration</b>			
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.			
<b>Wards affected:</b> All			
<b>Date of consultation with Executive Member:</b> 19 March 2024			
<b>Relevant Council Plan Key Outcome:</b>			
Green, Clean and Connected Communities	<input type="checkbox"/>		
Keeping Nottingham Working	<input checked="" type="checkbox"/>		
Carbon Neutral by 2028	<input type="checkbox"/>		
Safer Nottingham	<input 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 checked="" type="checkbox"/>		
Serving People Well	<input type="checkbox"/>		
<b>Summary of issues (including benefits to citizens/service users):</b>			
<p>This paper is to request approval to implement a revised handheld power tools, supply maintenance and management solution for housing property services. The solution will be provided by an external supplier and managed through internal resources. The scope of the proposal is based on feedback from the Health and Safety Executive (HSE), current regulatory requirements, and an analysis of existing arrangements. The aim of a revised approach is to enhance operational efficiency, ensure compliance with health and safety regulations, and deliver best value for money.</p> <p>Nottingham City Council (NCC) housing property services currently faces challenges with its hand-held power tool provision, maintenance and management system, which include inefficiencies, high costs, and compliance risks. We were working with non-standardised tools, which were provided directly by the workforce, leading to inconsistencies in approach to quality of</p>			

handheld power tools purchased, frequency of maintenance and safety concerns, particularly regarding Hand-Arm Vibration Syndrome (HAVS) and dust suppression. Our existing approach is not fit for purpose and an interim solution was put in place following a visit from the health and safety executive is not sustainable long term.

Included within our revised approach is a proposal to enter into a contract with external tools supplier specialists for the provision, maintenance and management of hand held power tools. This would provide a range of benefits including access to improve technical capacity and expertise available to the Housing property service and wider NCC colleagues on tools areas including to mitigate exposure to vibration and dust.

The proposed specification within the contract will demonstrate that NCC as an employer has robust controls in place that meet responsibilities under the health and Safety at Work act 1974. Specifically, the control of vibration at work regulations 2005 and the control of substances hazardous to health regulations 2001 control of dust. Addressing this issue is a key part of the action plan created in response to the HSE Notice of Contravention dated 27<sup>th</sup> February 2024. The HSE described the contraventions as material. Having appropriate and robust controls in place will protect our workforce and residents from exposure to dust and vibration and reduce the likelihood of financial claims being made against us for failing against our obligations under these H&S regulations.

Implementing a standardised, digitally enhanced handheld power tools solution will significantly enhance NCC's operational efficiency, safety compliance, and cost-effectiveness. The investment in this solution aligns with NCC's strategic objectives of improving service delivery and ensuring the well-being of its workforce.

To fully support the implementation of the proposed changes in a timely manner we will use additional funding of approximately £529k over the proposed contract term from HRA reserves.

Implementing a new approach to the provision, maintenance and management of power tools will generate non cashable efficiency saving of an estimated £638k in year 1 of full implementation.

**Exempt information:** None

**Recommendations:**

- 1** To approve a request to spend £1.3m of HRA funds over a four year term for the implementation of handhold power tools solution, including dust suppression, and delegate authority to the Director of Property for any further shortfall identified after the conclusion of the procurement exercise to be met as a growth item through the annual budget process for 2025/26 without further recourse to HRA reserves.
- 2** To delegate to the Director of Property to enter into a contract for a handheld power tools, including dust suppression provision, maintenance and management solution for an initial 2 years, with a possible 1+1 extensions, pending performance to make total contact term of up to 4-years following a compliant procurement exercise being completed. This will be with the support of the procurement team to demonstrate value for money and is likely to be through an existing framework however is this does not meet identified need it will be through an open tender.
- 3** To approve the recruitment of a dedicated internal staffing resource to fully implement and manage the handheld power tools solution to ensure it continues to meet statutory and regulatory compliance. Any costs for the remainder of 2024/25 likely to be from November to March will be met from either budget savings or HRA reserves. Ongoing costs for this role will be included as a growth item in the 2025/26 budget round.

<p>4 To delegate authority to the Director of Property to instruct procurement colleagues to set up the required CPAs to cover the estimated £1.3m worth of tool solution services to be delivered through the housing property services.</p>
<p>5 To set the overall value of the advertised procurement opportunity to be up to a total value of £2.5million across the proposed contract term to allow the flexibility and opportunity for any growth in needs and other services areas in NCC to join the contract at a later date after they have completed the appropriate internal, consideration of risk, spend approval process.</p>
<p>6 To note the value of the £638k non-cashable efficiency gains identified through improved efficiency and effectiveness of service delivery.</p>

## 1. Reasons for recommendations

- 1.1 **Improve Operational Efficiency:** Implement a streamlined process for tool management to reduce time and cost linked to equipment failure.
- 1.2 **Enhance Health and Safety:** Adopt tools and practices that mitigate health risks such as Hand-Arm Vibration Syndrome (HAVS) and dust exposure.
- 1.3 **Ensure Compliance:** Meet regulatory requirements and internal standards.
- 1.4 **Optimise Resource Allocation:** Ensure best value for money through effective resource management.

## 2. Background (including outcomes of consultation)

- 2.1 Nottingham City Council (NCC) housing property services currently faces challenges with its hand-held power tool provision, maintenance and management system, which include inefficiencies, high costs, and compliance risks. We are working with non-standardised tools, which were provided by the workforce, leading to inconsistencies in approach to quality, maintenance and safety concerns, particularly regarding Hand-Arm Vibration Syndrome (HAVS) and dust suppression. Continuing with the current approach would perpetuate existing inefficiencies and health risks. Organisationally we would not be able to fully demonstrate compliance with statutory and regulatory responsibilities for health and safety at work for employees.
- 2.2 We have undertaken a review of existing arrangements to highlight issues with the existing approach and to inform a proposed solution to optimise tool management and improve safety standards. Key issues include;
  - **Health and Safety Compliance:** There are significant risks related to HAVS and dust exposure, requiring improved tool management and maintenance to meet HSE guidelines.
  - **Operational Inefficiency:** Ineffective tool tracking and management result in high costs and lost productivity. Inventory checks and tool management are not automated and labour-intensive, resulting in inaccurate data and wasted time.
  - **Regulatory Compliance:** Ensuring all tools and equipment are safe and fit for purpose is a statutory obligation under the Health and Safety at Work Act.

- 2.3 In the 2024/25 budget rounds a request was made to support growth items to address identified issues in our existing approach to the provisions and management of handheld power tools. Trade colleagues were purchasing their own handheld power tools, and the quality was variable, with some not meeting the required standards, maintenance of the tools was inconsistent and the system for managing using not automated, resource intensive and inconsistently applied. The funding requests at the time were only partially accepted and the approved budget requests were not made recurring as per original requirements which has resulted in insufficient approved budget to meet anticipated provisional costs of the improvements required to our approach and delivery model.
- 2.4 Since the budget request were submitted the Service received a visit from the Health and Safety Executive (HSE) who subsequently confirmed our concerns with the existing arrangements for management off exposure to hand on vibration and dust suppression in a letter to the authority on the 27 February. In response we have identified a number of proposals which will provide greater controls around our statutory and regulatory obligations as an employer. These proposals which include short- and medium-term changes in our approach and delivery model for hand arm vibration, dust suppression and tools management solution. We shared with the HSE our revised approach in a letter dated 12 April (see appendix 1).
- 2.5 Two briefing papers were given to the housing portfolio holder to ensure communication regarding the issues and proposed solutions were open and transparent (see appendix 2 and 3).
- 2.6 To fund the proposed changes to our approach and delivery model we need to seek additional funding of an estimated £529k from HRA reserves which are at around £100m.
- 2.7 This would enable us to enter into a maximum 4-year contract term subject to delivery of agreed performance measures with a supplier of handheld power tools for the provision, maintenance and management of a tool's solution. Provide internal dedicated resources to manage the mobilisation, implementation and ongoing delivery of the solution against the contract terms and ensure internal process remain fit for purpose and any required management actions are taken in a timely manner.
- 2.8 This approach will reduce the likelihood for future legal action to be taken for breach of employer H&S obligations.

