

NOTTINGHAM CITY COUNCIL

COMMISSIONING AND PROCUREMENT SUB-COMMITTEE

MINUTES of the meeting held at Loxley House, Nottingham on 13 November 2018 from 10.00 am- 10.19 am

Membership

Present

Councillor Toby Neal (Vice Chair)
Councillor Dave Trimble
Councillor Sam Webster

Absent

Councillor Graham Chapman
Councillor David Mellen

Colleagues, partners and others in attendance:

Lisa Lopez	- Commissioning Manager
Dave Miles	- Assistive Technology Specialist
Steve Oakley	- Head of Contracting and Procurement
Christine Oliver	- Head of Commissioning
Jo Pettifor	- Category Manager – Strategy and People
Phil Wye	- Governance Officer

Call-in

Unless stated otherwise, all decisions are subject to call-in. The last date for call-in is 20 November 2018. Decisions cannot be implemented until the working day after this date.

33 APOLOGIES

Councillor David Mellen – Other Council Business
Councillor Graham Chapman – Other Council Business

34 DECLARATIONS OF INTERESTS

Councillor Sam Webster declared an interest in item 6 as he is a board member of Nottingham City Homes, and did not discuss or vote on that item.

35 MINUTES

The minutes of the meeting held on 9 October 2018 were confirmed as a correct record and signed by the Chair.

36 NOTTINGHAM CITY COUNCIL PROCUREMENT PLAN 2018-23

Jo Pettifor, Category Manager – Strategy and People, presented the report presenting an update of the Nottingham City Council Procurement Plan for 2018-2023, and setting out the Council's planned programme of procurement activity for all goods, works and services over this five year period.

Any re-tendering of contracts will need to be approved, either by delegated decision or by this Committee, dependent on the value.

RESOLVED to

- (1) note the Nottingham City Council Procurement Plan 2018-2023;**
- (2) note that the Procurement Plan is indicative of planned procurement activity and timescales, which may be subject to change dependent on the outcomes of the strategic commissioning process, service budgets and priorities and the full consideration of procurement options for each requirement;**
- (3) note that the outcomes of procurement activity undertaken in accordance with the Plan during 2018/19 will be reported at the end of the year.**

Reasons for decision

- (1) The Procurement Plan is a key mechanism in the implementation of the Nottingham City Council Procurement Strategy to deliver the Council's strategic priorities. It enables the planning of procurement activity under the Strategy to pursue the key procurement objectives of:
 - Citizens at the heart
 - Securing economic, social and environmental benefits
 - Commercial efficiency
- (2) The Procurement Plan enables the Council to secure value for money, manage financial resources effectively and align its commissioning and procurement activity with the Council's Medium Term Financial Plan (MTFP), through a planned approach and robust financial analysis for each project. A strategic category management approach will maximise the value of spend and generate savings wherever possible for Departmental budgets.
- (3) The Procurement Plan supports compliance with the Public Procurement Regulations and the Contract Procedure Rules of the Council's Financial Regulations by enabling procurement activity to be planned and undertaken prior to the expiry of existing contracts. This minimises the need for dispensation from the Financial Regulations to extend contracts beyond their expiry date without formal tendering, other than in genuinely exceptional circumstances. This is important in relation to goods and services that are subject to the full application of the EU and UK Procurement Regulations.
- (4) The Procurement Plan provides information for internal and external stakeholders about planned procurement activity and facilitates joint working with partner organisations and collaboration in procurement activity. It allows other service departments (such as Legal Services) to include support for procurement activity in their work plans.
- (5) The Procurement Plan informs provider markets about forthcoming opportunities to bid for Council contracts; enabling suppliers to prepare and for market development support

to be offered.

- (6) The Procurement Plan supports the Council's commercialisation agenda and facilitates 'Make or Buy' considerations by enabling these opportunities to be identified in advance of existing contracts being due for renewal.

