



**NOTTINGHAM CITY COUNCIL**  
**COMMISSIONING AND PROCUREMENT SUB-COMMITTEE**

**Date:** Tuesday, 11 December 2018

**Time:** 10.00 am

**Place:** LH 0.06 - Loxley House, Station Street, Nottingham, NG2 3NG

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

**Corporate Director for Strategy and Resources**

**Governance Officer:** Kate Morris, Constitutional Services **Direct Dial:** 01158764353

**AGENDA**

**Pages**

- |          |   |         |
|----------|---|---------|
| <b>1</b> | <b>APOLOGIES FOR ABSENCE</b>  |         |
| <b>2</b> | <b>DECLARATIONS OF INTEREST</b>   |         |
| <b>3</b> | <b>MINUTES</b><br>To confirm the minutes of the meeting held on 13 November 2018  | 3 - 8   |
| <b>4</b> | <b>APPROVAL TO TENDER FOR LOCALLINK BUS SERVICES - KEY DECISION</b><br>Report of the Corporate Director of Development and Growth   | 9 - 20  |
| <b>5</b> | <b>APPROVAL TO RETENDER THE NOTTINGHAM CAR CLUB</b><br>Report of the Corporate Director of Development and Growth   | 21 - 36 |
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| <b>7</b> | <b>VOLUNTARY AND COMMUNITY SECTOR GRANT AID 2019 ONWARDS - KEY DECISION</b><br>Report of the Corporate Director of Commercial and Operations and the Director of Community Protection | 41 - 44 |

- 8 FEE RATES FOR ADULT SOCIAL CARE SERVICES 2019/20 - KEY DECISION** 45 - 48  
Report of the Corporate Director of Strategy and Resources
- 9 EXCLUSION OF THE PUBLIC**  
To consider excluding 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.
- 10 FEE RATES FOR ADULT SOCIAL CARE SERVICES - KEY DECISION - EXEMPT APPENDICES** 49 - 58  
Report of the Corporate Director of Strategy and Resources

ALL ITEMS LISTED 'UNDER EXCLUSION OF THE PUBLIC' WILL BE HEARD IN PRIVATE. THEY HAVE BEEN INCLUDED ON THE AGENDA AS NO REPRESENTATIONS AGAINST HEARING THE ITEMS IN PRIVATE WERE RECEIVED

IF YOU NEED ANY ADVICE ON DECLARING AN INTEREST IN ANY ITEM ON THE AGENDA, PLEASE CONTACT THE GOVERNANCE OFFICER SHOWN ABOVE, IF POSSIBLE BEFORE THE DAY OF THE MEETING

CITIZENS ATTENDING MEETINGS ARE ASKED TO ARRIVE AT LEAST 15 MINUTES BEFORE THE START OF THE MEETING TO BE ISSUED WITH VISITOR BADGES

CITIZENS ARE ADVISED THAT THIS MEETING MAY BE RECORDED 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 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.



Agenda Item 4

**COMMISSIONING AND PROCUREMENT SUB-COMMITTEE - 17/12/18**

<b>Subject:</b>	<b>Approval to tender for Link Bus Services in 2018/19</b>		
<b>Corporate Director(s)/ Director(s):</b>	Chris Henning, Corporate Director of Development and Growth		
<b>Portfolio Holder(s):</b>	Councillor Dave Liversidge, Portfolio Holder for Transport and HR		
<b>Report author and contact details:</b>	Mark Garlick, Transport Strategy, 0115 876 4675		
<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 £1,000,000 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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
<b>Total value of the decision: £14.8m (GROSS), £11.98m (NET)</b>			
<b>Wards affected: All</b>		<b>Date of consultation with Portfolio Holder(s): 26 September 2018</b>	
<b>Relevant Council Plan Key Theme:</b>			
Strategic Regeneration and Development			<input type="checkbox"/>
Schools			<input type="checkbox"/>
Planning and Housing			<input type="checkbox"/>
Community Services			<input type="checkbox"/>
Energy, Sustainability and Customer			<input type="checkbox"/>
Jobs, Growth and Transport			<input checked="" type="checkbox"/>
Adults, Health and Community Sector			<input type="checkbox"/>
Children, Early Intervention and Early Years			<input type="checkbox"/>
Leisure and Culture			<input type="checkbox"/>
Resources and Neighbourhood Regeneration			<input type="checkbox"/>
<b>Summary of issues (including benefits to citizens/service users):</b>			
<p>Approval is sought to tender for the operation of contracts for 18 subsidised “Link” bus services. These serve a high number of elderly and disabled residents and also provide access to jobs, in areas of the City that are away from the commercial bus network. The cost of these contracts is currently £2.4m (NET)/£2.95m (GROSS) per year (equivalent to £14.8m (NET)/ £11.98m (GROSS) over 5 Years). The new contracts will be awarded by competitive tender. It is expected that these services will be placed in 3 discrete tenders: 2 for electric bus operation, and one for diesel bus operation. The tenders will be of a size that is appropriate to giving economies of scale to each operation.</p> <p>The services carry 1.4m passengers each year, of which a high proportion are concessionary pass holders.</p> <p>The bus services to be tendered are listed in the attached Appendix.</p>			
<b>Exempt information:</b>			
None			
<b>Recommendation(s):</b>			
<p><b>1</b> To undertake a procurement process for the Locallink bus services as detailed in the attached Appendix.</p>			
<p><b>2</b> To 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</p>			

## **1 REASONS FOR RECOMMENDATIONS**

- 1.1 To tender the services as required by Procurement Regulations.
- 1.2 A new provider(s) will be identified following the outcome of the tender process.
- 1.3 Within the tender process, opportunities for efficiency savings in providing these services will be sought. The tender process will ensure that the most cost-effective provision of the services can be ensured. Tenderers will be invited to price a tender for the existing network, and also to submit further alternative bids that would allow more efficient use of the vehicles to maintain a given level of service for citizens.

## **2 BACKGROUND (INCLUDING OUTCOMES OF CONSULTATION)**

- 2.1 The need to tender the contracts was discussed at the Portfolio Holder meeting of 26 September 2018. This identified that it is necessary to put the services out to competitive tender during 2019, as the contracts are coming to the end of their lives. It was agreed that services should continue to be provided, but that more cost effective ways of provision should be examined. It was stressed that this report seeks permission to tender these services, and not to award any contracts without further consideration of the price. It was also stated that any contracted that is awarded can be terminated with 90 days notice by the Council.
- 2.2 To enable all parts of the City, to have a given public transport accessibility, to vital services and employment sites. This reflects that over half its residents have no access to a car.
- 2.3 The services are disproportionately used by those with mobility issues and, as such, save the City Council from providing more expensive forms of specialist provision.
- 2.4 All Link bus services are monitored throughout their contract for usage and performance.
- 2.5 The total cost of running these contracts is expected to be £11.98m in total. This is based on running for a maximum of 5 years.

## **3 OTHER OPTIONS CONSIDERED IN MAKING RECOMMENDATIONS**

- 3.1 Withdrawing services due to rising costs was rejected, as it would lead to disruption for passengers and the removal of access to public transport for some residential and employment areas of the City, where commercial services would be more than 400m from residents.

## **4 FINANCE COLLEAGUE COMMENTS (INCLUDING IMPLICATIONS AND VALUE FOR MONEY/VAT)**

- 4.1 The actual cost of the contracts for operation of the bus services identified over the next 5 years will not be known until the procurement exercise is completed. It is anticipated that the value of the new contracts will be contained within the Public

Transport budgets which currently exist for the provision of these services. Should the contracts exceed £11.98m, the cost will need to be contained within the Public Transport Service.

Susan Tytherleigh, Finance Business Partner, 9 October 2018

## **5 LEGAL AND PROCUREMENT COLLEAGUE COMMENTS (INCLUDING RISK MANAGEMENT ISSUES, AND INCLUDING LEGAL, CRIME AND DISORDER ACT AND PROCUREMENT IMPLICATIONS)**

### **PROCUREMENT COMMENTS**

- 5.1 Procurement colleagues will assist with the tendering process to ensure that fully compliant value for money contracts are entered into.

Paul Ritchie, Lead Procurement Officer, 8 October 2018

### **LEGAL COMMENTS**

- 5.2 The current contracts for Locallink Bus Service are due to re-tendered to continue the Council's commitment of providing public transport accessibility to bus services within the City and to ensure compliance with the Public Contracts Regulations.

The report seeks approval to undertake a tender process to establish contracts for the services as detailed within the Appendix.

The report proposes an initial term of 3 years with 2 further options to extend for up to 1 year each time at the Council's sole discretion subject to available funding, which is hoped will allow the Council to manage the contract efficiently, ensuring value for money and flexibility in delivery of the service.