### 3. **Other options considered in making recommendations**

- 3.1 We have engaged with a number of national tools providers as part of informal market engagement exercise to provide feedback on possible solutions to our issue and to help inform a proposed scope and specification and delivery model which will be used as part of the procurement exercise. Discussion topics length of contract, and options within the tender such as supply and maintenance and supply only.
- 3.2 Advice was sought from external providers and from discussions with staff on what equipment would best meet our needs such as vibration-damped tools, dust extraction systems, and effective ventilation solutions, tools tracking.



- 3.3 We have established a cross-housing service division working group to oversee the timely implementation of the improvement actions proposed to the HSE.
- 3.4 We have contributed to the NCC corporate health and safety group to consider existing arrangements that exist across the NCC for provision of handheld power tools, maintenance and management. This was to identify if we could adopt any existing practices already in place across NCC. However, it was agreed we had different needs and system used still required manual input from colleagues which if not used correctly under mines the data insight gained. All require some form of manual intervention in terms of action to be taken if for example trigger times were exceeded.
- 3.5 The volume of staff in property services would also impact of the cost of implementing system and the volume and frequency of activities being undertaken requires a robust maintenance solution for equipment and tools. We have entered into a temporary leasing of tools for an identified list of work colleagues using existing contracts and provided additional dust suppression equipment.
- 3.6 Based internal discussions and other feedback from external agencies the existing management arrangements used in other parts of NCC still require manual intervention between the system used and the trade colleagues so potential data insight benefits could be impacted if not used correctly. We will still need to have some form of user input system to record tool usage and trigger times. These trigger times are recoded by trade colleagues and are then monitored weekly by managers. Where required action is then being taken to move staff off activities to reduce trigger times. As part of the specification, we will include whether this element of monitoring can be automated but with reduced reliance from user input.

#### 4. **Consideration of Risk**

##### 4.1 **Vibration at Work:**

- 4.1.1 **Hand-Arm Vibration Syndrome (HAVS):** Prolonged exposure to hand-arm vibration can cause HAVS, which includes symptoms like numbness, tingling, and loss of grip strength. It can become a permanent condition, affecting the ability to work and perform daily activities.
- 4.1.2 **Vibration White Finger (VWF):** A specific type of HAVS affecting blood vessels in the fingers, leading to blanching, pain, and potential disability.
- 4.1.3 **Musculoskeletal Disorders:** Long-term exposure can lead to musculoskeletal issues, impacting the arms, shoulders, and neck. We have annual health surveillance questionnaires which trigger whether further medical questioning is required and if trade colleagues need to be put on alternative activities not requiring the use of power tools.

##### 4.2 **Dust – including wood, silica general**

- 4.2.1 **Respiratory Issues:** Inhalation of dust can cause respiratory problems such as asthma, chronic bronchitis, and other lung diseases.

- 4.2.2 **Cancer Risk:** Certain dusts, particularly from concrete, hardwoods, are classified as carcinogenic and can increase the risk of nasal and lung cancer.
- 4.2.3 **Skin Irritation:** Contact with dust can cause dermatitis and other skin conditions.
- 4.2.4 To mitigate we are completing annual health questionnaires that can trigger further investigations and referrals to health specialists. We are asking questions as part of the recruitment process to identify if any known pre-existing conditions. Providing staff with toolbox talks on preventative actions, included information on HAVS and dust suppression in internal staff newsletters and on the intranet. We have reviewed risk assessment for activities linked to vibration and dust occurrence. We have provided face fitting testing for new staff and provided dust hoods for trade colleagues with facial hair, we have developed a list of tools that meet required levels and removed tools from vehicles that do not meet required performance standards. We have provided additional equipment for staff to use for dust suppression.

## **Legal and Regulatory Risks**

### **4.3 Non-Compliance Penalties**

- 4.3.1 **Fines and Prosecutions:** Failure to comply with the Control of Vibration at Work Regulations 2005 and the Control of Substances Hazardous to Health (COSHH) Regulations 2002 can lead to significant fines and legal action by regulatory bodies such as the Health and Safety Executive (HSE). Plymouth City Council under Section 2(1) of the Health and Safety at Work etc. Act 1974 was prosecuted in 2024 for failure to protect its workers from the effects of hand-arm vibration and carpal tunnel syndrome resulted in a £200,000 fine and £25,000 costs. HSE have advised this still may be an option. Failure to act could also lead to individual claims being brought against us by former and existing staff members.
- 4.3.2 **Enforcement Notices:** The HSE can issue improvement or prohibition notices, requiring immediate action to address non-compliance. We are proposing a solution to prevent further escalation of HSE intervention.

### **4.4 Insurance and Liability:**

- 4.4.1 **Increased Insurance Premiums:** Non-compliance can result in higher insurance premiums due to the increased risk.
- 4.4.2 **Compensation Claims:** Employees suffering from work-related health issues may file compensation claims, leading to financial liabilities and reputational damage.

### **4.5 Operational and Financial Risks**

#### **Productivity Loss**

- 4.5.1 **Reduced Workforce Efficiency:** Health issues from exposure to vibration and dust can lead to increased absenteeism, reduced productivity, and higher staff turnover.
- 4.5.2 **Training Costs:** Addressing the impacts of health issues may require additional training for replacement staff or to retrain affected employees for different roles.

#### 4.6 **Equipment and Maintenance**

- 4.6.1 **Damaged Equipment:** Poor handling of equipment due to vibration exposure can lead to increased wear and tear, necessitating more frequent repairs and replacements so automated monitoring with alerts will raise this remotely to managers.
- 4.6.2 **Increased Maintenance Costs:** Ensuring compliance may require significant investment in equipment maintenance and upgrades to minimise vibration and dust exposure.

#### 4.7 **Reputation and Ethical Risks**

##### **Reputational Damage:**

- 4.7.1 **Public Perception:** Non-compliance and related health issues can damage the NCC's reputation, affecting public perception and stakeholder trust. It would be a factor the Housing Regulator may consider to identify if further investigation is required.
- 4.7.2 **Employee Morale:** Failing to protect employees' health can lead to decreased morale and a negative workplace culture, affecting overall service performance. Already approximately 43% of staff absences within the service are do with stress and wellbeing.

##### **Ethical Obligations:**

- 4.7.3 **Duty of Care:** NCC as an employer has a moral obligation to provide a safe working environment. Ignoring health risks from vibration and dust exposure can undermine the employer's ethical standing and commitment to employee well-being.
- 4.8 Time taken for decision making: We need to demonstrate to the HSE that we have addressed their concerns and implemented a longer term solution to dust and vibration within a reasonable timescale. Any delays in governance and procurement approvals will add to the timescales and put pressure on resources to maintain the interim delivery and management arrangements.

#### 5. **Best Value Considerations**

- 5.1 The Housing Property service plan 2024 includes an action to improve its approach to management solution for tools. This paper supports the delivery of this action in a timely manner and demonstrates our intention to improve the way as an authority we do things and avoid continuing in a direction where failings are evident. As property service have used new members and existing staff members to constructively challenge our approach and delivery model to identify areas for improvement.

- 5.2 The findings and recommendations from the HSE were accepted in full and shared internally and with the housing Portfolio holder to demonstrate openness and willingness to be externally challenged and we acted swiftly to explore potential solutions both short and longer term.
- 5.3 Consideration of economy, efficiency and effectiveness were used to develop an appropriate solution. The estimated cost of £1.3m for the contract term is based on feedback from national tools providers but is an indicative figure which will be confirmed on completion of a compliant procurement exercise. We have provisionally identified an initial year one efficiency saving of £638,074k due to improved efficiency see (fig1).

Fig 1

<b>Non cashable efficiency savings</b>	<b>YR 1 Estimates</b>
Reduction of 50% of time spent cleaning dust	£173,328
Reduction of time and resources need for weekly tool vehicle checks	£95,092
Costs for not aborting jobs due to tools issues	£148,840
Improvement due to tool efficiency	£134,329
Reduced time for trade colleagues managing equipment issues	£67,165
Reduced management time on equipment issues	£19,320
<i>Estimated total</i>	<b>£638,074</b>

- 5.4 The time currently lost for aborting jobs for tools issues equate for 18,840 jobs or customers who would need a further appointment for works at their homes to be completed. Improving the efficiency and effectiveness of the delivery model would help reduce this waste and improve service experience to customers. Further cashable savings could be realised if we move fully away from the provision of a tool allowance for trade colleagues which is a provision under the red book agreement of which is currently £169,560k/annum based on 314 trade colleagues only. All of the above will be developed further as part of the procurement, implementation and delivery of the solutions.
- 5.5 We need to source the handheld power tools (HHPT) from an external supplier as this is not something, we can manufacture ourselves and we do not have internal expertise or capacity to conduct robust planned maintenance regimes of any tools used. By considering a lease arrangement option it will reduce the need for large capital expenditures on tool replacements. Tool performance drops over time. A leasing arrangement gives access to the most up to date HHP tools designed to mitigate risks associated with HAVS and exposure to dust, ensuring compliance with HSE guidelines across the whole of any secured contract term. Real-time tracking and management of HHP tools, reduces downtime of trade colleagues and contributes to increasing productivity. We are continuing to review work schedules and evaluating tool usage levels of trade colleagues to improve data and provide insight into how power tools are being used which is being used inform which HHP tools will be provided individually and which will be managed for collective use this is to reduce overall costs.
- 5.6 The specification will include provision for a standardised tool pack for different trades linked to activities undertaken to ensure we are only providing tool we need.

