

NOTTINGHAM CITY COUNCIL

COMMISSIONING AND PROCUREMENT SUB-COMMITTEE

MINUTES of the meeting held at LB 32 - Loxley House, Station Street, Nottingham, NG2 3NG on 11 December 2018 from 10.01 am - 10.48 am

Membership

Present

Councillor Graham Chapman (Chair)
Councillor David Mellen
Councillor Dave Trimble
Councillor Sam Webster

Absent

Councillor Toby Neal (Vice Chair)

Colleagues, partners and others in attendance:

Celina Adams	- Nottingham CVS
Chris Carter	- Transport Strategy Manager
Mark Garlick	- Team Leader, Transport Strategy
Kaj Ghattaora	- Provider Performance and Development Manager
Louise Graham	- VCS Partnerships Manager
Kate Morris	- Governance Officer
Steve Oakley	- Head of Contracting and Procurement
Christine Oliver	- Head of Commissioning
Ian Roper	- Business Support Manager.

Call-in

Unless stated otherwise, all decisions are subject to call-in. The last date for call-in is 21 December 2018. Decisions cannot be implemented until the working day after this date.

41 APOLOGIES FOR ABSENCE

Councillor Toby Neal – Other Council Business

42 DECLARATIONS OF INTEREST

None.

43 MINUTES

The minutes of the meeting held on 13 November 2018 were confirmed as a true record and were signed by the Chair.

44 APPROVAL TO TENDER FOR LOCALLINK BUS SERVICES - KEY DECISION

Chris Carter, Head of Transport Strategy, presented the report seeking approval to tender for the operation of contracts for a number of subsidised bus services which provide service to a high number of elderly and disabled residents in areas of the City that are away from the commercial bus network.

RESOLVED to:

- 1) Undertake a procurement process from the local link bus service as details in the appendix attached to the published report.**
- 2) Delegate authority to the Corporate Director of Development and Growth to award and sign contracts to the successful bidder(s) following the outcome of the tenders (for 3+1+1 years), subject to the costs being within current budget levels.**

Reasons for decision

- (1) A new provider needs to be identified through a tender exercise to run the services used by citizens;
- (2) Within the tender process there will be opportunities for efficiency savings. The tender process will ensure that the most cost effective provision of service can be ensured. Bidders will be invited to price the tender for the existing network and also submit further alternative bids that would allow more efficient use of the vehicles whilst maintaining the level of services for citizens

Other options considered

The withdrawal of existing services due to rising costs was considered but was rejected. Withdrawal of the service would lead to disruption for passengers and the removal of access to public transport for some residential and commercial areas of the City.

45 APPROVAL TO RETENDER THE NOTTINGHAM CAR CLUB

Chris Carter, Head of Transport Strategy presented a report requesting approval to retender the existing Car Club scheme which is due to expire in May 2019. The purpose of the retender is to secure a concessionaire who will work with the Council to expand the service into residential areas as well as retaining the business offer.

RESOLVED to:

- (1) Approve undertaking a procurement process to retender for a concessionaire to deliver the Nottingham Car Club;**
- (2) Delegate authority to the Corporate Director of Development and Growth to award the contract to the successful provider following the tender;**
- (3) Approve allocation of £100,000 external grant funding from the Nottingham Go Ultra Low City programme to support the introduction of Ultra Low Emission Vehicles (ULEV's) on to the Car Club Fleet;**

Reasons for decision

- (1) Retendering the scheme will support the delivery of the Go Ultra Low programme and will support of the Councils wider transport and air quality objectives;
- (2) Retendering allows the Council to explore the option of receiving a revenue share in the new concession. If this financial benefit is confirmed through the tender process it is anticipated that revenues received will enable the Council to support provision of vehicles in disadvantaged communities;
- (3) Future bay locations will be assessed for their viability, but the Council will have to consider options for provision of bays within commercial and residential areas which for on-street locations will require the implementations of Traffic Regulation Orders

Other options considered

Three other options were considered. The first, do nothing, was rejected. If the Car Club were run on a commercial basis the City Council would not be able to charge vehicle permit fees for on street bays, would not be able to offer preferential membership deals for City residents and would not be able to guarantee the retention of the Remourban vehicle in Sneinton risking the loss of grant funding.