Legal services will continue to work with the service area and procurement colleagues during the tender process to ensure that the requirements are accurately developed within the contractual arrangements with the chosen provider(s).

Dionne Screaton, Solicitor, Commercial, Employment and Education, 11 October 2018

## **6 STRATEGIC ASSETS & PROPERTY COLLEAGUE COMMENTS (FOR DECISIONS RELATING TO ALL PROPERTY ASSETS AND ASSOCIATED INFRASTRUCTURE (STRATEGIC REGENERATION COMMITTEE REPORTS ONLY)**

- 6.1 N/A

## **7 SOCIAL VALUE CONSIDERATIONS**

- 7.1 Withdrawing the services was rejected, as it would lead to disruption for passengers and the removal of access to public transport from some areas of the City, where commercial services would be more than 400m away from residents.

## **8 REGARD TO THE NHS CONSTITUTION**

- 8.1 N/A

**9 EQUALITY IMPACT ASSESSMENT (EIA)**

9.1 Has the equality impact of the proposals in this report been assessed?

No

☐

An EIA is not required because:

The report does not contain proposals for new or changing policies, services or functions, financial decisions, or decisions about the implementation of policies development outside the Council. I think an EIA would be a good idea in this case – could withdrawal of the services negatively impact certain groups within the population? You mention that the services are more often used by elderly citizens and those with disabilities.

Yes

☒

Attached as Appendix 2, and due regard will be given to any implications identified in it.

**10 LIST OF BACKGROUND PAPERS RELIED UPON IN WRITING THIS REPORT (NOT INCLUDING PUBLISHED DOCUMENTS OR CONFIDENTIAL OR EXEMPT INFORMATION)**

10.1 None

**11 PUBLISHED DOCUMENTS REFERRED TO IN THIS REPORT**

11.1 None

## **APPENDIX – List of Services and Tender Contracts**

The services to be tendered in each contract are listed below.

The list states those areas that are served only by these services (with Electoral Wards stated in brackets)

### **SMALL ELECTRIC BUS CONTRACT (Optare Solo EV Type)**

*\*Those services denoted by a star were included in a previous approval at the Sub-Committee in July 2018. These are now being included in this, wider, contract that includes all routes operated by this type of vehicle.*

#### **\*L1 City – Silverdale**

Silverdale Estate (Clifton North)

#### **L2 City – Glaisdale Industrial Estate – Nottingham Business Park**

Nottingham Business Park and Glaisdale Industrial Estate (Bilborough – with access to employment from all parts of the City)

#### **L3 City – QMC – Beechdale – Strelley**

Beechdale Estate, Glaisdale, Bramhall Road, Melbury Road, Cranwell Road, Calverton Drive (Aspley, Bilborough, Leen Valley)

#### **L4 City – Radford – Beechdale – Aspley**

Hartley Road, Churchfield Lane, Ainsley Estate, Beechdale Estate, Amersham Rise, Amesbury Circus, Dulverton Vale (Aspley, Bilborough, Leen Valley, Radford & Park)

#### **\*L5 City – Wollaton Park Estate**

Lenton Boulevard, Sutton Passeys Crescent, Farndon Green, Orston Drive (Wollaton East & Lenton Abbey, Dunkirk & Lenton)

#### **\*L6 Bulwell – Norwich Gardens Circular**

Norwich Gardens, Sandhurst Road (Bulwell)

#### **\*L7 City – Charlbury Road**

Charlbury Road (Wollaton West)

#### **L9 City – Mapperley – Edwards Lane Estate – Arnold - Wendling Gardens**

St Matthias Road, Sherwood Vale, Woodthorpe Court, Winchester Court, Edwards Lane Estate, Hillington Rise, Mildenhall Crescent (Bestwood, Sherwood, Mapperley, St Anns)

#### **L64 City – QMC – Clifton – Lark Hill**

Lark Hill Retirement Village and Summerwood Lane Area (Clifton South), Sunninghill Drive Area (Clifton North)

#### **W1 City – Lenton Lane Industrial Estate**

All Wards, through interchange links to workplaces

#### **W2 City – Crossgate Drive**

All Wards, through interchange links to workplaces

### **SMALL DIESEL BUS CONTRACT (Optare Solo Type)**

*\*Those services denoted by a star were included in a previous approval at the Sub-Committee in July 2018. These are now being included in this, wider, contract that includes all routes operated by this type of vehicle.*

#### **L10 City – Wollaton - Beeston**

Lambourne Drive area (Wollaton West), Grangewood Road (Wollaton West)

#### **L11 Beeston – Bilborough – Bulwell – Arnold Orbital**

Orbital links to Bulwell, Beeston and Bracebridge Drive from the Western Estates (Bilborough), Beechdale Road (Bilborough), Melbourne Drive (Aspley), Bar Lane (Basford)

#### **L14 City – Hyson Green – Heathfield – Bulwell**

North Gate and Perry Road (Berridge), Arnold Road/Fenton Road Areas (Basford), Brooklyn Road (Basford and Bulwell Forest)

#### **\*L22/3 Gamston – Clifton Circular**

Provides links between Clifton, Silverdale, Ruddington and West Bridgford, giving access to shopping and health care facilities (Clifton North and Clifton South)

### **LARGE ELECTRIC BUS CONTRACT (BYD Type)**

#### **L12 University – Hyson Green – City Hospital**

Orbital links including St Peter's Street, Radford Boulevard, Gregory Boulevard, Perry Road, North Gate (Arboretum, Basford, Berridge, Dunkirk & Lenton, Radford & Park, Sherwood)

#### **Centrelink Victoria Bus Station – Nottingham Station – Queen's Drive Park and Ride**

All Wards, through interchange links. Provides a city centre service (Bridge)

#### **Ecolink Netherfield (Victoria Park) – Racecourse Park and Ride – City**

All Wards, through interchange links. Provides a city centre service (Dales)

## Equality Impact Assessment Form

### screen tip-section A

#### 1. Document Control

##### 1. Control Details

Title:	Approval to Tender for Link Bus Services in 2018/19
Author (assigned to Pentana):	Mark Garlick, Public Transport Policy, Transport Strategy
Director:	Chris Henning, Corporate Director of Development and Growth
Department:	Development and Growth
Service Area:	Transport Strategy
Contact details:	<a href="mailto:mark.garlick@nottinghamcity.gov.uk">mark.garlick@nottinghamcity.gov.uk</a> / 0115 876 4675
Strategic Budget EIA: Y/N	Y
Exempt from publication Y/N	N

##### 2. Document Amendment Record

Version	Author	Date	Approved
1	Mark Garlick	9 October 2018	

##### 3. Contributors/Reviewers

Name	Position	Date
Adisa Djan	Equality and Diversity Consultant, Development and Change	9 October 2018

#### 4. Glossary of Terms

Term	Description
Locallink	Socially-necessary bus services provided with Council subsidy
Worklink	Bus services linking the city centre to key workplaces, provided with Council subsidy
Demand Responsive Bus Services	Routes that follow a route, based on passenger bookings that are made in advance. Such routes call only where required
Easylink Dial-a-Ride	Dial-a-Ride services available to disabled passengers and their carers
Commercial Bus Services	Services provided by bus operators that do not require public subsidy and make an operating profit for that company

#### [screentip-sectionB](#)

#### 2. Assessment

##### 1. Brief description of proposal / policy / service being assessed

Approval to put the Council's subsidised bus services contracts out to tender during 2018/19. These will be tendered in their current operating form, but with further, fixed price tender options, to allow for necessary efficiency savings at a later date. Rationalisation of some services, and alternative forms of provision will also be considered during the tender process.

#### [screentip-sectionC](#)

##### 2. Information used to analyse the effects on equality:

These bus services provide links to areas that are not served by commercial public transport routes within a 400m



walking distance. The services include socially-necessary Locallink services (used largely by elderly passengers, and those with mobility difficulties), Worklink services to workplaces and Park and Ride services.