The adoption of a single brand and battery platform will reduce complexity of maintenance and costs. Tools listed will have agreed built-in safety features to minimise HAVS and dust exposure. Trade colleagues become more familiar with tool capabilities contributing to improved productivity and efficiency.

- 5.7 To consider best use of resources we considered a joint procurement with other service areas within NCC but they were not in a position to enter into the procurement process at this moment in time. We have explored the use of existing contracts within NCC but these do not have sufficient value on the contract to include Housing property volumes of spend and the scope of existing contracts do not meet the Property service needs. We have looked at contract arrangements at Derby City Homes as a local neighbour for HHPT however they only do a contract for hire and maintenance which is not an effective solution for us.
- 5.8 We need to provide a HHPT solution due to statutory responsibilities as an employer and failure to comply would result in financial prosecution of the authority. We are not able to maintain our existing approach as the HSE have advised us we need to change to demonstrate compliance with legislative and regulatory guidance. An interim solution for tool provision was put in place this needs to be developed to include maintenance regime and tracking systems to reduce time and resources to administer a solution long term. A resource is required to ensure appropriate action are being taken when for example agreed trigger time are breached and to ensure appropriate dust suppression equipment is used on jobs with activities where dust could be created.
- 5.9 The proposal to seek a one stop solution with automated tools management offers innovation in the sector but in a context of understanding risks. A one stop solution can demonstrate economic best value by providing a comprehensive package that includes tool provision, maintenance, and management, reducing hidden costs and improving overall efficiency. A commercial model with predictable monthly costs would help in budgeting and financial planning.

## 6. **Commissioner comments**

- 6.1 The Commissioners are content with this report. (31/10/2024)

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

- 7.1 No financial concerns. Proposal supported and agreed with after discussion with Director of Property Services. This is a requirement from the HSE visit and failure to comply presents a further financial risk to NCC.

Andrew Berry, Assistant Director Finance Housing Services - 19.09.24

## 8. **Legal colleague comments**

- 8.1 This report seeks approval to use £529,000 to meet a budget shortfall to implement a handheld power tools solution and to delegate the decision regarding any further financial shortfalls identified after the conclusion of the procurement exercise.
- 8.2 The report seeks approval for a delegated officer to enter into a contract for the provisions, maintenance and management of dust suppression hand-tools, following a compliant procurement exercise being undertaken, for a

maximum of 4 years. Any potential extension of a contract should be explicitly subject to the Supplier having met, or exceeded, stated key performance indicators during the initial term of the proposed contract.

- 8.3 On 27 February 2024, the Council received a Notice of Contravention from the Health and Safety Executive. That Notice set out what the contraventions were, what was required and sought confirmation that the Council had acted on these matters by 12 April 2024. The Health and Safety Executive confirmed that, in their view, the breaches were material.
- 8.4 A key element of the Council's response of 11 April 2024 was for the Council to undertake a procurement exercise to create an arrangement for the procurement, management and maintenance of such hand-tools; it is this procurement exercise that is referenced in the report.
- 8.5 The Council continues to monitor its progress in respect of the actions identified in the letter of 11 April 2024. This should allow the Council to meet the requirements of the Health and Safety Executive, as stated in the Notice of Contravention, and continue to meet the health and safety obligations the Council has towards staff.
- 8.6 The report notes the potential risk of legal claims against the Council, in addition to any further action that the Health and Safety Executive may take. The Council should endeavour to take actions that do not invalidate insurance cover that the Council may be able to avail itself of should such legal claims be threatened or made.
- 8.7 In undertaking a compliant route to market, Legal Services can support in the production of a suitable contract either in-house or using an external law firm depending on the precise requirements and other relevant circumstances including the availability of in-house resource. Should support from an external law firm be required, the Council should note the costs that will be incurred.

Tony Heath, Head of Legal Services / Deputy Monitoring Officer – 19.08.24

## 9. **Procurement comments**

- 9.1 There are no procurement concerns with the recommendations set out within the report. The procurement team will work with clients across all departments to ensure that all procurement activity is fit for service needs and in accordance with Public Procurement Regulations whether that is the existing 2015 version or those that come into force in October 2024.
- 9.2 Once awarded, all future Framework call-offs that do not come through to the central procurement team need to be in accordance with the call-off terms set out within the Framework Agreement.
- 9.3 The Framework Agreement itself does not commit the council to any spend.
- 9.4 Whilst some savings have been identified and set out in the report, the true cost of the services offered will not be known until tenders are received.

Sue Oliver, Places Category Manager - 09/08/2024

## **10. Crime and Disorder Implications (If Applicable)**

10.1 Having digitally trackable handheld power tools will aid recovery if stolen.

## **11. Social value considerations**

11.1 The solution will create economic value through job opportunities within the city for the provision and maintenance of handheld power tools.

11.2 By operating a lease solution with a maintenance programme, it will contribute to help extend the life cycle of power tools and create behaviours that are linked to repair rather than dispose when not working and replace.

11.3 By using battery-based tools rather than petrol can contribute to lowering Co2 levels. Having a common battery platform means we can run more tools from the same battery reducing the volume of batteries we need to provide.

## **12. Regard to the NHS Constitution (If Applicable)**

12.1 Not applicable.

## **13. Equality Impact Assessment (EIA)**

13.1 An EIA will be developed as part of the contract specification to ensure no discrimination in tool allocation and usage. Training programs to be inclusive and accessible to all staff.

13.2 The proposed solution will have a positive impact by ensuring all staff have access to safe and effective tools, reducing health risks and improving working conditions. Any specific needs of vulnerable staff will be addressed through tailored training and support.

## **14. Data Protection Impact Assessment (DPIA)**

14.1 A DPIA is not required at this stage but will form part of the procurement specification and any developed process and procedures. Consideration will be given to existing NCC wide policies on compliance with GDPR in managing personal data related to any tool tracking and staff usage ensuring privacy and security.

## **15. Carbon Impact Assessment (CIA)**

15.1 A CIA is not required at this stage but will form part of the procurement process due regard will be given to any implications identified in it.

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

16.1 HSE Notice of Contravention letter – 27 February 2024;

16.2 Response to HSE NoC letter - 12 April 2024.

## **17. Published documents referred to in this report**

17.1 None.

This page is intentionally left blank



<b>Subject:</b>	Replacement of repairs scheduling tool with works order management solution		
<b>Corporate Director:</b>	Nicki Jenkins – Growth and City Development		
<b>Executive Member:</b>	Councillor Jay Hayes – Housing and Planning		
<b>Report author and contact details:</b>	Alison Brown <a href="mailto:Alison.brown@nottinghamcity.gov.uk">Alison.brown@nottinghamcity.gov.uk</a>		
<b>Other colleagues who have provided input:</b>	Andrew Berry - Finance Richard Bines - Legal Paul J Burrows – IT Louise Dobson - Procurement		
<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 £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
<b>Type of expenditure:</b>	<input checked="" type="checkbox"/> Revenue <input type="checkbox"/> Capital		
<b>Total value of the decision: up to £1,858,000 (£1.77m for Housing (HRA) over 4 years, £88k for Community Protection (General fund) over the same period)</b>			
<b>Section 151 Officer expenditure approval</b>			
Has the spend been approved by the Section 151 Officer? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/a			
Spend Control Board approval reference number:			
<b>Commissioner Consideration</b>			
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.			
<b>Wards affected:</b> All			
<b>Date of consultation with Executive Member:</b> 30/10/2024			
<b>Relevant Council Plan Key Outcome:</b>			
Green, Clean and Connected Communities	<input 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 type="checkbox"/>		
Keeping Nottingham Moving	<input type="checkbox"/>		
Improve the City Centre	<input type="checkbox"/>		
Better Housing	<input checked="" type="checkbox"/>		
Serving People Well	<input checked="" type="checkbox"/>		
<b>Summary of issues (including benefits to citizens/service users):</b>			
Our existing works scheduler NEC console which we use to appoint jobs for customers and assign trade colleagues to jobs is not fit for purpose, and we are looking to replace it as soon as possible with an alternative works order management solution.			
The NEC scheduler (console) was implemented in October 2023 as part of a wider NEC enterprise project initiated by Nottingham City Homes (NCH). The objective being to reduce the number of IT systems used to manage and deliver the Housing property service. All of the			

intended property services work streams have not yet been migrated to NEC scheduler due to ongoing system and user issues that have emerged since go live, meaning we are still operating the Property service across multiple IT platforms. This continues to create issues for our customer service centre, other housing staff and customers particularly on visibility of data, clear audit trails on what actions are being taken by who and when and difficulties with agility of resources.