Other options considered

The outcomes of procurement activity undertaken the Procurement Strategy 2014-17 were reported to Committee in June 2017. This included a total of £288m injected into the local economy – representing 69% of total contract value. In 2016/17 alone, £48m was awarded to City SMEs - 60% of the total contract value awarded. Additionally, 364 new entry level jobs and apprenticeships were created through contracts awarded.

37 INDEPENDENT LIVING SUPPORT SERVICES (ADULT SOCIAL CARE)

Lisa Lopez, Commissioning Manager, presented the report on a proposed new service model for Independent Living Support Services, which support citizens to live independently, and/or prevent the need for more intensive support.

RESOLVED to

- (1) approve the expenditure of £5,988,073 over the entirety of the contract terms for the provision of the Adult Social Care Independent Living Support Services (ILSS) detailed in appendix 1 of the report;**
- (2) approve the procurement of the Adult Social Care ILSS detailed in appendix 1 of the report through an appropriate procurement process, and to award the contract(s) for the services based on the outcomes of the procurement process. The approved contract(s) would commence on 1 July 2019, for a three year period with an option to extend on a two-yearly basis for a further four years (i.e. 3+2+2), to a maximum of 7 years in total;**
- (3) delegate authority to the Provider Performance and Development Manager to sign the final contract(s) to provider that is deemed most suitable to provide these services;**
- (4) delegate authority to the Provider Performance and Development Manager to sign the final contract(s) and agree annual extensions on the basis of performance and budget availability.**

Reasons for decision

- (1) To provide Adult Social Care Independent Living Support Services, which support vulnerable citizens to maintain accommodation, avoid eviction/homelessness, maximise income, reduce/avoid debt, manage physical and mental health, and access appropriate services. The ILSS support citizens towards greater independence, minimise risks/vulnerabilities. The contracts for three of the existing ILSS end on 30th June 2019. Therefore new services would need to be in place to commence 1st July 2019 in order to provide continuous support.

- (2) To simplify access to the ILSS for both citizens and professionals. The proposed new service model includes a single referral point with a 'triage' function, to ensure citizens are referred to appropriate support. This could include signposting to support from voluntary and community organisations, instead of, or as well as the ILSS, maximising the value of the services. Services will be easier to access, as citizens and professionals will be more aware of services and refer/self-refer into appropriate services when required. The 'triage' function will also link to community and voluntary sector services, and to Ask LLoN, to enable citizens to access other services and support available in the community without utilising commissioned services.
- (3) To ensure services are best placed to support the functions of Housing and Adult Social Care. The ILSS offer support for citizens who are not eligible for Adult Social Care support, as well as providing additional specific support for those who are. The services help to prevent escalation of need, in terms of both statutory homelessness provision and Adult Social Care. The new proposed service model has been developed in line with feedback from Housing and Adult Social Care, as well as citizens and service providers. The services align to the Adult Social Care teams, and avoid gaps in provision, particularly for vulnerable citizens aged under sixty years old.
- (4) To improve efficiency and value for money in the services we commission. The proposed new service model reduces the number of separate services, reducing management costs and avoiding unnecessary duplication, whilst retaining specialisms in the services. The proposed new service model offers savings of £95,049 per year against the 2018/19 contract values.

Other options considered

Make no changes to the services - re-commission the services at 2018/19 costs. The current services are highly regarded, but there are some gaps in eligibility (for example vulnerable citizens in their 50s who require support), and duplication of management costs. The proposed new service model reduces the number of separate services, reducing management costs and avoiding unnecessary duplication, whilst retaining specialisms in the services. The proposed new service model offers savings of £95,049 against the 2018/19 contract values. If we re-commission the services with the 2018/19 service model and costs there will continue to be gaps in service eligibility and the saving will not be realised. Therefore this option has been rejected.

Commission a single Adult Social Care ILSS. The current services have specialisms such as supporting adults with learning disabilities. This cohort can require a different approach and skill set, particularly when supporting citizens with behaviour that challenges. Removing specialised support from this cohort is likely to result in citizens with learning disabilities and behaviour that challenges being excluded from services due to their behaviour. The citizen is then likely to develop more intensive social care and/or housing support needs, and may also come into contact with the criminal justice system. Therefore this option has been rejected.