### 3. Impacts and Actions:

<u>screen tip-section D</u>	Could particularly benefit X	May adversely impact X
People from different ethnic groups.	<input type="checkbox"/>	<input type="checkbox"/>
Men	<input type="checkbox"/>	<input type="checkbox"/>
<u>Women</u>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Trans	<input type="checkbox"/>	<input type="checkbox"/>
<u>Disabled people or carers.</u>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<u>Pregnancy/ Maternity</u>	<input type="checkbox"/>	<input type="checkbox"/>
People of different faiths/ beliefs and those with none.	<input type="checkbox"/>	<input type="checkbox"/>
Lesbian, gay or bisexual people.	<input type="checkbox"/>	<input type="checkbox"/>
<u>Older</u>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Younger	<input type="checkbox"/>	<input type="checkbox"/>
Other (e.g. marriage/ civil partnership, looked after children, cohesion/ good relations, vulnerable children/ adults).	<input type="checkbox"/>	<input type="checkbox"/>
<b><i>Please underline the group(s) /issue more adversely affected or which benefits.</i></b>		

<p style="text-align: right;"><a href="#"><u>screeentip-sectionE</u></a></p> <p><b>How different groups could be affected</b> (Summary of impacts)</p>	<p style="text-align: right;"><a href="#"><u>screeentip-sectionF</u></a></p> <p><b>Details of actions to reduce negative or increase positive impact</b> (or why action isn't possible)</p>
<p><u>Elderly</u> Locallink services carry a high proportion of elderly passengers, travelling with Elderly Persons' Concessionary Travel Permits</p> <p><u>Disabled People or Carers</u> As they provide access close to the home, Locallink services are also used by those with impaired mobility and those who travel with them. The Worklink services provide those access to employment sites to the south of the city centre.</p> <p><u>Women</u> Overall 60% of bus passengers are female. This percentage is even higher for Locallink services that are used largely by shoppers from older age groups and those accessing local services, including medical services.</p>	<p><b>1 Actions will need to be uploaded on Pentana.</b></p> <p>Subject to available budget, aim to continue to provide services within 400m of residents where this is already the case. Alternative forms of provision may need to be investigated, including:</p> <ul style="list-style-type: none"> <li>• Provision of some routes by commercial operators where this is possible</li> <li>• demand responsive bus services</li> <li>• provision of a service using the Easylink Dial-a-Ride operation. Provision of existing services but at a reduced frequency</li> <li>• Routes being merged together</li> </ul> <p>Any changes will take place within a contract lifetime of up to 5 years</p> <ul style="list-style-type: none"> <li>• Accessibility to public transport services is monitored by Transport Strategy Team, using GIS technology;</li> <li>• Contract Spend monitored on a monthly basis for each service;</li> <li>• Passenger numbers monitored on a monthly basis for each service;</li> <li>• Operational issues and customer issues monitored on a two-monthly basis for each service.</li> </ul>

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**4. Outcome(s) of equality impact assessment: Tick a box please**

<input checked="" type="checkbox"/>	No major change needed	<input type="checkbox"/>	Adjust the policy/proposal
<input type="checkbox"/>	Adverse impact but continue	<input type="checkbox"/>	Stop and remove the policy/proposal

**5. Arrangements for future monitoring of equality impact of this proposal / policy / service:**

Page 19	<ul style="list-style-type: none"> <li>• Accessibility to public transport services is monitored by Transport Strategy Team, using GIS technology</li> <li>• Contract Spend monitored on a monthly basis for each service</li> <li>• Passenger numbers monitored on a monthly basis for each service</li> <li>• Operational issues and customer issues monitored on a two-monthly basis for each service</li> </ul>
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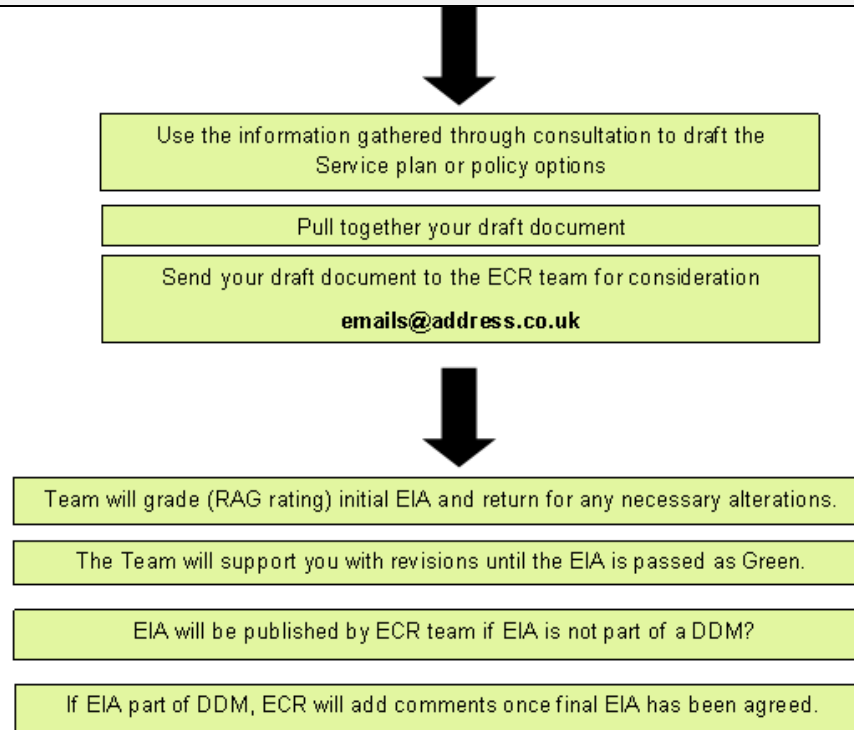
**6. Approved by (manager signature) and Date sent to equality team for publishing:**

<b>Approving Manager:</b> Chris Carter Head of Service, Transport Strategy <a href="mailto:chris.carter@nottinghamcity.gov.uk">chris.carter@nottinghamcity.gov.uk</a> 0115 876 3940	<b>Date sent for scrutiny: 9 October 2018</b> Send document or Link to: <a href="mailto:equalityanddiversityteam@nottinghamcity.gov.uk">equalityanddiversityteam@nottinghamcity.gov.uk</a>
<b>SRO Approval:</b>	<b>Date of final approval:</b>

**Before you send your EIA to the Equality and Community Relations Team for scrutiny, have you:**

1. Read the guidance and good practice EIA's  
<http://intranet.nottinghamcity.gov.uk/media/1924/simple-guide-to-eia.doc>
2. Clearly summarised your proposal/ policy/ service to be assessed.
3. Hyperlinked to the appropriate documents.
4. Written in clear user-friendly language, free from all jargon (spelling out acronyms).
5. Included appropriate data.
6. Consulted the relevant groups or citizens or stated clearly, when this is going to happen.
7. Clearly cross-referenced your impacts with SMART actions.

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**KEY**

**EIA**— Equality Impact Assessment

**ECR**— Equality & Community Relations Team

**DDM**—Delegated Decision Making

<b>Subject:</b>	Approval to Retender the Nottingham Car Club		
<b>Corporate Director(s)/ Director(s):</b>	Chris Henning, Corporate Director of Development and Growth		
<b>Portfolio Holder(s):</b>	Councillor Dave Liversidge, Portfolio Holder for Transport and HR Councillor Sally Longford, Portfolio Holder for Energy and Environment		
<b>Report author and contact details:</b>	Anne-Marie Barclay, Project Manager, <a href="mailto:annemarie.barclay@nottinghamcity.gov.uk">annemarie.barclay@nottinghamcity.gov.uk</a> , 0115 8764095		
<b>Key Decision</b>	<input type="checkbox"/> Yes	<input checked="" 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 £1,000,000 or more taking account of the overall impact of the decision	<input 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>Total value of the decision: £250,000</b>			
<b>Wards affected: All</b>	<b>Date of consultation with Portfolio Holder(s):</b> Councillor Dave Liversidge, Portfolio Holder for Transport and HR – 5 <sup>th</sup> November 2018 Councillor Sally Longford, Portfolio Holder for Energy and Environment – 7th November 2018		
<b>Relevant Council Plan Key Theme:</b>			
Strategic Regeneration and Development	<input type="checkbox"/>		
Schools	<input type="checkbox"/>		
Planning and Housing	<input type="checkbox"/>		
Community Services	<input type="checkbox"/>		
Energy, Sustainability and Customer	<input checked="" type="checkbox"/>		
Jobs, Growth and Transport	<input checked="" type="checkbox"/>		
Adults, Health and Community Sector	<input type="checkbox"/>		
Children, Early Intervention and Early Years	<input type="checkbox"/>		
Leisure and Culture	<input type="checkbox"/>		
Resources and Neighbourhood Regeneration	<input type="checkbox"/>		
<b>Summary of issues (including benefits to citizens/service users):</b> The existing contract for the Nottingham Car Club is due to expire in May 2019. The purpose of this report is to secure approval to retender the scheme (for 3+2 years), with a view to securing a Concessionaire who will work with the council to expand the service into residential areas whilst retaining its business offer, and introduce a fleet of Ultra Low Emission Vehicles (ULEVs) to support our clean air objectives.			
<b>Exempt information:</b> None			
<b>Recommendation(s):</b>			
<b>1</b> To approve undertaking a procurement process to retender for a Concessionaire to deliver the Nottingham Car Club.			
<b>2</b> To delegate authority to the Corporate Director of Development and Growth to award the contract to the successful provider following the tender.			
<b>3</b> To approve the allocation of £100,000 external grant funding from the Nottingham Go Ultra Low City programme (external grant acceptance approved at Executive Board dated 22 <sup>nd</sup> March 2016) to support the introduction of ULEVs on to the car club fleet.			