The NEC works scheduler is underdeveloped, not fully dynamic, its configurability does not support our operating delivery model and at times is unstable resulting in having to use paper base run sheet schedules as a business continuity fall back.

The NEC scheduler lacks automation, and we are using additional staffing resource to plan customer appointments, schedule trade colleagues to jobs and move works through different stages of the repairs journey process. We are unable to retrieve reliable and accurate performance data and works orders do not consistently close down after works are completed this means we are not confidently be able to articulate what the repairs service actual performance is like.

Due to system issues we are trying to manage the performance of a service based on 25,000 properties and an annual works order volume 170,000 across all workstream on an excel spreadsheet which is both inefficient and ineffective. The majority of these issues were not evident in the project testing phase due to us not at the time operating on the latest version of NEC to test on. We were four versions behind due to our historical approach to implementing upgrades. NEC as a company despite lots of words of assurance have not provided us as a key housing client with the speed and level of support required to address the issues identified resulting in a loss of confidence in the partnership.

This combination of factors is having a significantly negative impact on the Property service we are delivering including the levels of customer perception which has dipped since we went live with the NEC scheduler. The wellbeing of the team is being affected with increased refence being made to our internal IT systems as a reason for absence due to work related stress. Our existing arrangement is not sustainable, and we need to do something at speed to enable the wider transformation activities outlined in our service plan to take place and prevent any further deterioration of service.

Due to the critical operational we have through our procurement colleagues proposed the use of G-Cloud as an existing OJEU compliant framework as a procurement solution rather than NCC completing its own tender process which will take time and resources.

We have completed a range of activities with staff to identify key requirements for a replacement WOM system using the learning from the past few months. This has including viewing of a range of WOM systems available from other WOM supplies in G cloud framework. We created a resulting minimum criteria was used to shortlist potential system and as the basis to complete an evaluation against work order management providers on the G-Cloud framework. The outcome resulted in the decision to recommend we procure the Total Mobile Ltd, WOM solution.

This provides an established tried and tested works order management solution within the social housing sector and will provide the basics we need to give the Property service stability. In addition to the fully dynamic works order management solution the proposal will support the provision of video diagnostic, lone worker solution and data analytics.

The company has a roadmap to service and product enhancement including the use of artificial intelligence. Which would support NCC wider improvement agenda linked to improved efficiency and effectiveness through automation of process.

NCC have previously had a contract with Total Mobile Ltd for a corporate lone worker system and one of our external contractors we are using to provide capacity for damp and disrepair uses which has provide an opportunity to see system capabilities already on our own stock. Having previously worked with Total Mobile Ltd we already have a number of data security and IT interfaces in place which will assist with timescales during the mobilisation stages.

The Housing proposal will be funded initially during the remainder of the 2024/25 budget year through the use of Housing revenue account (HRA) reserves. Then we will include a revenue growth item in the annual budget setting process for 2025/26 to ensure that any recurring costs are built into annual budgets to ensure all costs for the WOM solution are in place. Delivery against the proposed annual efficiency saving of £1.9m/annum will form part of the success measures of the contract with Total Mobile Ltd.

This proposal to funding the housing element has been supported by the chief executive and HRA finance. The proposal will be included within the period 6 finance reporting paper to executive leadership. The contract is for a proposed total of 4 years as permissible under the framework agreement.

The commercial model of Total Mobile Ltd within the current version of G-Cloud is based on a percentage discount against volume of users, bundle of package purchased. Due to the size of the property service and scope of the works management solution this could be up to a 40% discount against the base rate.

There is scope to include the NCC corporate lone worker solution which could provide further cost efficiencies on the overall contract price. As Total Mobile Ltd use G-Cloud as the route to market for most of their public sector contracts they offer their most commercial offer through this route. Delays to approval of the proposal would result in cost increases as Total Mobile Ltd have agreed to honour the current commercial model costs which would have been subject to an increase as of November 2024.

Replacing the existing works scheduler will support NCC culture change ambitions. Total Mobile Ltd has the functionality to provide a technological system to support works delivery through approved processes so we operate more efficiently and effectively. It will provide a performance management tool to facilitate agility of resource and demonstrate greater accountability. All can contribute to enhancing the customer and staff experience of the service.

**Exempt information:** None.

**Recommendations:**

- 1 To approve the funding of an up-to 4-year contract for a replacement works order management solution at an estimated cost of £1.85m (£1.77m HRA and £88k General Fund).
- 2 To delegate authority to the Director of Property Services (Housing) to:
  - (a) procure and award a contract for up to 4 years (on a 1+1+1+1+1 basis) to Total Mobile Limited (Co Reg No:NI018486) for utilising the G-Cloud (version 13 Framework) for the provision of a works order management solution;
  - (b) set up the required Contract Purchase Agreements (CPA) to cover the works to be delivered;
  - (c) raise purchase orders under the signed contract for the duration of the contract.
- 3 To note the proposed efficiency savings over the potential contract term and that these are

included as success measures within the contract with Total Mobile Ltd.

- 4 To explore opportunities within the contract terms for other service areas across the Council to gain potential financial benefits through volume discounts from Total Mobile Ltd commercial model offered through G-Cloud.

## 1. **Reasons for recommendations**

- 1.1 The proposed procurement route of Crown Commercial Services G Cloud 13 Framework agreement is FTS compliant and supports the need to move at pace to implement a works management solution that supports the delivery of the property service.
- 1.2 The use of the G-Cloud framework provides a transparent pricing framework and ability to develop opportunities for efficiency and effectiveness as a means of further demonstrating value for money. This will include using the proposed efficiency savings as a success criterion within the contract document with Total Mobile LTD to ensure a focus on their delivery is sustained and contract extensions given.
- 1.3 Funding from HRA reserves is requested as this proposal was not funded within the existing business as usual budget lines. It cannot be totally funded at present from any identified efficiency savings within approved budgets so will be reported as an overspend against agreed budgets.
- 1.4 HRA reserves are in excess of £100m.
- 1.5 The proposal outlined in the report takes into account applying lessons learnt from the implementation of the NEC enterprise project so for example the funding requests reflects the need to provide dedicated project staff and a fully developed project implementation plan.
- 1.6 The Property team have the expert knowledge and self-awareness of current operating issues and would be able to work with the proposed project team and Total Mobile Ltd to implement a new works order management system that meets service needs and supports wider NCC improvement aspirations.
- 1.7 The recommendations ensure that appropriate NCC internal governance and financial requirement are adhered to.

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

- 2.1 As a social housing landlord, we must manage our complex and diverse property portfolio and support the tenants who inhabit them while facing increased operational costs, media scrutiny and renewed legislative pressures. To deliver against our regulatory, statutory and landlord obligations we need technology-enabled services. This includes an effective work management system.
- 2.2 Work order management (WOM) is a systematic approach to creating, tracking, and completing organisational maintenance tasks and service requests. It encompasses the entire lifecycle of a work order – from the initial request from the customer or other stakeholder through prioritisation, assignment, execution, and final closure. This process ensures that every task

is addressed efficiently and effectively, minimising asset downtime and optimising resource allocation. A WOM system uses data intelligence to help staff make informed decisions on the maintenance of properties within the financial budgets available.

