



NOTTINGHAM CITY COUNCIL
COMMISSIONING AND PROCUREMENT SUB-COMMITTEE

Date: Tuesday, 11 June 2019

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: Phil Wye **Direct Dial:** 01158764637

- | | | |
|----------|--|---------|
| 1 | APPOINTMENT OF VICE-CHAIR | |
| 2 | APOLOGIES FOR ABSENCE | |
| 3 | DECLARATIONS OF INTEREST | |
| 4 | MINUTES To confirm the minutes of the meeting held on 12 March 2019 | 3 - 6 |
| 5 | PROCUREMENT OF FOSTERING AND CHILDREN'S RESIDENTIAL PLACEMENTS FOR CHILDREN IN CARE Report of the Corporate Director for Children and Adults and the Corporate Director for Strategy and Resources | 7 - 12 |
| 6 | VULNERABLE PERSONS' RESETTLEMENT SCHEME (VPRS) -- FUNDING EXTENSION Report of the Corporate Director for Commercial and Operations and the Director of Community Protection | 13 - 20 |
| 7 | CRIME AND DRUGS PARTNERSHIP CONTRACT APPROVAL 2019/20 Report of the Director of Commissioning and Procurement, Director of Public Health and Director of Community Protection | 21 - 24 |
| 8 | PROCUREMENT STRATEGY 2018-23 YEAR END REPORT Report of the Corporate Director for Strategy and Resources and the | 25 - 32 |

Director of Commissioning and Procurement

9 FUTURE MEETING DATES

To agree to meet on the following Tuesdays at 10am:

2019

9 July
10 September
15 October
12 November
10 December

2020

14 January
11 February
10 March
14 April

10 EXCLUSION OF THE PUBLIC

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

**11 CRIME AND DRUGS PARTNERSHIP CONTRACT APPROVAL
2019/10 - EXEMPT APPENDIX**

33 - 36

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. 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 12 March 2019
from 10.00 am - 10.28 am**

Membership

Present

Councillor Graham Chapman (Chair)
Councillor Toby Neal (Vice Chair)
Councillor Dave Trimble

Absent

Councillor David Mellen
Councillor Sam Webster

Colleagues, partners and others in attendance:

| | |
|------------------|--|
| Celina Adams | - Head of Support Services, Nottingham CVS |
| Christine Oliver | - Head of Commissioning |
| Jo Pettifor | - Strategic Procurement Manager |
| Phil Wye | - Governance Officer |

Call-in

Unless stated otherwise, all decisions are subject to call-in. The last date for call-in is 20 March 2019. Decisions cannot be implemented until the working day after this date.

57 APOLOGIES

Councillor David Mellen – other Council business
Councillor Sam Webster – work commitments

58 DECLARATIONS OF INTERESTS

None

59 MINUTES

The minutes of the meeting held on 12 February 2019 were confirmed as a correct record and signed by the Chair.

60 VOLUNTARY AND COMMUNITY SECTOR UPDATE

An update document was submitted by Celina Adams, Head of Support Services at Nottingham Community and Voluntary Services and is appended to these minutes.

Committee members were informed that the Council's Procurement Strategy allows for Social Enterprises to bid for tenders but opportunities and access could be improved.

RESOLVED to note the content of the update document

61 NOTTINGHAM CITY COUNCIL PROCUREMENT PLAN 2019-2024

Jo Pettifor, Category Manager – Strategy and People, introduced the report presenting an update of the Nottingham City Council Procurement Plan for 2019-2024, which sets out the Council's planned programme of procurement activity for all goods, works and services over this five-year period.

Committee Members suggested that the Procurement Plan could include additional information on the indicative length and value of contracts. All relevant contracts are considered and agreed by this Committee.