## **1 REASONS FOR RECOMMENDATIONS**

- 1.1 Retendering the scheme will ensure that the car club offer in Nottingham can be tailored to support the council's wider transport and air quality objectives and delivery of the Go Ultra Low programme. The specification will be tailored to ensure that, subject to the council securing new vehicle locations, the scheme can be expanded into residential areas, specify the use of ULEVs on the fleet, and in particular support the uptake of fully Electric Vehicles (EVs).
- 1.2 Retendering will provide the opportunity to explore the option for the council to receive a revenue share in the new concession. This option was considered as part of a Soft Market Test exercise, and all respondents noted that some form of revenue share was feasible. The financial benefit of this opportunity will be confirmed through the tender process. Although it is not intended to be a significant income generator, it is anticipated that revenues received will enable the council to support the provision of vehicles in disadvantaged communities, which may be less attractive from a commercial perspective, through targeted customer membership discounts and drive time offers to ensure low income families can also benefit from the scheme.
- 1.3 To support growth of the car club offer the City Council will need to explore options for provision of additional dedicated car club bays in commercial and residential areas, which for on-street locations will require the implementation of Traffic Regulation Orders (TROs). Future bay locations will be assessed for their viability in terms of customer attractiveness, commercial value and deliverability of EV charging solutions. Appendix A sets out the location of existing bays where they are on highway or City Council land, which will be retained under the new concession. Any new locations proposed will be worked up with the successful Concessionaire.

## **2 BACKGROUND (INCLUDING OUTCOMES OF CONSULTATION)**

- 2.1 A car club is a scheme that provides 'pay as you go' car hire for members, benefitting commuters, business travellers, residents and visitors. Aimed at short-term hires, members can book a vehicle when they need it and return it to the point of collection when finished (back to base model). All costs and responsibilities associated with private vehicle ownership (insurance, tax, fuel costs, maintenance and cleaning) are included in the annual membership, hourly booking rates and mileage rates. Typically, this creates a saving for members when compared with traditional car ownership so long as they average less than 7,000 miles per year.
- 2.2 The council first introduced the Nottingham Car Club in 2014 with the aim of reducing car dependency and improving air quality through reduced congestion, supported by Local Sustainable Transport Fund (LSTF) and Workplace Parking Levy funding. The operator initially introduced a fleet of eight car club vehicles, which was expanded to 14 vehicles in 2015/16. There are currently 16 vehicles operating on the car club fleet.
- 2.3 In February 2018, DDM3082 approved the contract extension with the current car club operator until May 2019. This supported the introduction of an EV into the car club through European Remourban grant funding until

December 2019. The need to provide this vehicle for the remainder of the grant period will be incorporated into the new concession.

- 2.4 The overall value of this decision is up to £250,000, which includes £100,000 of external grant funding. The balance of the decision value (estimated at up to £150,000) is the estimated potential income to the City Council from new concession, based on an operating period of 5 years, and expanding the fleet size to 50 vehicles. The existing concession generates a small revenue income stream to the council through annual vehicle permit fees. These fees cover the costs to the City Council for administering the scheme and funding the development costs (such as TRO's) associated with the introduction of new hire locations. The potential income to the council will be generated through the continued use of the vehicle permit fees, which will be set in line with other car club schemes in the UK, and the potential to secure a small revenue share of the Concessionaire's income, which will be explored through the tender process. This is a commercial service, and the risk for ensuring the scheme is commercially sustainable will rest with the car club operator (Concessionaire).
- 2.5 Nottingham City Council, in partnership with Nottinghamshire County Council and Derby City Council, is one of four cities in the UK to be awarded funding as a 'Go Ultra Low City' to introduce measures that will support the uptake of ULEVs across the local area. To support the ambition to make Nottingham exemplary for ULEVs, £100,000 of funding from the Go Ultra Low Programme has been allocated to car club activities. This funding will be used to support the introduction of ULEVs and EVs onto the car club fleet, by contributing to the development costs (e.g. project management and marketing, TRO costs, site investigation/site enabling, charging infrastructure) and supporting implementation and drive time incentives.
- 2.6 A Soft Market Test was published via the procurement portal over the summer to gauge the interest of potential operators to deliver the car club service in Nottingham. All respondents reacted positively to the opportunity and indicated the fleet could easily grow beyond twice its current size.
- 2.7 In preparation for retendering, the Transport Strategy team has undertaken surveys of citizens and staff and students at both universities, alongside analysis of Mosaic and Census data. The results were supportive of the proposed expansion, with 63% of respondents indicating they would use the car club if it were available to hire from a location within 5 minutes walking distance of their workplace and 82% if it was available within 5 minutes walking distance of their home. When asked about vehicle preferences, 77% of respondents thought EVs and ULEVs should be used to deliver the scheme. Responses were also favourable to the potential to develop the scheme outside the council's administrative boundary, serving the wider urban area. This option is to be explored further with representatives at the County Council prior to implementation.

### **3 OTHER OPTIONS CONSIDERED IN MAKING RECOMMENDATIONS**

- 3.1 Three options to (1) do nothing (2) extend with the existing operator and (3) deliver in house were considered.
- 3.2 The current car club scheme could continue (or decline) on a commercial basis, however as a minimum, a legal agreement permitting use of the

designated on-street bays would be required for the current operator (or any other operators that may come forwards) to allow use of the designated car club bays in the City. Without such an agreement in place the City Council would not be able to charge a vehicle permit fee for use of the on-street bays. Without a concession extension in place the council also not be able to offer any preferential car club membership deals for City residents. Furthermore, there would be no guarantee that the Remourban vehicle in Sneinton would continue to be available to December 2019, thereby risking a loss of grant funding.

- 3.3 The existing specification requires a minimum of 14 vehicles to be available for hire on the fleet, and aside from the Remourban vehicle, offers no minimum specification for the number of ULEVs on the fleet. The contract with Enterprise has already been extended for two years to enable the soft market testing stage to be undertaken to explore the most appropriate car club model for future delivery. Since letting the original contract both the car club and the ULEV markets have matured and so the current car club service specification needs updating to ensure the service fully realises the benefits of the latest ULEV technologies. A further contract extension with the current operator would be tied to the previous specification and so would not deliver best value for the Council and would require a procurement exercise to be undertaken for ensure compliance in any event.
- 3.4 The current scheme operates at no cost to the council. In order to deliver in-house significant financial investment would be required to procure the vehicles, telematics and operating systems, and would require a 24/7 customer service provision to administer scheme membership and manage vehicles bookings as well as provision in the case of emergencies and breakdowns. The vehicles would require servicing, maintenance and repairs in case of any customer incidents and policies insuring drivers on the vehicles would also need consideration. This option would also expose the City Council to all of the operating risk, which is currently passed to the Concessionaire.

#### **4 FINANCE COLLEAGUE COMMENTS (INCLUDING IMPLICATIONS AND VALUE FOR MONEY/VAT)**

- 4.1 The value of the decision is given as £0.250m. There is a requirement for £0.100m contribution from the Go Ultra Low City Programme which is required to deliver some additional ULEV benefits of the Car Club.
- 4.2 The other £0.150m is the estimated potential income to the City Council from the new concession, based on an operating period of 5 years and assuming an expansion of the fleet size to 50 vehicles. This is an assumption at this time and cannot be guaranteed. Further information will be known once the procurement process has taken place and it is known whether a revenue share option is possible and will generate any income. There is no assumption in the MTFP for this income and therefore leaves no budget gap if it is not received.
- 4.3 The award of any contract poses no financial risk to the Council as all risk is taken on by the Concessionaire. The contribution from the Council is in the exclusive use of the designated car bays only and there is no minimal revenue guarantee given. There is potential income from permit fees which will also be explored.



- 4.4 The delegation to the Corporate Director of Development to award the contract will ensure that once final figures are known that there will be no financial pressure placed on the Council and no further funding contribution required.

Susan Tytherleigh, Strategic Finance Business Partner 23 November 2018

**5 LEGAL AND PROCUREMENT COLLEAGUE COMMENTS (INCLUDING RISK MANAGEMENT ISSUES, AND INCLUDING LEGAL, CRIME AND DISORDER ACT AND PROCUREMENT IMPLICATIONS)**

- 5.1 Procurement colleagues will assist with the tendering exercise to ensure that a fully compliant concession arrangement is entered into and that the exercise will maximise the amount of income to the Council.

Paul Ritchie. Lead Procurement Officer, 22 November 2018.