Do nothing - allow contracts to end and not re-commission services. The current Adult Social Care ILSS are valued by both Housing and Adult Social Care colleagues

for their preventative function for keeping citizens away from more intensive support. De-commissioning the Adult Social Care ILSS is likely to result in increased numbers of citizens requiring support through Adult Social Care and/or Housing Aid, and increasing numbers of citizens that local authorities would have a duty to support due to them being at risk of homelessness. Either of these would lead to significantly poorer outcomes for the citizen, as well as increased costs to the local authority. Therefore this option has been rejected.

38 COMMISSIONING REVIEW - FUNDING OF SUBSIDISED ALARMS IN SHELTERED / INDEPENDENT LIVING SCHEMES

Dave Miles, Assistive Technology Specialist, presented the report providing recommendations for the continued funding of subsidised alarms from April 2019 following a commissioned review incorporating a citizen (resident) consultation and housing provider engagement.

RESOLVED to

- (1) approve the funding to Nottingham City Homes to continue to provide a subsidised alarm to their independent living scheme residents on current terms - £176,574 annually. A contract to be awarded, via Teckal, for the period 1/4/19 to 31/3/21;**
- (2) approve the current contracts with the remaining housing providers, expiring on 31 March 2019 following consultation with the providers and residents – a £67,100 saving from the annual budget;**
- (3) approve dispensation from the provisions of the Contract Procedure Rules 5.1.2, in accordance with Financial Regulation 3.29 for operational reasons.**

Reasons for decision

- (1) The current contract for the provision of alarms for citizens living in Nottingham City Homes independent living schemes is provided by Nottingham on Call (NOC) at below cost price. NOC have offered to continue to provide this service at this subsidised level.
- (2) There is a further potential for reducing the unit alarm cost to citizens and NCH through fully utilising allowable Housing Benefit payments for this service. Due to the different arrangements within different scheme settings this will be complex to implement without proper planning.
- (3) The citizen (resident) consultation and housing provider engagement with the remaining sheltered / independent living provision indicated that the removal of current subsidy would not significantly disadvantage or provide financial hardship to those residents whilst ensuring that the current alarm system would remain in place. The current level of subsidy does not fully fund the alarms service in any of the projects. Whilst some providers indicated that they would pass on a small cost to their tenants, other providers indicated that they would absorb these costs. This affects 800 citizens living in 16 schemes across the City, 320 of which live at Lark Hill ExtraCare village.

Other options considered

The introduction of an eligibility criteria to retain an alarm subsidy was considered. These were:-

- Be in receipt of social care. 13% of citizens stated they were in receipt of social care. This would indicate 106 citizens would be supported at an annual cost of £9,431. This would realise an annual saving of £57,569. This option would align sheltered and dispersed alarm eligibility however is not preferred because of the small numbers of citizens it would support, aligned to the potential administration involved.
- Be in receipt of Housing Benefit with the portion of alarm charge not eligible for Housing Benefit covered. 52% of citizens stated that they received Housing Benefit. On average the eligible portion of alarm charge is 40% (although depend on the individual scheme). This would indicate 425 citizens would be supported at an annual cost of £22,689. This would realise an annual saving of £44,311. This option is not preferred because of the potential administration involved.

39 EXCLUSION OF THE PUBLIC

RESOLVED to exclude the public from the meeting during consideration of the remaining items in accordance with Section 100A(4) of the Local Government Act 1972 on the basis that, having regard to all the circumstances, the public interest in maintaining the exemption outweighs the public interest in disclosing the information as defined in paragraph 3 of part 1, Schedule 12A of the Act.

40 COMMISSIONING REVIEW - FUNDING OF SUBSIDISED ALARMS IN SHELTERED/INDEPENDENT LIVING SCHEMES - EXEMPT APPENDIX

RESOLVED to note the content of the exempt appendix to the report on Funding of Subsidised Alarms in Sheltered/Independent Living Schemes.