RESOLVED to

- (1) note the Nottingham City Council Procurement Plan 2019-2024;**
- (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 2019/20 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

Do nothing. This would impact upon the planning of the Council's procurement activity across all goods, works and services. There would be a risk of non-compliance with the Council's Contract Procedure Rules and Financial Regulations and applicable EU and UK Procurement Regulations due to procurement activity not being undertaken in a timely way and contracts needing to be extended before their expiry date. In relation to commissioned services, it would impact on the alignment of procurement activity with the programme of commissioning reviews undertaken within Strategy and Resources. For these reasons, this option was rejected.

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Agenda Item 5

**COMMISSIONING AND PROCUREMENT SUB-COMMITTEE/STRATEGIC
REGENERATION COMMITTEE – 11/06/19**

| | | | |
|---|--|---------------------------|---|
| Subject: | Procurement of fostering and children's residential placements for children in care. | | |
| Corporate Director(s)/ Director(s): | Alison Michalska, Corporate Director for Children and Adults Candida Brudenell, Corporate Director for Strategy and Resources | | |
| Portfolio Holder(s): | Cllr Cheryl Barnard, Portfolio Holder for Children & Young People | | |
| Report author and contact details: | Michael Rowley, Lead Contracts and Market Development Officer, Children's Placement Service. | | |
| Key Decision | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | Subject to call-in | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| Reasons: <input checked="" type="checkbox"/> Expenditure <input type="checkbox"/> Income <input type="checkbox"/> Savings of £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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | |
| Total value of the decision: up to £150,000,000 potential across 4 (+2) year framework | | | |
| Wards affected: All | Date of consultation with Portfolio Holder(s): 9 th May (Cllr Mellen, Portfolio Holder at that time) | | |
| Relevant Council Plan Key Theme: | | | |
| 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 checked="" type="checkbox"/> |
| Leisure and Culture | | | <input type="checkbox"/> |
| Resources and Neighbourhood Regeneration | | | <input type="checkbox"/> |
| Summary of issues (including benefits to citizens/service users): | | | |
| <p>NCC Children's Placements Service currently buys independent fostering and residential services for children in care via the East Midlands Regional Children's Framework (EMRCF); and has done so since the first iteration of this framework was procured in 2011.</p> <p>We have a legal duty to provide sufficient appropriate fostering and residential placements for our children in care, and to do this we need to supplement our internal fostering and residential services with those provided by the external market.</p> <p>The EMRCF expires on 31st January 2020 and a new arrangement will be required from 1st February. The new contract and purchasing mechanism should deliver good quality, and sufficient, placements for our children and young people in care, whilst representing value for money.</p> | | | |
| Exempt information: | | | |
| <p>State 'None' or complete the following.</p> <p>None.</p> | | | |

| | |
|---------------------------|--|
| | |
| Recommendation(s): | |
| 1 | Approval to procure a framework for the provision of independent fostering in partnership with the D2N2 councils, with procurement carried out by Nottinghamshire County Council |
| 2 | Approval to procure a framework for the provision of independent children's homes in partnership with the D2N2 councils, with procurement carried out by Nottinghamshire County Council |
| 3 | To delegate authority to the Director of Children's Integrated Services to approve the outcome of the tenders (in partnership with the D2N2 Councils) and award contracts to secure best value, in consultation with Portfolio Holder for Early Intervention & Early Years |
| 4 | To delegate authority to the Head of Contracting and Procurement to sign contracts arising from the tender process once the tender outcome is agreed |
| 5 | To delegate authority to the Head of Contracting and Procurement to sign any inter Local Authority partnership agreement that may be required to set out the legally binding relationship and inter-dependencies between NCC, Derby City, Derbyshire County and Nottinghamshire County Council. |
| 6 | <p>To approve the maximum expenditure from the Children's Placement Service budget in line with the predicted amount noted under total value of decision, which is based on 18/19 prices</p> <p><i>Note: The commitment of expenditure on placements made under these contracts is approved under the Councils Constitution Part 2 – Responsibility for Functions, Section 9 – Scheme of Delegation, reference 274(a).</i></p> |