**Legal comments**

- 5.2 A car club established by the Council in 2014 currently operates successfully within the City, the existing Concession contract is due to expire next year.
- 5.3 The Council is seeking to expand the car club offering to include more vehicles including more electric vehicles to support the Council's transport strategy and Go Ultra Low objectives. The Council is proposing to provide a financial contribution to the chosen operator by way of a procurement exercise to enable the introduction of a more electric fleet.
- 5.4 Soft market testing has been undertaken which shows appetite for a larger car club offering with the opportunity for a financial return to the Council. The re-procurement of this contract by way of a compliant EU tender exercise will therefore seek to establish a service concession contract which will ensure the associated liability, costs and risks remain with the chosen operator for the duration of the Contract.
- 5.5 Legal services will support colleagues during the tender process to ensure appropriate contractual documents reflecting the arrangements are implemented.

Dionne Screaton, Solicitor, Commercial, Employment and Education,  
22 November 2018.

**6 STRATEGIC ASSETS & PROPERTY COLLEAGUE COMMENTS (FOR DECISIONS RELATING TO ALL PROPERTY ASSETS AND ASSOCIATED INFRASTRUCTURE (STRATEGIC REGENERATION COMMITTEE REPORTS ONLY)**

- 6.1 N/A

**7 SOCIAL VALUE CONSIDERATIONS**

- 7.1 The car club scheme will improve the sustainable transport choices across the city, providing residents and businesses with access to a fleet of new, safe and less polluting vehicles, helping to improve air quality. The scheme can also offer residents without a private vehicle improved to access services and opportunities,

which may otherwise be difficult or not cost effective to visit without a car. The scheme will offer low income families access to ULEVs, which are currently more expensive than conventionally fuelled vehicles. The availability of automatic vehicles on the car club fleet including EVs will be beneficial for people with reduced mobility.

## **8 REGARD TO THE NHS CONSTITUTION**

8.1 N/A

## **9 EQUALITY IMPACT ASSESSMENT (EIA)**

9.1 Has the equality impact of the proposals in this report been assessed?

No

☐

An EIA is not required because:

(Please explain why an EIA is not necessary)

Yes

☒

Attached as Appendix B, and due regard will be given to any implications identified in it.

## **10 LIST OF BACKGROUND PAPERS RELIED UPON IN WRITING THIS REPORT (NOT INCLUDING PUBLISHED DOCUMENTS OR CONFIDENTIAL OR EXEMPT INFORMATION)**

10.1 N/A

## **11 PUBLISHED DOCUMENTS REFERRED TO IN THIS REPORT**

11.1 Delegated Decision 3082 20 February 2018 approved the contract extension with the current car club operator until May 2019 and approved the release of 35,000 Euro (approx. £32,000) of the Remourban grant funding for delivery of the Electric Vehicle (EV) element, to implement a car club vehicle in the Sneinton area.

11.2 Nottingham City Council Executive Board 22<sup>nd</sup> March 2016 approved Office for Low Emission Vehicles grant allocations for the Nottingham Go Ultra Low City programme 2016-2020, including supporting the introduction of ULEVs onto the car club fleet.

## Nottingham Car Club – Locations of existing car club bays on highway or NCC land

Location	Number of car club bays
Barker Gate	2
Bath Street	2
Canal Street	2
Castle Gate	2
Castle Road	1
Fulforth Street	1
Manvers Street car park	1 (Remourban EV)
Regent Street	2
Station Street	2

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## Equality Impact Assessment Form

### screen tip-section A

#### 1. Document Control

##### 1. Control Details

Title:	Retendering Nottingham Car Club
Author (assigned to Pentana):	Jennie Maybury
Director:	
Department:	Development and Growth
Service Area:	Transport Strategy
Contact details:	Jennie
Strategic Budget EIA: Y/N	N
Exempt from publication Y/N	N

##### 2. Document Amendment Record

Version	Author	Date	Approved
1	Anne-Marie Barclay	16 <sup>th</sup> November 2018	

##### 3. Contributors/Reviewers

Name	Position	Date
Jennie Maybury	Principal Transport Planner	20/11/18

#### 4. Glossary of Terms

Term	Description

#### [screentip-sectionB](#)

## 2. Assessment

### 1. Brief description of proposal / policy / service being assessed

Page 36

A car club is a scheme that provides 'pay as you go' car hire for members, benefitting commuters, business travellers, residents and visitors. Members can book a vehicle for a period of time that suits them, take the vehicle when they need it and return it to the point of collection when finished. All costs and responsibilities associated with private vehicle ownership (insurance, tax, fuel costs, maintenance and cleaning) are included in the annual membership and hourly booking rates and mileage rates. Typically, this creates a saving for members when compared with traditional car ownership so long as they average less than 7,000 miles per year and also makes the newest, safest and least polluting vehicles available to them. Car clubs are proven ways to increase the uptake of more sustainable transport modes as being charged at point of use means more journeys are made by foot, cycle or public transport and therefore schemes help contribute to reducing congestion, carbon emissions from transport and improving access to services.

The Nottingham Car Club is currently being operated by Enterprise Rent-A-Car, who have a contract to deliver the service until May 2019. The City Council is currently looking to retender the service for a new Concessionaire to deliver the scheme from May 2019 with a view to extending the car club into the residential areas of Nottingham. The council will be looking for a provider who can help to expand the service into disadvantaged communities and offer a number of payment models, including a 'Pay As You Go' option to help support low income households.

- The key equalities benefits of the Nottingham car club scheme can be summarised as:
- Helping residents without a private vehicle to access services and opportunities
- Providing cheaper travel options for families and groups of people when compared to traditional vehicle hire and taxi hire scenarios
- Supporting businesses and employees that may need to use vehicles for work purposes
- Reducing the number of vehicles on the road helping to tackle congestion and reducing pollution
- Supporting the visitor economy by providing access to short term car club hire for out of town visitors
- Providing access to a fleet of new, safe and less polluting vehicles than the average vehicle currently on the road

### [screentip-sectionC](#)

#### 2. Information used to analyse the effects on equality:

An Equality Impact Assessment Screening Exercise was undertaken for the Nottingham Car Club project when it was first introduced in May 2014 as part of the Nottingham Urban Area Local Sustainable Transport Fund (LSTF) programme. A programme-wide Equality Impact Assessment was submitted as part of the business case to the Department for Transport for the £16million bid (available at <http://www.nottinghaminsight.org.uk/d/94215>).

The Equality Impact Assessment was updated in December 2014, when additional vehicles were added, and in December on 2017 as part of the approval to extend the contract with Enterprise Rent-A-Car. These previous submissions have been reviewed and updated to reflect the aspirations for the new concession.

#### 3. Impacts and Actions:

<u><a href="#">screentip-sectionD</a></u>	Could particularly benefit X	May adversely impact X
People from different ethnic groups.	<input type="checkbox"/>	<input type="checkbox"/>
Men	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Women	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Trans	<input type="checkbox"/>	<input type="checkbox"/>
Disabled people or carers.	<input type="checkbox"/>	<input type="checkbox"/>
Pregnancy/ Maternity	<input type="checkbox"/>	<input type="checkbox"/>
People of different faiths/ beliefs and those with none.	<input type="checkbox"/>	<input type="checkbox"/>
Lesbian, gay or bisexual people.	<input type="checkbox"/>	<input type="checkbox"/>
Older	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Younger	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Other (e.g. marriage/ civil partnership, looked after children, cohesion/ good relations, vulnerable children/ adults).	<input type="checkbox"/>	<input type="checkbox"/>
<b><i>Please underline the group(s) /issue more adversely affected or which benefits.</i></b>		

<a href="#"><u>screen tip-section E</u></a> <b>How different groups could be affected</b> (Summary of impacts)	<a href="#"><u>screen tip-section F</u></a> <b>Details of actions to reduce negative or increase positive impact</b> (or why action isn't possible)
<ul style="list-style-type: none"> <li>The car club improves the sustainable travel choices available to citizens, and is available to anyone with a valid driving licence (if under the age of 22 must have held a full driving licence for 1 year)</li> <li>The scheme will provide opportunities to access services and facilities that are otherwise difficult or not cost effective to visit without a car.</li> </ul>	<ul style="list-style-type: none"> <li>Opportunities to promote the scheme and target incentives at protected groups will be discussed with the operator when planning marketing activities at the start of the new contract in May 2019 and will continue throughout the concession (up to 5 years); particularly as new hire locations are introduced.</li> <li>Ensure vehicles are provided in safe and secure locations that are well lit with good natural surveillance and provide</li> </ul>