- 2.3 Our existing work management system software is provided through our NEC enterprise licence arrangement. The Enterprise License option was a decision taken by NCH as a means to simplify the data architecture for NCH for Asset Management, Properties, Diaries and job costing and move away from the 5 systems that we used for property maintenance to NEC.
- 2.4 The implementation of the NEC enterprise licence solution would be through a four-year programme of implementation. The Enterprise project implementation has been fraught with issues and the five software systems are still in place for different elements of the property service. This creates additional risk to service continuity as for example First Touch, one of the systems, is no longer supported by the provider so relies on internal knowledge of the system to try and remedy issues if and when they occur.
- 2.5 A key reason for the delay in the final part of the move to the single system of NEC is due to the functionality and reliability issues we have encountered with the staggered rollout and day to day use of the NEC console module.
- 2.6 The NEC console software which is primarily used to book and manage appointments is not as developed as first understood. The NEC console has a number of issues most significant it does not offer a dynamic resource scheduling across multiple staff only on an individual staff member. Additionally, access to and visibility of performance data is poor.
- 2.7 We are not maximising productivity of the workforce as we are not able to work in an agile real time environment. System capability issues mean to log and manage jobs and reschedule any work, across the workforce to prioritise workloads to meet service demands relies on a series of manual interventions and a plethora of workarounds.
- 2.8 The NEC scheduler lacks functionality and stability and does not reflect the vision for the service delivery model. We are virtually the only NEC client that have actually managed to get the scheduler to function. To do so we have had to implement a multiple of manual workarounds to underpin NEC scheduler system capability issues which takes time and staffing resources.
- 2.9 The lack of automation and functionality within the NEC scheduler is having a detrimental impact of the quality of the maintenance service received by customers and the wellbeing of staff trying to manage system functionality and capabilities. This IT system is being identified as a reason for staff absences. Our current approach does not demonstrate an effective or efficient service delivery, but it enables a service continuation.
- 2.10 Although system improvements are planned via an NEC improvement roadmap the timescales for change do not support the speed and scope required to address the service impacts, we have now.
- 2.11 Waiting for these system enhancements for the NEC scheduler would still carry the risk that the developing system is untested within the sector. The continuation of the NEC console is having a negative impact on customer perception of the maintenance service and a negative impact on staff

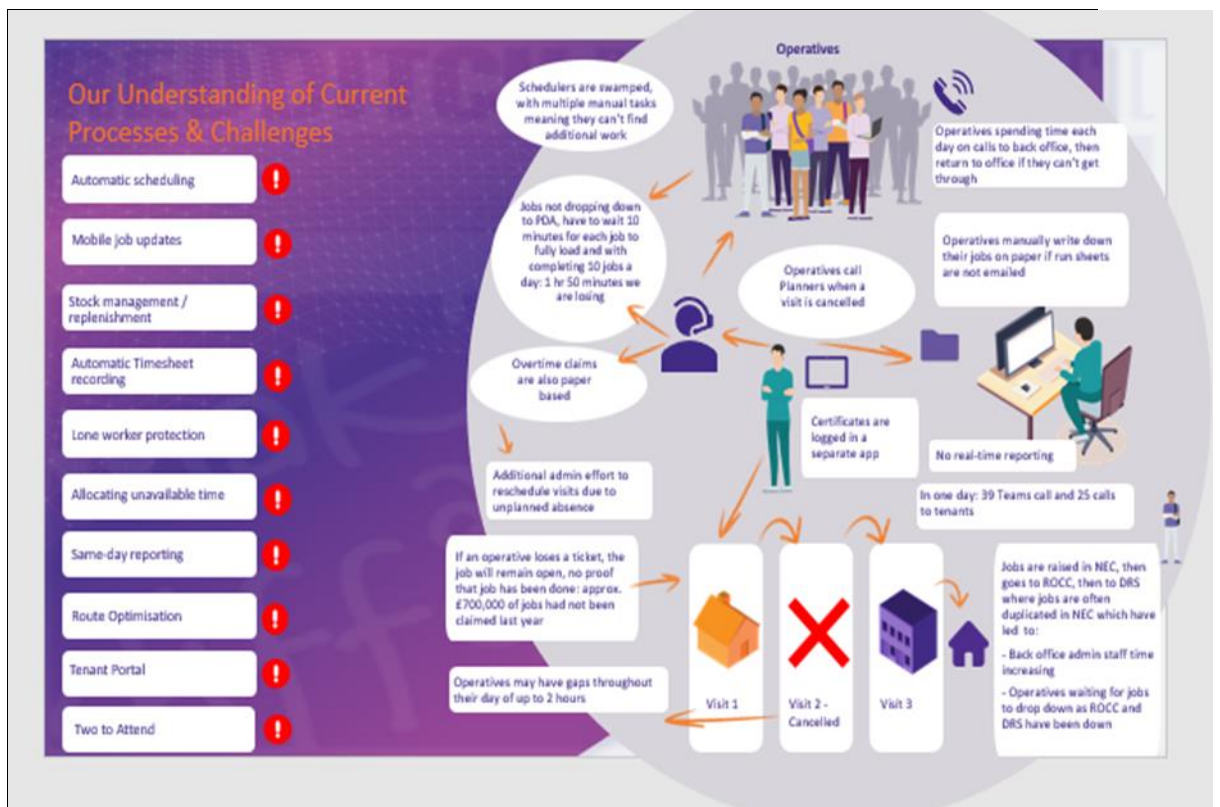
wellbeing. There is a lack of confidence in NEC as a partner as despite words they have consistently failed to deliver on commitments made within timescales.

- 2.12 We acknowledge that moving away from our existing arrangement provides the opportunity for significant change specifically around automation of process and for example an increased ability for customers to self-serve.
- 2.13 The NEC scheduler as it is presenting a key barrier to the timely implementation of a range of activities identified within the property service plan 2024-26. This includes the fundamental shift from the existing highly reactive to a preventative and proactive repair, maintenance and investment service. This risk-based approach to maintain and improve our assets would be informed by data intelligence including stock condition, cause and likely resolution, financial sustainability and customer vulnerability.
- 2.14 The proposed service approach will be delivered on a rotational geographical basis using the continuation of a mixed delivery resource model. A key building block to the implementation of this proactive and preventive approach is an effective WOM solution.
- 2.15 The current arrangements with the NEC scheduler mean we are not able to get the basics right with the highly reactive service without significant manual intervention which is neither efficient or effective.
- 2.16 We are very self-aware of the wide range of issues that exist with current delivery arrangements for the property service not all of which are system based. We acknowledge that NEC console is recognised as part of this complex jigsaw. We have conducted a series of activities including interviews and workshops with staff across the service to help develop the business case for the replacement of NEC console. This was to ensure we have understood the key issues with our existing approach and to shape the scope and specification for the WOM system replacement. A detailed statement of works will be developed with Total Mobile LTD as part of the implementation phase. We will include exploring opportunities with the NCC customer first teams and drawing on the expertise and knowledge of existing property staff. Using expertise and self-awareness to maximise the identification of activities for automation and digitalisation within the service. A particular area includes communication with customers, increasing the opportunities for customers to self-serve and automation of work programmes so customers have greater confidence we will be in agreed localities at advertised frequencies.
- 2.17 Below are some extracts from that approach for illustrative purposes. Fig 1 is an overview of the issues identified as part of a staff engagement exercise are in fig1.
- 2.18 Fig 1

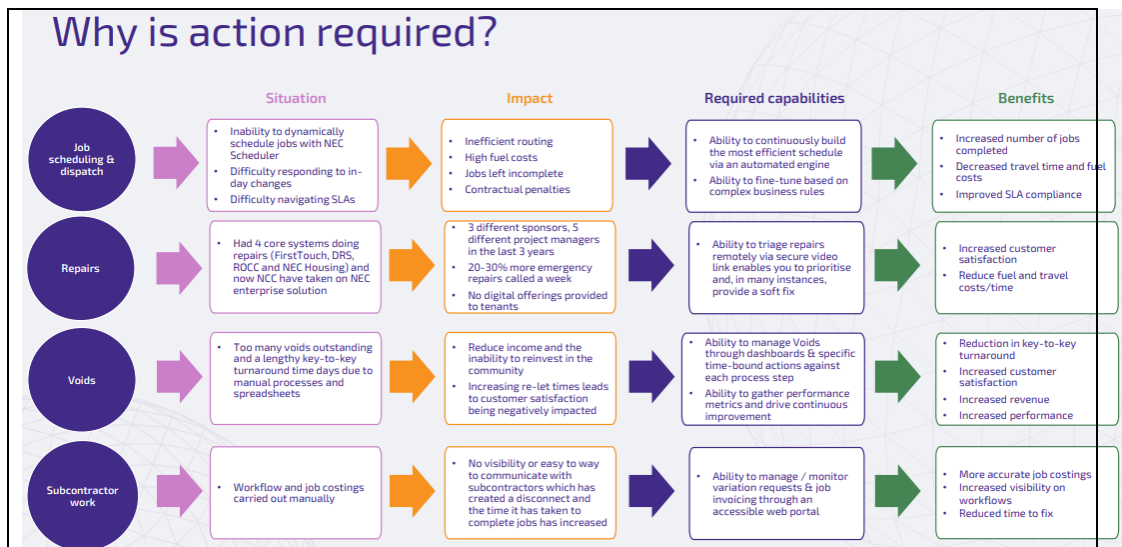


2.19 See fig 2 and 3 for an overview of current issues based on activities and workflows and fig 4 for basic components for works management system which we are using.