1 REASONS FOR RECOMMENDATIONS

- 1.1 The EMRCF expires in January 2020 and a new arrangement will be required, as NCC has a statutory duty to provide appropriate placements for children in care.
- 1.2 The D2N2 councils all experience the same shortages of both fostering and residential placements that meet the specific needs of some of our most vulnerable children and young people, and whilst the EMRCF has provided a mechanism to purchase a high volume of placements, it has not developed the regional market in line with the emerging needs of our children and young people.
- 1.3 NCC Children's Placement Service, and those in the other D2N2 councils wish to engage with the market in a more collaborative way, asking for more flexible and bespoke solutions to meet the needs of our more complex children and young people.
- 1.4 Operating frameworks over the smaller, sub-regional geography will allow us to develop the market over time, running subsequent procurement exercises to contract with providers to deliver against specific needs. These frameworks

will allow us to work more closely with those providers that are ready to align their business development plans with meeting the needs of D2N2 children in care. This could represent a significant change in the way we work with the external market for fostering and residential care, and could prove a much more effective way to meet the needs of our more complex children and young people.

- 1.5 By operating our frameworks within the D2N2 footprint we aim to place an ever increasing proportion of our children and young people in 'local' fostering and residential placements (in this context local is accepted as being within 20 miles of Nottingham city centre). Over time we will work towards our aim of placing all NCC children in care within the D2N2 footprint, unless specific care plans require a young person to take a placement outside of that area.

2 BACKGROUND (INCLUDING OUTCOMES OF CONSULTATION)

- 2.1 The current EMRCF for Looked After Children placed in Independent Foster Care and Residential Care has provided a structure for the commissioning of external placements for Looked After Children in Nottingham City since April 2011. This has supported the Children's Placement Service in sourcing appropriate placements, taking into account quality, price, location and children's individual needs. However over the last two years there has been an increasing need to source placements off-framework, and the interaction between NCC and the providers on the framework has become less collaborative.
- 2.2 On 31st March 2019 we had 456 children and young people in foster care, of which 221 (approximately 49%) were placed with foster families in the independent sector (via Fostering Agencies). We also had 61 young people in external residential placements, including parent and child assessment centres and welfare secure placements.
- 2.2 The Children's Placement Services in all four of the D2N2 councils have developed close working relationships during the course of the EMRCF and other sub-regional partnership work. It is our belief that a geographically smaller framework will bring additional benefits to those the EMRCF has delivered, and will also provide a strong opportunity to do things differently, more collaboratively.
- 2.3 Commissioners held a market engagement event on 14th February 2019 and feedback at this event demonstrated that there is an appetite amongst the fostering agencies and children's home providers for a more collaborative partnership approach to the commissioning of children's placements. Furthermore there were a number of providers, including those based locally, that were very enthusiastic about the proposed approach and who confirmed that this direction of travel is more likely to enable them to prioritise D2N2 referrals than the approach of the previous frameworks.
- 2.4 Consultation and engagement is taking place with children and young people via the Children in Care Council – both at NCC and the other D2N2 councils. An initial session was held on 25th March and follow-up consultations will take place on 29th April and 24th June 2019. Our aim is to have the young people draft or at least steer the focus of a question for providers that forms part of the tender process.

3 OTHER OPTIONS CONSIDERED IN MAKING RECOMMENDATIONS

- 3.1 NCC could commission fostering and residential placements as a single council either via framework contracts or spot-contracting but this would reduce the influence we have over sufficiency, quality and price.

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

- 4.1 The Council's external gross spend in 2018/19 for external residential and fostering placements was £21m, excluding semi-independent and remand placements. This spend will vary depending on activity levels and placement costs.
- 4.2 As detailed in sections 1.3 – 1.5, the proposed process will be the procurement mechanism for external residential and fostering provision in Nottingham City, Nottinghamshire County, Derby City and Derbyshire County. On this basis no further approval or dispensation from Contract Rules within the Council's Financial Regulations is required as this decision is deemed nil value as approval to spend on care placements is covered within the Council's Scheme of Delegation.
- 4.3 Whilst this contractual arrangement aims to offer a more flexible approach to ensure the needs of our more complex young people are met, it carries no guarantee of work and the approval to spend will be given through established mechanisms that exist within Children's Social Care for each package ensuring value for money (VfM).