<p>Page 33</p> <ul style="list-style-type: none"> <li>• The scheme could offer safer forms of travel, which may particularly benefit women and transgender people.</li> <li>• Vehicle bookings can be made through a variety of modes including internet, telephone and mobile phone applications, making the scheme widely accessible.</li> <li>• The scheme will make vehicles available to older and younger people who are more at risk of social isolation due to the financial constraints associated with private vehicle ownership.</li> <li>• Aspirations to increase the range and number of ULEVS on the car club fleet will help to improve air quality in the city benefitting children and older residents who are at higher risk from respiratory conditions caused by air pollution.</li> <li>• Aspirations to increase the number of EVs in the car club fleet will increase the number of automatic vehicles available for hire in the scheme, which may be preferable to older people, or those with reduced mobility.</li> <li>• The scheme will offer a range of membership packages to ensure younger drivers and those with low incomes can still benefit from the car club.</li> </ul>	<p>confidence to vulnerable users from scheme launch (May 2019) and throughout the concession.</p> <ul style="list-style-type: none"> <li>• There will be a requirement in the contract for the Concessionaire to provide 24/7 customer service to support people using the scheme.</li> <li>• Ensure scheme is suitably promoted to older and younger groups through various networks such as university unions and elderly forums throughout the concession.</li> <li>• Ensure initiatives providing transport information is publicised in ways that are accessible to minority ethnic people whose first language may not be English from the start of the new concession.</li> <li>• Ensure the new Concessionaire offers a range of payment and membership options suitable for younger drivers and low income families.</li> <li>• Use the tender specification (due for publication early 2019) to understand a potential operators approach to increasing the number of ULEVs and EVs, and how they will help the council to achieve its aspirations.</li> </ul>
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**4. Outcome(s) of equality impact assessment:**

<input checked="" type="checkbox"/>	No major change needed	<input type="checkbox"/>	Adjust the policy/proposal
<input type="checkbox"/>	Adverse impact but continue	<input type="checkbox"/>	Stop and remove the policy/proposal

**5. Arrangements for future monitoring of equality impact of this proposal / policy / service:**

The proposed concession will include a requirement on the operator to monitor the impacts of the car club scheme on the population it serves, and provide details to the City Council on a monthly basis. As part of the project a monitoring and evaluation framework will be established which will set out monitoring activities to be undertaken - this will include quantitative and qualitative monitoring activities such as the number of members of the scheme, most popular vehicles, locations and destinations, average usage period, feedback/satisfaction services provided and case studies of individuals supported.

**6. Approved by (manager signature) and Date sent to equality team for publishing:**

<b>Approving Manager:</b> Chris Carter Chris.carter@nottinghamcity.gov.uk 0115 8763940	<b>Date sent for scrutiny: 22<sup>nd</sup> November 2018</b> Send document or Link to: <a href="mailto:equalityanddiversityteam@nottinghamcity.gov.uk">equalityanddiversityteam@nottinghamcity.gov.uk</a>
<b>SRO Approval:</b> 	<b>Date of final approval: 22<sup>nd</sup> November 2018</b>

**Before you send your EIA to the Equality and Community Relations Team for scrutiny, have you:**

1. Read the guidance and good practice EIA's  
<http://intranet.nottinghamcity.gov.uk/media/1924/simple-guide-to-eia.doc>
2. Clearly summarised your proposal/ policy/ service to be assessed.
3. Hyperlinked to the appropriate documents.
4. Written in clear user-friendly language, free from all jargon (spelling out acronyms).
5. Included appropriate data.

- 6. Consulted the relevant groups or citizens or stated clearly, when this is going to happen.
  - 7. Clearly cross-referenced your impacts with SMART actions.

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Agenda Item 6

**COMMISSIONING AND PROCUREMENT SUB-COMMITTEE**  
**11/12/2018**

<b>Subject:</b>	Debt Recovery and Enforcement Agency		
<b>Corporate Director(s)/ Director(s):</b>	Candida Brudenell, Corporate Director of Strategy and Resources		
<b>Portfolio Holder(s):</b>	Councillor Graham Chapman, Portfolio Holder for Finance, Resources and Commercial Services		
<b>Report author and contact details:</b>	Kaj Ghattaora, Provider Performance Manager Tel: 0115 8765748 Email: <a href="mailto:Kaj.ghattaora@nottinghamcity.gov.uk">Kaj.ghattaora@nottinghamcity.gov.uk</a>		
<b>Key Decision</b>	<input checked="" type="checkbox"/> Yes	<b>Subject to call-in</b>	<input checked="" type="checkbox"/> Yes
<b>Reasons:</b> Expenditure of £1,000,000 or more taking account of the overall impact of the decision	<input checked="" type="checkbox"/> Revenue		
Significant impact on communities living or working in two or more wards in the City	<input checked="" type="checkbox"/> Yes		
<b>Total value of the decision: £5.3m</b>			
<b>Wards affected: ALL</b>	<b>Date of consultation with Portfolio Holder(s):</b> 21 <sup>st</sup> November 2018		
<b>Relevant Council Plan Key Theme:</b>			
Strategic Regeneration and Development			<input type="checkbox"/>
Schools			<input type="checkbox"/>
Planning and Housing			<input type="checkbox"/>
Community Services			<input type="checkbox"/>
Energy, Sustainability and Customer			<input type="checkbox"/>
Jobs, Growth and Transport			<input type="checkbox"/>
Adults, Health and Community Sector			<input type="checkbox"/>
Children, Early Intervention and Early Years			<input type="checkbox"/>
Leisure and Culture			<input type="checkbox"/>
Resources and Neighbourhood Regeneration			X
<b>Summary of issues (including benefits to citizens/service users):</b>			
<p>The Council requires the services of Enforcement Agents 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 (PCN).</p> <p>The services are delivered at a cost of £1.3m per annum and are collect income of c. £3.4m per annum which is at risk of not being paid.</p> <p>If this service was not in place there loss of income from its various activities could be lost and this would impact on the Medium Term Financial Plan (MTFP).</p>			
<b>Exempt information:</b>			
<b>State 'None' or complete the following.</b>			
None			
<b>Recommendation(s):</b>			
1 Approve the decision to tender our 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.			
3. Approve the spend associated with this contract.			

## **1 REASONS FOR RECOMMENDATIONS**

- 1.1 The services are required to collect revenue for the non-payment of debt when all internal processes to collect the debt have been exhausted.
- 1.2 The existing concession has expired and the Council still has a requirement for these services.
- 1.3 This tender does not exclude further work to be undertaken to explore the use of an “ethical debt collection” service. The appropriate governance route will be used to seek approval should this option be pursued further.

## **2 BACKGROUND (INCLUDING OUTCOMES OF CONSULTATION)**

- 2.1 Nottingham City Council is responsible for collecting Council Tax, NNDR, BIDs and Commercial Rents in the Nottingham area. There are over 130,000 dwellings subject to Council Tax and more than 11,000 businesses that pay NNDR.
- 2.2 Nottingham City Council is also responsible for collecting Traffic Debt regarding motorists who have failed to pay PCNs, issued for contravening relevant parking regulations.

## **3 OTHER OPTIONS CONSIDERED IN MAKING RECOMMENDATIONS**

- 3.1 To develop an internal Enforcement Agents service. This is considered a complex and costly option at present but one that can be considered in the future. The external solution is free to the Council as agents fees are payable by the debtor.
- 3.2 Do nothing - this was not considered an option as the Council will suffer a loss of revenue.

## **4 FINANCE COLLEAGUE COMMENTS (INCLUDING IMPLICATIONS AND VALUE FOR MONEY/VAT)**

- 4.1 This service is a cost of £1.3m per annum (£5.2m for the contract term) to the organisation and supports the collection of £3.2m in revenue; without this service:
  - 1. A **high percentage** of the £3.2m **may not be recovered**:
  - 2. This would **increase the bad debt provision** the organisation requires on an annual basis and
  - 3. Funding would need to be **recognised through the MTFP, increasing any budget gap** the organisation currently has.
- 4.2 The contract will be procured through an appropriate corporate commissioning process including input from all departments undertaking income generation activities.
- 4.3 The development of a robust contract with the appropriate performance measures in place, will enable an appropriate value for money comparison for any future

business decision regarding a change in delivery vehicle for this service. Any decision will need to include all financial aspects to ensure it is fully costed, informed and accurate.

Ceri Walters, Head of Commercial Finance, 3 December 2018.

**5 LEGAL AND PROCUREMENT COLLEAGUE COMMENTS (INCLUDING RISK MANAGEMENT ISSUES, AND INCLUDING LEGAL, CRIME AND DISORDER ACT AND PROCUREMENT IMPLICATIONS)**

- 5.1 Procurement colleagues will assist with the tendering exercise to ensure that a fully compliant contract is entered into.

Paul Ritchie, Lead Procurement Officer, 16/11/2018.

- 5.2 This report does not raise any significant legal issues. The fees for debt enforcement services are set out in legislation. The proposal for 'ethical debt' collection needs to be explained in more detail as it is likely that this would form part of the quality evaluation. As it would be a standard contract term to comply with the law – the additional obligations to act in an 'ethical' way would need to be set out in the specification.