The second option, which was to extend with the existing operator, was rejected for a number of reasons. The existing specification does not require a minimum number of ULEV's. The current Car Club service needs updating to ensure it realises the benefits of the latest ULEV Technology. Further extending the existing contract would not realise best value for the Council.

The third and final alternative option considered was to deliver the Car Club in house. The current scheme runs at no cost to the council, delivering the scheme in-house would require significant financial investment to procure vehicles, operating systems, telematics and 24 hour customer services provision. Vehicles would require servicing and maintenance and repairs adding extra cost. This option would expose the Council to all the operating risk which is currently passed on to the concessionaire and so for these reasons this option was rejected.

46 DEBT RECOVERY AND ENFORCEMENT AGENCY - KEY DECISION

Ian Roper, Business Support Manager Financial Services, presented a report Enforcement Agent Services for the recovery of unpaid Council Tax, National Non Domestic Rates (NNDR), Business Improvement District Levy, Commercial Rents and Civil Enforcement of Penalty Charge Notices. During discussion the following points were highlighted:

- (a) The decision is of nil cost to the authority. Costs of the enforcement are passed on to the debtor and fees are not met by the authority. As such the final recommendation of the report, published with the agenda should not be considered;

RESOLVED to:

- (1) Approve the decision to tender the service requirement for a Framework concession for a period of 4 years;**
- (2) Approve the decision to delegate the award of the concession to the Corporate Director of Strategy and Resources.**

Reasons for decision

- (1) The services are needed to collect £3.4m of revenue per annum which is at risk of not being paid when all internal processes to collect the debt have been exhausted;
- (2) The existing concession has expired and the Council still has the requirement for these services
- (3) The tender does not exclude further work to be undertaken to explore the use of an ethical debt collection service.

Other options considered

One alternative option considered is to develop an internal Enforcement Agents Service. This was considered too complex and costly at present and was rejected, but was not ruled out of consideration for a future option.

The second option considered was to do nothing. This option was rejected as the Council will suffer a loss of revenue.

47 VOLUNTARY AND COMMUNITY SECTOR UPDATE

Celina Adams, Head of Support Services for Nottingham Community and Voluntary Service gave the Sub Committee an update on Commissioning and Procurement activities within the sector. A copy of the report is appended to the minutes.

During discussion the following points were highlighted:

- (a) NCVS is working towards bidding for funding to run schemes to help alleviate the issues of holiday hunger. Staff from Early Help Services are already contributing knowledge from the NCC run scheme from summer 2018 and Councillors are keen for other NCC Staff who were involved to contribute knowledge and learning;
- (b) Councillors are keen that NCVS are involved in the Area Based Grants programme and encouraged further involvement;

RESOLVED to thank Celina Adams for her attendance and to note the content of the update report from Nottingham Community and Voluntary Service.

48 VOLUNTARY AND COMMUNITY SECTOR GRANT AID 2019 ONWARDS - KEY DECISION

Louise Graham, VCS Partnerships Manager, presented a report to the Sub Committee regarding arrangements around Area Based Grants (ABG's) and Communities of Identity (COI) grant programmes and future allocation of funding. The following points were highlighted during discussion:

- (a) Councillors felt it would enhance the programme if reallocation, approval of criteria and approval of the grants process was completed in consultation with the relevant Portfolio Holders;
- (b) A large section of the ABG is ring-fenced for activities around employment and skills as EU Match funding;
- (c) City Council Services are not permitted to bid to offer activities. This is a historic decision made by NCC as a commitment to ensure Nottingham has a thriving third sector;

RESOLVED to:

- (1) Delegate approval of the re-allocation of the funding available within the Area Based Grant based on the Indices of Multiple Deprivation and population numbers using a "Fairer Funding Formula" to the Portfolio Holder of Community Protection in consultation with the relevant portfolio holders;**
- (2) Delegate approval of the final criteria and specification for the Area Based and Communities of Identity grant programmes to the Portfolio Holder for Community Protection in consultation with the relevant portfolio holders; and**
- (3) Delegate approval of the grants process and the allocation of funding from the grants programmes to successful applicants following recommendations from grants panel made up of representatives from Local Councillors and Officers to the Portfolio Holder for Community Protection in consultation with the relevant portfolio holders.**

Reasons for decision

- (1) Consultation with the relevant portfolio holders will ensure that funding is allocated where it is needed the most and increase accountability.
- (2) The current programme was developed as part of a streamlining investment programme in 2013. The second round of the two grant programmes comes to an end in March 2019 and so the criteria is being updated to better reflect current need within communities/ Existing specification are based on previous delivery outcomes of activities around Employment and Skills, activities for children and young people and supporting the management of Community Centres. Existing specifications for the COI are based on previous delivery

outcomes of information, advice and guidance on building skills and confidence, and supporting VCS organisations to manage space within buildings;

- (3) Funding will not move between the ABG and COI programmes. Reallocation will occur to ensure that NCC spending is reflective of the areas of the city. In the case of the ABG this is based on the IMD, a nationally recognised statistical tool that considers seven measures of deprivation (employment, health, education, crime, income, living environment and barriers to housing and services) and population numbers;
- (4) The grants process will be undertaken based on standard good practice for grants management. It will be transparent and robust and will follow the agreement between NCC and VCS through the Nottingham Compact Plus, which sets out the way in which the local authority works with the VCS.

Other options considered

The option to roll forward the existing arrangements for a further grant period was rejected because it does not reflect the changes in local need and available budget since the last programme was initiated.

49 FEE RATES FOR ADULT SOCIAL CARE SERVICES 2019/20 - KEY DECISION

Kaj Ghattaora, Provider Performance and Development Manager, presented a report to the Sub Committee presenting proposals for Adult Social Care fee rates in 2019/20. Consultation will take place during January and February 2019 with providers on the proposals considered. Approval to spend against the high cost placements provision will be through the Council's scheme of delegation for Adult Care Packages and will be negotiated on a case by case basis.

RESOLVED to:

- (1) Approve proposals which will be consulted on with service providers for fee rates in 2019/20 for Adult Social Care Services as outlined in the exempt appendix pricing detail;**
- (2) Delegate authority to the Head of Contracting and Procurement to agree fee rates in accordance with the proposals details in the exempt appendix pricing detail. This is subject to the outcome of consultation with providers and in line with the Council budget;**
- (3) To approve the total spend associated with this decision of £2.413m**

Reasons for decision

- (1) The Council is obliged by contract to consider fee rates in respect of services it has a duty to provide. This consideration is balanced against budget commitments and other pressures for the City Council;

- (2) To fulfil its legal obligation the Council will consult with service providers with regards to these proposals. The head of contracting and procurement will consider and take into account the responses and issue variation to existing contracts reflective of the proposals should no significant issue arise.

Other options considered

There were three alternative options considered, do nothing, offer different fee rates, undertake analysis of individual provider costs and offer fee rates based on the analysis.

The first, to do nothing, was rejected as it would place the Council at risk of legal challenge for failure to review contract fees.

The second, to offer different fee rate proposals, was rejected because offering different fee rates from the proposal's would put pressure on the Adult social care budget and this would not be feasible.

The third option, to undertake analysis of individual provider costs and offer fee rates based on the cost of care to factor wage rates paid etc was rejected as it would be administratively burdensome and not feasible at this time. It would be problematic as rates of pay and other factors are not standard across the sector.

50 EXCLUSION OF THE PUBLIC

RESOLVED to exclude the public from the meeting during consideration of the remaining item(s) in accordance with Section 100A(4) of the Local Government Act 1972 on the basis that, having regards to all the circumstances, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

51 FEE RATES FOR ADULT SOCIAL CARE SERVICES - KEY DECISION - EXEMPT APPENDICES

RESOLVED to note the content of the exempt appendices to the report on Fee rates for Adult Social Care Services.