Christine Green, Strategic Finance Business Partner – Childrens & Education, 22nd May 2019.

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

- 5.1 This report does not raise any significant legal issues. The procurement of this type of service is governed by the 'light touch' regime in the Public Contracts Regulations 2015. This gives greater freedom to the Council partners to design a contractual 'framework' that can provide flexibility when looking to place children with providers.
- Recommendation 5 refers to an inter-authority agreement between the partners. If this is simply to regulate use of the framework then this should be a straightforward agreement. However, it could go further and set out contract management and monitoring roles of the parties.
- It is understood that the purpose of the note at Recommendation 6 is to confirm that there is already in place in accordance with the City Council's scheme of delegation (at para 274(a)) authority to place children with providers under framework contracts. The Legal Services Team will assist the procurement and commissioning teams with the contracts involved in this project.

Andrew James Team Leader Commercial, Employment and Education 23rd May 2019.

5.2 Procurement Comments

The proposed procurement of a framework for the provision of independent fostering and residential services for children in care is to be undertaken in partnership with other D2N2 Councils of Derby City, Derbyshire County and Nottinghamshire County Council. It will enable continuity of service provision through a compliant contract arrangement when the current regional framework expires in January 2020. The tender process will be led by Nottinghamshire County Council and will be in accordance with EU and UK procurement regulations. Therefore, the recommendations in this report are supported from a procurement perspective and the Procurement Team will engage with the D2N2 partners and provide support for the procurement process as required.

Jo Pettifor, Category Manager – Strategy and People, 30th April 2019.

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 Consideration has been given to how the services being commissioned could improve economic, social and environmental well-being in Nottingham. By virtue of the type of services being commissioned, social improvements are expected to be delivered, particularly for the children and young people receiving the services, but also for the wider economic well-being of Nottingham.

7.2 It is anticipated that improved outcomes for Nottingham's Looked After population will be achieved by enabling an increased number of children and young people to remain living locally in high quality care provision.

7.3 There is potential to create increased employment opportunities for local citizens due to residential care provision either being established or expanding in the D2N2 area.

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 it is a statutory duty for the council to provide sufficient fostering and residential care placements for children in the care of the Local Authority. This has been done via the ERMCF since 2011 and the changes to the commissioning and contracting arrangements detailed in this report do not represent a change to the service provided to children and young people, other than to provide commissioners with an opportunity to improve the choice, quality of service and value for money.