Andrew James – Team Leader, Commercial Employment and Education, 16th November 2018

**6 STRATEGIC ASSETS & PROPERTY COLLEAGUE COMMENTS (FOR DECISIONS RELATING TO ALL PROPERTY ASSETS AND ASSOCIATED INFRASTRUCTURE (STRATEGIC REGENERATION COMMITTEE REPORTS ONLY)**

- 6.1 N/A

**7 SOCIAL VALUE CONSIDERATIONS**

- 7.1 A consideration will be made for the creation of local jobs and the local supply chain and the Business Charter will be included in the tender documents.

**8 REGARD TO THE NHS CONSTITUTION**

- 8.1 N/A

**9 EQUALITY IMPACT ASSESSMENT (EIA)**

- 9.1 Has the equality impact of the proposals in this report been assessed?

No



An EIA is not required because:

There are no changes being made to current working practices or policy.

**10 LIST OF BACKGROUND PAPERS RELIED UPON IN WRITING THIS REPORT (NOT INCLUDING PUBLISHED DOCUMENTS OR CONFIDENTIAL OR EXEMPT INFORMATION)**

- 10.1 None

**11 PUBLISHED DOCUMENTS REFERRED TO IN THIS REPORT**

11.1 None

**12 OTHER COLLEAGUES WHO HAVE PROVIDED INPUT**

12.1 Ian Roper, Commercial Finance Team Leader – Contracts Management



Agenda Item 7  
17/12/18

**COMMISSIONING AND PROCUREMENT SUB-COMMITTEE**

<b>Subject:</b>	Voluntary and Community Sector Grant Aid 2019 onwards		
<b>Corporate Director(s)/ Director(s):</b>	Andy Vaughan – Corporate Director of Commercial and Operations Andrew Errington – Director of Community Protection		
<b>Portfolio Holder(s):</b>	Councillor Toby Neal – Portfolio Holder Community Protection		
<b>Report author and contact details:</b>	Louise Graham – VCS Partnerships Manager <a href="mailto:louise.graham@nottinghamcity.gov.uk">louise.graham@nottinghamcity.gov.uk</a> 07885 790195		
<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 £1,000,000 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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
<b>Total value of the decision:</b> £2,200,000 per annum			
<b>Wards affected:</b> All		<b>Date of consultation with Portfolio Holder(s):</b> 29 October 2018	
<b>Relevant Council Plan Key Theme:</b>			
Strategic Regeneration and Development			<input type="checkbox"/>
Schools			<input type="checkbox"/>
Planning and Housing			<input type="checkbox"/>
Community Services			<input type="checkbox"/>
Energy, Sustainability and Customer			<input type="checkbox"/>
Jobs, Growth and Transport			<input checked="" type="checkbox"/>
Adults, Health and Community Sector			<input type="checkbox"/>
Children, Early Intervention and Early Years			<input checked="" type="checkbox"/>
Leisure and Culture			<input type="checkbox"/>
Resources and Neighbourhood Regeneration			<input type="checkbox"/>
<b>Summary of issues (including benefits to citizens/service users):</b> Over the last three years there has been £2m of grants to the Voluntary and Community Sector (VCS) per year through the two routes of Area Based (ABG) and Communities Of Identity (COI) Grants. The current arrangements will end in March 2019. Consultation has been undertaken in order to understand changes in community need across the City to influence the model moving forward in April 2019. Budget reductions will also impact on funding allocation across the City as we continue to move to a fair distribution across each area based on need and population.			
<b>Exempt information:</b> None			
<b>Recommendation(s):</b>			
<b>1</b> To delegate approval of the re-allocation of the funding available within Area Based Grant based on the Indices of Multiple Deprivation (IMD) and population numbers using a 'Fairer Funding Formula' to the Portfolio Holder for Community Protection			
<b>2</b> To delegate approval of the final criteria and specifications for the Area Based and Communities of Identity grant programmes to the Portfolio Holder for Community Protection			
<b>3</b> To delegate approval of the grants process and the allocation of funding from the grants programmes to successful applicants to the Portfolio Holder for Community Protection, following recommendations from Grants Panels made up of representatives from local Councillors and Officers.			

## **1 REASONS FOR RECOMMENDATIONS**

- 1.1 The current Area Based Grants (ABG) and Communities of Identity Grants (COI) were developed as part of the streamlining investment in the voluntary sector (VCS) programme in 2013. The second round of these two grant programmes comes to an end in March 2019 and as such the criteria is being updated to ensure that current needs within communities are addressed. The existing specifications for ABG are based upon previous delivery outcomes of employment and skills activity, activities for children and young people and support for the management of Nottingham City Council community centres. The existing specifications for COI are based upon previous delivery outcomes of information, advice and guidance, building skills and confidence and supporting VCS organisations in managing space within buildings.
- 1.2 A transparent and robust grants process will be undertaken based upon standard good practice for grants management. This will follow Nottingham City Council's agreement with the VCS through the Nottingham Compact Plus, which sets out the way in which the Local Authority works with the VCS.
- 1.3 Funding will not move between the ABG and COI programmes. There will be re-allocation of funding to ensure that Nottingham City Council spending is reflective of areas within the City. In ABG this is based upon the Indices of Multiple Deprivation, 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.

## **2 BACKGROUND (INCLUDING OUTCOMES OF CONSULTATION)**

- 2.1 The Grant Funding model and process was originally agreed by Executive Board Commissioning Sub-Committee in July 2013. This followed an extensive consultation process with the VCS, internal colleagues and key stakeholders. The current agreements were agreed by key decision in October 2015 following an inquorate committee and will end on 31<sup>st</sup> March 2019. Substantial consultation had taken place during 2015. The annual funding identified within this report will form the third round of this funding programme from April 2019 to March 2022, consultation has once again taken place with both organisations currently receiving funding and the wider voluntary sector. Discussions have also taken place with internal colleagues delivering services alongside these grant programmes.
- 2.2 Investment in the VCS has enabled the delivery of services at a local level within communities and continues to strengthen Nottingham City Councils relationship with the VCS. The grants programmes will be advertised widely through a specification and be open to application from all VCS organisations in Nottingham. Organisations will need to follow a model of delivering in partnership with a Lead Organisation with whom Nottingham City Council will liaise with regard to monitoring and performance, based against the specification and a Service Level Agreement.

### **3 OTHER OPTIONS CONSIDERED IN MAKING RECOMMENDATIONS**

- 3.1 Roll forward the current grant arrangements for a further period. This was discounted as it does not reflect the changes in local need and available budget since the last grant programme.

### **4 FINANCE COLLEAGUE COMMENTS (INCLUDING IMPLICATIONS AND VALUE FOR MONEY/VAT)**

- 4.1 The proposed re-allocation of funding is within the existing budgets for the Area Based and Communities of Identity grants programmes. These proposals relate to the 2019-20 budget which is yet to be approved, these budgets may be reduced as part of the Strategic Choice savings process.

Michelle Pullen, Finance Partner – Finance and Commercial, 13<sup>th</sup> November 2018

### **5 LEGAL AND PROCUREMENT COLLEAGUE COMMENTS (INCLUDING RISK MANAGEMENT ISSUES, AND INCLUDING LEGAL, CRIME AND DISORDER ACT AND PROCUREMENT IMPLICATIONS)**

#### **5.1 Procurement Comments**

The proposed grants application process should be open and transparent and accessible to all eligible Voluntary and Community Sector organisations in the City. The funding criteria should be clear and transparent and there should be a robust, fair process for the assessment of bids and allocation of funding. The Procurement Team can provide support with the development and implementation of this process as needed to ensure fairness and transparency.

Jo Pettifor, Category Manager – Strategy and People, 9th November 2018

#### **5.2 Legal Comments**

The City Council must ensure the grant agreements provide for grant funding and are not contracts for the provision of services which would be subject to the EU/UK procurement rules. In addition the City Council must ensure that when it provides grant funding the provision of the grant is not unlawful state aid. It is advised that the Partnerships Manager should discuss with the Legal Services Team the options and exemptions available to ensure the funding is not unlawful state and the Legal Services Team can provide assistance as necessary with the development of the grant agreements.

Andrew James, Team Leader – Commercial, Employment and Education 14<sup>th</sup> November 2018.

### **6 STRATEGIC ASSETS & PROPERTY COLLEAGUE COMMENTS (FOR DECISIONS RELATING TO ALL PROPERTY ASSETS AND ASSOCIATED INFRASTRUCTURE (STRATEGIC REGENERATION COMMITTEE REPORTS ONLY)**

- 6.1 Not applicable.