2.20 Fig 2



2.21 Fig 3



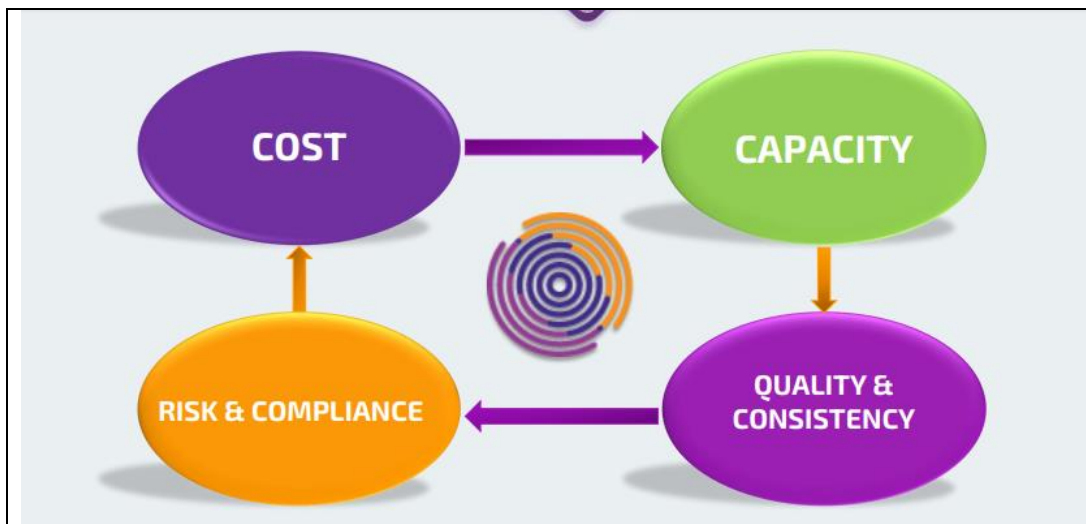
2.22 Fig 4

- **Maintenance Requests:** The starting point where a need for maintenance work is identified and communicated by customers or other stakeholders.
- **Work Order Creation:** Transforming these requests into structured, trackable work orders.
- **Prioritisation:** Determining the speed in which the issue need to be addressed based on risk.
- **Assignment and Scheduling:** Allocating tasks to suitable personnel and scheduling them appropriately.
- **Execution:** The actual performance of the maintenance work.
- **Documentation and Tracking:** Recording progress, resource usage, and completion details.
- **Closure and Analysis:** Finalising completed work orders and analysing them for insights and improvement

2.23 We have looked at the types of benefits a replacement works management solution could bring. See fig 5. For cost we have considered salaries of schedulers and trade colleagues to make evaluations of time spent on activities, costs for currant software, travel and printing costs.

2.24 Fig 5





## 2.25 Benefits:

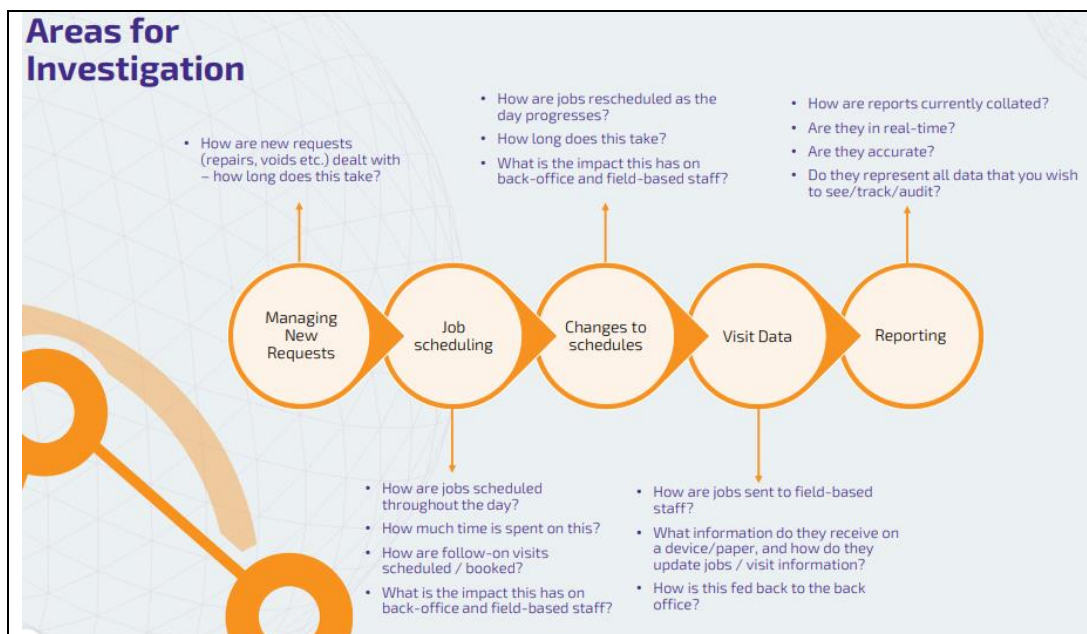
One of the key benefits of a replacement WOM system will be enhanced efficiency and productivity of resources. Automated Scheduling will streamline work order scheduling and dispatch, reducing downtime and increasing productivity. Real-Time Tracking provides real-time updates on job progress and completion, improving transparency and accountability. An effective WOM system can contribute to adherence to statutory and regulatory requirements, including safety inspections and maintenance records.

An effective WOM system will provide a single audit trail for records of all repairs and maintenance activities, essential for quality assurance and compliance checks and would address a key issue identified in multiple maladministration judgement made by the housing ombudsmen against us. A WOM system will optimise the use of resources, reducing wastage and operational costs.

It can facilitate proactive maintenance, preventing more resource intensive reactive repairs and extending asset life which support the approach NCC housing property service is adopting. The system can provide data analytics and reporting capabilities, aiding in strategic decision-making and long-term planning and better-informed day to day decisions.

Accessible data will help us identifies recurring repair issues and trends, allowing for targeted interventions and improvements. Having improved communication regarding expectations for the property service can help enhance the customer and staff experience.

2.26 Fig 6 areas for investigation. This gives some examples of the types of specific areas within a WOM system we have considered.



2.27 This series of activities will be built on further to develop a detailed statement of works which will be used to outline the mobilisation and implementation plan.

2.28 The NCC improvement plan includes the recognition for technological systems and processes so we operate more efficiently and effectively. Putting a revised WOM system in place will support the wider NCC improvement agenda.

### 3. Other options considered in making recommendations

3.1 We considered going out to open market tender rather than use of an existing framework as a means of driving down costs. Although cost is a clear criteria, we need to ensure this is not to the detriment of the product. Continuing with NEC would be cheaper than using Total Mobile LTD but it does not provide a product that is fit for purpose and supports our service needs.

3.2 We considered moving all services back to DRS works order management system as some of the services are still using this. As we are not operating on the latest version this would still require a significant upgrade. The latest version of DRS does not meet the minimum operating criteria we agreed for a replacement WOM system.

3.3 Not doing anything is not an option as would lead to deterioration in overall service delivery. Based on current data it is likely that there would be increased absence from the workplace linked to system issues and work related stress. Staying as we are would require increased staffing levels to manually manage resources and move works orders through the different stages of the repairs journey and to maintain multiple WOM systems. It would cost additional monies to continue with other IT systems as migrating all of our services to NEC scheduler in its current reiteration is not viable.