Yes



**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.

Agenda Item 6

COMMISSIONING AND PROCUREMENT SUB-COMMITTEE – 11/06/19

| | | | |
|--|---|---|--|
| Subject: | Vulnerable Persons' Resettlement Scheme (VPRS) – Grant Funding Extension | | |
| Corporate Director(s)/ Director(s): | Andy Vaughan – Corporate Director, Commercial & Operations Andrew Errington – Director, Community Protection | | |
| Portfolio Holder(s): | Cllr Rebecca Langton – Portfolio Holder, Communities | | |
| Report author and contact details: | Noel Oxford – Refugee Resettlement Project Officer Noel.oxford@nottinghamcity.gov.uk 07702816014 | | |
| Key Decision | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | Subject to call-in |
| | | | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| Reasons: | <input checked="" type="checkbox"/> Expenditure <input type="checkbox"/> Income <input type="checkbox"/> Savings of £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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No | |
| Total value of the decision: £372,932.74 | | | |
| Wards affected: Small numbers in multiple wards. Citywide contract to support 120 people in Nottingham. | | Date of consultation with Portfolio Holder(s): 19/02/2019 – Cllr Toby Neal | |
| Relevant Council Plan Key Theme: | | | |
| 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 checked="" type="checkbox"/> |
| Leisure and Culture | | | <input type="checkbox"/> |
| Resources and Neighbourhood Regeneration | | | <input type="checkbox"/> |
| Summary of issues (including benefits to citizens/service users): | | | |
| <p>The VPRS is a managed migration scheme which provides casework and orientation support to resettled refugees fleeing the Syrian civil war to Nottingham and South-West Nottinghamshire.</p> <p>This programme (fully funded for the first year, tapering through years 2 to 5) enables Local Authorities to voluntarily play their part in delivering a central government objective of 20,000 refugees resettled nationwide by 2020.</p> <p>Each individual's participation in VPRS runs for five years; as such, the first families to arrive (December 2015) will exit the scheme in 2020, while the final families to arrive (November 2019) will exit in 2024. As such, the project is currently approaching the midway point of an almost ten-year lifespan.</p> <p>Since 2015, Community Cohesion & Safety (CC&S) has worked in partnership with a group of second-tier Nottinghamshire Local Authorities (Gedling, Broxtowe, Rushcliffe and Newark & Sherwood) to support their participation in resettlement. All four of these authorities are therefore participants in the same support and integration arrangements as Nottingham City Council.</p> <p>For funding purposes, Nottingham City Council acts as Accountable Body for this consortium; NCC plans and oversees arrivals and ongoing orientation projects in a programme-management capacity; and draws down and administers grant funding for these purposes on partners' behalf, retaining an 8% management fee.</p> | | | |

Local Authorities are required to provide bespoke support to families to build cultural integration, promote and improve access to universal services, develop English fluency, and overcome barriers to employment. The scheme is now in its fourth year, and final arrivals under this iteration of the scheme will take place in November 2019.

Originally set up in 2014 to resettle extremely small numbers of Syrian nationals, this programme was expanded in late 2015, responding to an emerging humanitarian crisis within an extremely tight timeframe. CC&S began work on implementation with very limited knowledge of how the programme would be rolled out, and what the actual needs of the cohort would be. CC&S worked with Nottingham and Nottinghamshire Refugee Forum (NNRF) to develop and deliver an entirely new resettlement casework service in around 8 weeks. This work was grant-funded as part of the existing 'Communities of Identity' grant programme for asylum seeker and refugee support.

After action-learning and constant review of SLAs and support arrangements, it is now a great deal clearer to CC&S what support the resettled cohort requires, and the approximate costs of this. This means the support service now needs to move to a commissioning decision to put these parameters on a contractual footing. However, we need to create time and space for this process to take place.

Portfolio Holder agreement has therefore been secured to amend and extend the current grant-aid SLA by up to 12 months, giving time for a Commissioning-led 'Make or Buy' review to take place.

This report therefore seeks to ensure that wider Council support is available for this extension, and to make the sub-committee aware of the project so that oversight will be held within this forum.

Exempt information:

State 'None' or complete the following.

None

Recommendation(s):

- 1** To roll forward the existing grant-funding arrangement, and amend the current SLA with NNRF, to meet the needs of resettled refugees for up to 12 months, at a maximum value of £372,932.74 for the financial year 2019-20.
- 2** To undertake a concurrent Commissioning-led 'Make or Buy' review, in consultation with all existing stakeholders, and supported by colleagues in the Community Cohesion & Safety Service. To be funded from Resettlement grant funds.

1 REASONS FOR RECOMMENDATIONS

1.1 Since September 2018, Community Cohesion & Safety has engaged in an array of consultation, learning and evaluation exercises with stakeholders at all levels of the service, in order to assess the effectiveness of delivery to date. These exercises combined with action learning have highlighted the gaps in the service as it currently exists, and have allowed us to agree a comprehensive specification for its redesign.