## **7 SOCIAL VALUE CONSIDERATIONS**

- 7.1 These proposals support Nottingham City Council's approach to social and environmental well-being in connection with public service contracts for the VCS by requiring community groups to share space and work in partnership or to form consortia. This work will contribute to an increase and improvement in social and community cohesion and will help to foster a greater understanding and respect between communities and cultures.
- 6.2 Priorities for each grant programme have been identified in partnership with the VCS through a series of consultations. Successful applicants will be required to engage with Area Committee's to help direct service outcomes and Nottingham City Council initiatives such as and the Employers Hub to support local citizens.

## **8 REGARD TO THE NHS CONSTITUTION**

- 8.1 Not applicable.

## **9 EQUALITY IMPACT ASSESSMENT (EIA)**

- 9.1 Has the equality impact of the proposals in this report been assessed?

No

X

An EIA is not required because: These proposals contain no significant changes to policies or practices.

## **10 LIST OF BACKGROUND PAPERS RELIED UPON IN WRITING THIS REPORT (NOT INCLUDING PUBLISHED DOCUMENTS OR CONFIDENTIAL OR EXEMPT INFORMATION)**

- 10.1 None

## **11 PUBLISHED DOCUMENTS REFERRED TO IN THIS REPORT**

- 11.1 None

<b>Subject:</b>	FEE RATES FOR ADULT SOCIAL CARE SERVICES 2019/20		
<b>Corporate Director(s)/ Director(s):</b>	Candida Brudenell, Corporate Director of Strategy and Resources		
<b>Portfolio Holder(s):</b>	Councillor Sam Webster, Portfolio Holder for Adults and Health		
<b>Report author and contact details:</b>	Kaj Ghattaora Provider Performance and Development Manager Tel: 0115 8765748 Email: <a href="mailto:Kaj.ghattaora@nottinghamcity.gov.uk">Kaj.ghattaora@nottinghamcity.gov.uk</a>		
<b>Key Decision</b>	<input checked="" type="checkbox"/> Yes	<b>Subject to call-in</b>	<input checked="" type="checkbox"/> Yes
<b>Reasons:</b>	<input type="checkbox"/> Expenditure <input type="checkbox"/> Income <input type="checkbox"/> Savings of £1,000,000 or more taking account of the overall impact of the decision		<input checked="" type="checkbox"/> Revenue
Significant impact on communities living or working in two or more wards in the City			<input type="checkbox"/> No
<b>Total value of the decision: £2.413m</b>			
<b>Wards affected:</b>		<b>Date of consultation with Portfolio Holder(s): Monday 19<sup>th</sup> November 2018</b>	
<b>Relevant Council Plan Key Theme:</b>			
Strategic Regeneration and Development			<input type="checkbox"/>
Schools			<input type="checkbox"/>
Planning and Housing			<input type="checkbox"/>
Community Services			<input type="checkbox"/>
Energy, Sustainability and Customer			<input type="checkbox"/>
Jobs, Growth and Transport			<input type="checkbox"/>
Adults, Health and Community Sector			<input checked="" type="checkbox"/>
Children, Early Intervention and Early Years			<input type="checkbox"/>
Leisure and Culture			<input type="checkbox"/>
Resources and Neighbourhood Regeneration			<input type="checkbox"/>
<b>Summary of issues (including benefits to citizens/service users):</b> This report presents proposals for fee rates in 2019/20 across adult social care contracted provision. This also takes into account the National Living Wage rate from April 2019. The Council is contractually bound to consider fee rates on an annual basis where it has a statutory duty to provide a service. The Council will consult with providers on these proposals during January / February 2019.			
<b>Exempt information:</b> <b>State 'None' or complete the following.</b> Appendices to this report are exempt from publication under paragraph 3 and paragraph 5 of Schedule 12A to the Local Government Act 1972 because it contains commercially sensitive information relating to the Councils pricing structure and financial modelling. Having regard to all the circumstances, the public interest in maintaining the exemption outweighs the public interest in disclosing the information. : Legal advice is exempt from publication under paragraphs 5 of Schedule 12A to the Local Government Act 1972 because it contains information which is subject to legal professional privilege and having regard to all the circumstances, the public interest in maintaining the exemption outweighs the public interest in disclosing the information. It is not in the public interest to disclose this information because to disclose could prejudice the ability of the decision maker to consider the decision and associated advice in its entirety.			

<b>Recommendation(s):</b>	
<b>1</b>	To 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.
<b>2</b>	To delegate authority to the Head of Contracting and Procurement to agree fee rates in accordance with the proposals detailed in the exempt appendix pricing detail. This is subject to the outcome of consultation with providers and in line with the Council budget.
<b>3</b>	To approve the total spend associated with this decision of £2.413m. Note: Approval to spend against the high cost placement provision will be through the Council's scheme of delegation for Adults Care Packages.

## **1 REASONS FOR RECOMMENDATIONS**

- 1.1 The Council is contractually bound to consider fee rates in respect of services that it has a duty to provide. This is balanced against budget commitments and pressures for the City Council.
- 1.2 In accordance with its legal obligation, the Council will consult with adult social care providers with regard to these proposals. The Head of Contracting and Procurement will take account of consultation responses and issue variations to existing contracts reflective of the proposals in this report should no significant issue arise

## **2 BACKGROUND (INCLUDING OUTCOMES OF CONSULTATION)**

- 2.1 The Council has a legal duty to consider fee rates for social care contracted services. The Council also has a policy to pay the Nottingham Living Wage in respect of all services that it directly commissions. Following the budget announcement in July 2015, the government has also made a commitment to introduce the National Living Wage (NLW). Inflationary fee rate modelling is therefore key to enable social care providers are able to meet NLW and other inflationary pressures, and manage the social care market. This however must be balanced against budget commitments and pressures for the City Council.
- 2.2 Every year officers undertake analysis of the potential impact of fee rates on adult social care providers meeting National Living Wage requirements as well as other pressures such as cost of living, pensions, profit and voids. This analysis also considers budget savings required across adult provision as a consequence of ongoing reductions in the funding the Council receives from central government. Analysis takes place on a sector by sector basis across the social care budget against a backdrop of increased demand for social care provision as a result of demographic pressures, policy change and increased difficulty in attracting workers into the care sector due to increased competition from other sectors.

## **3 OTHER OPTIONS CONSIDERED IN MAKING RECOMMENDATIONS**

- 3.1 Do nothing – we are contractually bound to review contract fee rates on an annual basis. Doing nothing would have placed the Council at risk of legal challenge. For this reason, this option was rejected.

3.2 Offer different fee rate proposals. This option has been rejected as the inflationary rise proposed has resulted from significant work and modelling between finance and contracting colleagues, taking into account our contractual requirement, knowledge of the market and the overall budget pressures for Adult Social Care. The final proposals have also tried to take into account the risk on service delivery and market failure. Offering different fee rate proposals would put pressure on the Adult Social Care budget and this is not a feasible option.

3.3 To undertake analysis of individual provider costs and offer fee rates based on the cost of care to factor wage rated paid, pension contributions, profit and void levels etc. This option has been rejected as it will be administratively burdensome and not feasible at this time and problematic as rates of pay and other factors are not standard across the sector.

#### **4 FINANCE COLLEAGUE COMMENTS (INCLUDING IMPLICATIONS AND VALUE FOR MONEY/VAT)**

4.1 Finance comments are contained within an exempt appendix

Hayley Mason, Strategic Finance Business Partner, 22 November 2018

#### **5 LEGAL AND PROCUREMENT COLLEAGUE COMMENTS (INCLUDING RISK MANAGEMENT ISSUES, AND INCLUDING LEGAL, CRIME AND DISORDER ACT AND PROCUREMENT IMPLICATIONS)**

5.1 Legal comments are contained within an exempt appendix

Dionne Screatton, Solicitor, 2 December 2018

#### **6 STRATEGIC ASSETS & PROPERTY COLLEAGUE COMMENTS (FOR DECISIONS RELATING TO ALL PROPERTY ASSETS AND ASSOCIATED INFRASTRUCTURE (STRATEGIC REGENERATION COMMITTEE REPORTS ONLY)**

6.1 None applicable

#### **7 SOCIAL VALUE CONSIDERATIONS**

7.1 None applicable

#### **8 REGARD TO THE NHS CONSTITUTION**

8.1 None applicable

#### **9 EQUALITY IMPACT ASSESSMENT (EIA)**

9.1 An EIA is not required because this report is solely concerned with adjustment to existing contractual values

#### **10 LIST OF BACKGROUND PAPERS RELIED UPON IN WRITING THIS REPORT (NOT INCLUDING PUBLISHED DOCUMENTS OR CONFIDENTIAL OR EXEMPT INFORMATION)**

10.1 None

**11 PUBLISHED DOCUMENTS REFERRED TO IN THIS REPORT**

11.1 None



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of the Local Government Act 1972.

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of the Local Government Act 1972.

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