### 4. Consideration of Risk

4.1 Table 1 – Risks and mitigations

<b>Risk</b>	<b>Issue</b>	<b>Mitigation</b>
<b>Implementation challenges</b>		
Cost	The initial cost of implementation, including software, hardware, and training.	Conduct a thorough cost-benefit analysis to justify the investment.  Careful Planning and Budgeting.  Monitoring of delivery of efficiency savings through contract term
Integration Issues	Potential difficulties integrating the digital solution with existing systems and workflows.	Phased Implementation: Implement the solution in phases to manage costs and address issues incrementally.
System Downtime	Risk of system failures or downtime, disrupting service delivery.	Ensure the digital solution is compatible with existing systems and infrastructure.  Keep the system updated with the latest features and security patches.  Schedule regular maintenance checks to ensure the system operates smoothly.
Technical Support	Need for ongoing technical support and maintenance to ensure smooth operation.	Secure ongoing technical support from the solution provider to address any integration issues  Establish a support system to assist staff with any issues or questions that arise.
<b>Data security and privacy</b>		
Cybersecurity Threats	Risk of data breaches and cyber-attacks, compromising sensitive tenant and property information	Implement robust data encryption and security protocols to protect sensitive information. The proposed solution has already been approved by the NCC Corporate IT Security team.
Compliance with GDPR	Ensuring compliance with data protection regulations, such as GDPR, to protect tenant information.	Conduct regular security audits to identify and mitigate vulnerabilities.
<b>Resistance to change</b>		
Staff Training	Need for comprehensive training to ensure staff are comfortable and proficient with the new system.	Provide comprehensive training sessions for all users to ensure they understand and can effectively use the new system.

Cultural Resistance	Potential resistance to listen to knowledge and self awareness of issues of internal team without external confirmation reduces buy in from staff	Involve key stakeholders in the planning and implementation process to gain buy-in and reduce resistance and improve confidence in internal skill, knowledge and understanding.  Develop a clear communication plan to keep all stakeholders informed about the benefits and progress of the implementation on new WOM system.
---------------------	---	--

## 5. Best Value Considerations

5.1 This section outlines best value considerations in terms of procurement route and the identification of potential efficiency savings by using Total Mobile LTD from the preferred procurement route.

5.2 The table fig 7 below gives a summary of the best value considerations in terms of procurement options. Due to the specific circumstances that have triggered the procurement and the need for speed of the procurement route and decision making then some of the options may not be appropriate at this point in time but could be considered in the future.

5.3 Fig 7: Best value in procurement options

Best Value considerations	Comments	Decision
DIY- do it yourself through redesign	We do not have an internally developed works management software solution. Any It solution will be dependant upon quality of data provided and efficient process.	Not an option
BIY- buy it yourself e.g. procurement	For speed due to service impacts with current system we are using an existing compliant framework arrangement rather than going to open tender. We have under the guidance of procurement worked through an evaluation of supplier to identify suppliers who meet the minimum requirement of the product /solution we need to support service delivery. This has generated a shortlist of potential supplier who could be suitable. Based on the minimum criteria Total Mobile LTD were selected.	Preferred option on this occasion
BIWO- buy it with others- joint procurement	We are not looking on this occasion to procure with others but could have capacity for other areas of NCC to use it as a work management solution. This could generate further cost saving by economies of scale in terms of discounts for volume of users.	Future option
DIWO- do it with	We are not looking on this occasion to deliver	Future option

others e.g. shared services/ partnerships with local authorities	with others but could be a future option under the East Midlands Combined County Authority (EMCCA)	
DIFO – do it for others- trading and income enhancement	We do not have internal expertise or systems to deliver at current moment in time but could be a business case for a future option. Could support income generation if was used for a works management solution for other areas of service with NCC	Future option
EO- enable others	We can work with suppliers to scope and develop product enhancements and improved functionality based on specialist of knowing housing property service for a fee	Future option
REDUCE- service standards commensurate with affordability	Reduction in service standards could trigger financial penalties and regulatory intervention as would contribute to further reduction in customer perception of the service which are key satisfaction measures of the service.	Not an option
STOP	We need the work management solution to assist with demonstrating against our statutory and regulatory landlord responsibilities. Stopping doing work to homes and assets is not an option. Unless we make a decision not be a social housing stock owning authority we will need to deliver against our obligations.	Not an option

- 5.4 By procuring an existing established work management solution it has the capacity for scalability to accommodate future growth and changes in regulatory requirements, to help support long-term value. By using a leader in the marketplace it gives NCC access to cutting-edge technology solutions that are regularly updated and compliant with the latest standards. The Total Mobile Ltd road map for service enhancements includes the potential for increased use of artificial intelligence and automation. We have an opportunity to customise the system to meet specific needs of the council, providing a tailored solution that maximises opportunities for efficiency and effectiveness.
- 5.5 The solution for a replacement WOM system is being closely developed with the housing IT team who currently oversee the housing software solutions. The wider NCC IT team has been made aware via ticket F0864649 and SR ID: 3539, New Spending Request and informal discussions and are supportive of actions so far. The corporate IT team will be involved further as part of the development of the mobilisation actions specific around data integration and security.
- 5.6 We have discussed the new WOM proposal with the Customer first team and they will be involved as part of looking at any additional opportunities for digitalisation and automation either as part of Total Mobile Ltd or alongside it. Total Mobile LTD provides an opportunity for video calling with customers something as a service we have previously tried to introduce to improve triage of reported issues based on risk but had difficulties with NCC fire wall integrations. We have been working with procurement on the proposed procurement route and are exploring options of how

the proposed contract could be used to bring further benefits across NCC specifically on a lone worker solution.

5.7 The issues and initial scope for a replacement WOM system has been used to develop some initial efficiency savings.

5.8 By investing in a replacement works order management solution we have identified a potential £1.9m/annum on efficiency savings which would start to materialise in year 2 of implementation. See fig 8. for costs for system against identified efficiencies and fig 9 for an overview of efficiencies identified.

5.9 Fig 8

Investment v Estimated Value of Savings	Year 1	Year 2	Year 3	Year 4
Cumulative Investment	£545,535.72	£911,071.44	£1,276,607.16	£1,642,142.88
Cumulative Value of Estimated Savings	£0.00	£972,613.50	£2,431,533.75	£4,376,760.75
		50% of Est Savings	75% of Est Savings	100% of Est Savings

5.10 We have identified that the efficiencies would not fully start to materialise until year 2 of the contract term. By the end of year 3 of implementation of the new WOM solution we would have fully recovered the cost of the investment through identified efficiency savings.

5.11 The costs of WOM solution and associated modules based on an indicative 630 users would be £1.59/day.

5.12 Using the self assessment work we have done so far the efficiency savings identified are summarised in Fig 9.

5.13 Fig 9 Indicative efficiency savings

Collective Value Case Savings per Annum		
Value Cases	Efficiency Gain	Additional Productive Staff
Reduction in administrative tasks per day for Field Workers	£717,556	11.8
Reduction in the Amount of time Admins and Planners spend Scheduling	£236,968	9.9
Reduction in time spent travelling due to Dynamic Scheduling	£241,028	3.9
Reduction in Mileage Costs Due to Dynamic Scheduling and Route Optimisation	£37,125	
Reduction in Time Spent waiting for Work (Responsive Repairs Only)	£7,791	0.1
Reduction in trips to stores	£187,603	3.1
Reduction in Admin staff time	£4,500	0.2
Reduction in printing & paper costs	£3,713	
Reduction in time for Operatives to spend on the phone to a Planner	£117,957	4.9
Reduction in the Amount of time for Planners to spend on the phone to Operatives	£332,487	5.4
Reduction of compensation cost	£58,500	
<b>Potential Annual Value of Efficiency Gain/Saving</b>	<b>£1,945,227</b>	<b>39.3</b>



POTENTIAL ANNUAL VALUE OF EFFICIENCY GAIN/SAVING

**£1,945m per year**

Or an additional 40 productive staff

Approx 40 additional FTE's = 37,600 additional jobs to be completed per year

5.14 The potential increased productivity would reduce our reliance of more costly non specialist external contractors and the number of agency staff who are needed to administer manual tasks due to lack of digitalisation and automation with NEC scheduler.

5.15 The potential efficiency savings across the term of the contract are significant and reflect the inefficiencies we have at present with the service. The efficiencies would be a mix of cashable and non cashable savings. As part of the implementation we would manage delivery against these identified savings.

## 6. Commissioner comment

6.1 The Commissioners have approved this report. (29/10/2024)

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

- 7.1 The existing works scheduler NEC console is no longer fit for purpose and needs replacing. There is the potential for significant efficiency savings and performance improvement through this investment.
- 7.2 The proposal will be funded initially through the use of Housing revenue account (HRA) reserves (this proposal was not funded within the existing business as usual budget lines and it cannot be funded at present from any identified efficiency savings within approved budgets). A revenue growth item will be included in the annual budget to ensure that any recurring costs are built into annual budgets. The total investment is £1.8m.
- 7.3 Delivery against the proposed annual efficiency targeted saving of reaching **£1.9m per annum** will form part of the success measures of the contract with Total Mobile Ltd and need monitoring. These savings will start to materialise in year two and the potential efficiency savings across the term of the contract are significant and reflect the inefficiencies in the current service. The efficiencies would be a mix of cashable and non cashable savings. There would be the possibility of returning any initial funding back to reserves from later efficiency savings.
- 7.4 The narrative has highlighted that the commercial model of Total Mobile Ltd within G cloud is based on a percentage discount against volume of users, bundle of package purchased. Due to the size of the property service and scope of the works management solution this could be up to a 40 percent discount against the base rate.
- 7.5 Other alternatives were considered, including going out to open market tender rather than use of an existing framework as a means of driving down costs. Although cost is a significant criterion, the primary objective is the delivery performance and quality of the product. Continuing with NEC would be cheaper than using Total Mobile Ltd but this does not provide a product that is fit for purpose and supports the service needs.
- 7.6 The risks exposure around the initial cost of implementation, including software, hardware, and training will be mitigated by conducting a thorough cost-benefit analysis to justify the investment, careful planning and budgeting and tight monitoring of delivery of efficiency savings through contract term.

Andrew Berry, Assistant Director, Housing Finance – 22/10/2024

## 8. Legal colleague comments

- 8.1 Authorisation is sought for the award of a service contract for the provision of a workload management system for Housing Services, utilising the latest accessible G-Cloud Framework (direct award) (version 13). As the award is valued up to circa £1.7 M the contract falls within the threshold at which compliance within the Public Contract Regulation 2015 is required, along with the Council's own Contract Procedure Rules (CPR's). CPR Article 18.35 recognises a framework pathway as a compliant route to market economic operators.

- 8.2 The Council in procuring the contact must ensure it treats economic operators equally, without discrimination and act in a transparent and proportionate manner, and thus without intentionally narrowing competition in the market. Compliance with the terms and conditions an approved framework such as G-Cloud Version 13 would satisfy these requirements. It is understood early market engagement has already taken place under version 13 of the G-Cloud Framework and the named provider was identified as being the only framework participant meeting the Council minimum criterion at that time.
- 8.3 Although version 13 of G-Cloud framework has since expired (following an initial extension), it is understood the Council's Procurement Service has confirmed that the call-off contract may be awarded under it. If this were not the case, subject to satisfaction that no additional market participants are available on the latest version of the framework, capable of meeting the specified minimum criteria, utilising the replacement version of the G-Cloud framework to award to the named provider would still represent a compliant route to market for Housing Services.
- 8.4 Any award of the contract for the proposed length must accord with the Framework terms and conditions.
- 8.5 Due to the specialist nature of IT contract solutions and Framework Call-off terms and conditions specialist external legal advice may be required to assist with the final drafting of the contract pre-award. This will need to be factored into the award timeline. Housing Services will also need to ensure sufficient budget is available to cover such legal costs.
- 8.6 The services contract in question will need to secure best value demonstrating that the Council's arrangements are economic, efficient, effective, and fully consider the outcomes for citizens and service users in accordance with the duty under section 3 of the Local Government Act 1999.
- 8.7 In so far as the final recommendation in the report is concerned, it should be noted that the proposal could result in the need for a contractual modification. Any such modification would only be permissible, without the need for a new procurement procedure, under any of the regulation 72 safe harbours i.e. non substantial modification, assessed at the time the need for a modification arises.

Richard Bines, Contract and Commercial Team, Legal Services - 23.10.2024

## 9. **Other relevant comments**

### 9.1 **IT Service comments**

The IT Service support the proposals within this report and will work with colleagues in the Housing IT Team to implement the proposed new solution for workforce scheduling on its usual chargeable project basis.

The technical base of the proposed solution from Total Mobile Ltd, Total Mobile Connect, has been reviewed by the Council's IT Service and is considered to represent a low risk in technical terms.

Paul J Burrows, IT Change, Projects & Strategy Manager - 18 Oct. 2024



## 9.2 Procurement comments

Procurement Team support the proposal within this report and will support the client team to ensure their procurement of the new WOM system and wider contract is done so in keeping with CPRs and compliantly as set out in Public Contract Regulations 2015 and G-cloud 13. Best value has been achieved by merging a number of service requirements which has led to a 'bundle' discount on the services achieving economies of scale. The social value aspect of the Contract is being considered also. There are no procurement concerns.

Louise Dobson, Lead Procurement Officer - 21.10.2024

## 10. Crime and Disorder Implications (If Applicable)

10.1 N/A

## 11. Social value considerations

Implementing a works management solution for Nottingham City Council's social housing maintenance service can bring several social value benefits, including:

- 11.1 **Improved Service Delivery:** A works management solution can streamline maintenance requests, scheduling, and tracking, leading to improved response times and more efficient service delivery to residents. This improves overall satisfaction and quality of life for tenants and could help improve the customer satisfaction perception measure.
- 11.2 **Enhanced Transparency and Accountability:** Such a system can provide transparency in the maintenance process, allowing residents to track the progress of their requests. This transparency fosters trust and accountability within the community.
- 11.3 **Better Resource Allocation:** With better data and analytics from the works management solution, the service can allocate resources more effectively. This means addressing urgent issues promptly and planning preventive maintenance to reduce overall costs and disruptions for residents.
- 11.4 **Community Engagement and Empowerment:** Residents may feel more empowered and engaged when they have visibility into maintenance operations and can provide feedback through the system. This involvement can strengthen community ties and improve communication between residents and the council.
- 11.5 **Promotion of Local Employment and Training:** As we use a mixed delivery model, there may be opportunities to involve local contractors or workforce in the maintenance projects, thereby supporting local employment and training initiatives.
- 11.6 **Environmental and Sustainability Benefits:** By optimising maintenance operations, the council can potentially reduce energy consumption, waste, and carbon emissions associated with repairs and replacements, contributing to environmental sustainability goals.

11.7 **Data-Driven Decision Making:** The works management solution generates data that can be analysed to identify trends, areas of improvement, and areas with high demand for services. This data-driven approach helps in making informed decisions to optimize service delivery.

11.8 **Compliance and Regulatory Benefits:** Ensuring that all maintenance activities are logged and managed through a centralised system can aid in compliance with regulatory requirements and standards, ensuring a safe and healthy living environment for residents. The WOM solution will provide a robust audit trail of customer interactions an area identified for improvement from the housing ombudsmen in maladministration determinations against us.

Overall, implementing a works management solution not only enhances operational efficiency but also fosters a more responsive and community-oriented approach to social housing maintenance, benefiting both residents and the council alike.

## 12. **Regard to the NHS Constitution (If Applicable)**

12.1 N/A

## 13. **Equality Impact Assessment (EIA)**

13.1 An EIA has been undertaken and due regard will be given to any implications identified in it. The implementation of an external works management solution for Nottingham City Council's social housing maintenance service is anticipated to provide significant benefits, including improved efficiency and responsiveness. However, it is essential to mitigate potential negative impacts, particularly for vulnerable groups, through inclusive practices, robust data protection, and ongoing monitoring. This approach ensures compliance with statutory and regulatory responsibilities while advancing equality and upholding human rights.

## 14. **Data Protection Impact Assessment (DPIA)**

14.1 A DPIA is not required because one already exists for Total Mobile LTD (DPIA-226). A draft review of this has been sent for review and any required amendments identified will be addressed.

## 15. **Carbon Impact Assessment (CIA)**

15.1 A CIA is not required.

## 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.