1.2 CC&S therefore needs to consider and establish the best means to consult on and implement this redesign, through a Commissioning-led 'Make or Buy'

review, and time to consider carefully all implications arising from the outcome of this (eg, TUPE, re-tendering, etc). Therefore, CC&S are requesting an extension of the current grant-aid agreement with NNRF by up to one (1) year, while these processes take place.

2 BACKGROUND (INCLUDING OUTCOMES OF CONSULTATION)

- 2.1 In 2015, Nottingham City Council, Gedling and Broxtowe Borough Councils made a joint commitment to 'play their part' in delivering a central government objective to resettle 20,000 vulnerable Syrian refugees in the UK by 2020. CC&S has led on this project, and has accepted a management fee from partner Councils' grant funding to do so.
- 2.2 During 2016, the partnership expanded on this arrangement, to include Rushcliffe Borough, and Newark and Sherwood District Councils. As such, CC&S now supports resettlement across five Local Authority areas, and works closely with Nottinghamshire County Council to co-ordinate upper-tier services in these localities.
- 2.3 In the same period, the national resettlement scheme has likewise expanded to include individuals of other nationalities who have been displaced by the Syrian conflict. This introduces additional complexity, as the service now must empower integration for individuals of multiple cultural, socioeconomic and educational backgrounds.
- 2.4 CC&S have a Service Level Agreement (SLA) with NNRF to deliver casework services for the cohort, and have to date managed 16 intakes comprising 65 refugee families, with a further intake planned for June 2019. This work has evolved rapidly from a bare-bones casework and advice support package, set up for delivery in under eight weeks, into a full orientation and capacity-building service, covering the five funded years of resettlement, including employability support and ESOL.
- 2.5 To date the partnership has resettled 267 individuals against a combined pledge of 286, based on each local authority's per capita 'share' of 20,000, to achieve overall combined progress versus pledge of 93%
- 2.6 Three years since the first arrival, families are generally settling and integrating well. However, partnership stakeholders have identified a number of issues which have led us to reconsider approaches to empowering families' self-sufficiency within the scheme's lifetime. We have therefore been seeking continuous service improvement and evolving our SLA with NNRF over this period of time.

3 OTHER OPTIONS CONSIDERED IN MAKING RECOMMENDATIONS

- 3.1 N/A

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

- 4.1 Comments provided by Michelle Pullen, Finance Manager, Community Protection

- 4.2 The scheme runs over five years, and is grant funded by the Department for International Development (DfID), via the Home Office. All first year costs are fully recoverable, with funding tapering down across years two to five.

Nottingham City Council retains an 8% fee from this grant for management of families under County authorities. For funding purposes, the partnership is treated as one entity, and funds are pooled across all families. This has created substantial economy of scale; this work will therefore attract, in total, approximately £6.6m in ring-fenced grant funding into the service by 2024.

- 4.3 CC&S's current SLA with NNRF is based on a notional 45 individuals arriving in a given calendar year, topping up if this threshold is exceeded. We are committed to funding NNRF casework until end FY18/19, at a tariff rate of £2,666.07 per head for year one, tapering down to £533.21 per head by year five.
- 4.4 The partnership has resettled 51 individuals during calendar year 2018. Together with the 178 individuals resettled in previous years, this represents a total casework spend for FY18/19 of £378,240.42, plus an extra top-up payment of £15,996.42 (this in consideration of six extra individuals arriving), for a total of £394,236.84.
- 4.5 This is set against £1.05m of total grant income for FY18/19.
- 4.6 NNRF has agreed in principle to a tariff of £2,399.46 for FY19/20, a 10% reduction over previous grants, in consideration of reduced casework capacity, due to vacancies requiring backfill. If the current SLA were to continue under the new tariff (based on a minimum 45 arrivals during calendar year 2019, plus support for those in years two to five), FY19/20 casework spend would total £344,139.18. Assuming 57 arrivals (and thus completion of all pledges), FY19/20 spend would total £372,932.74.
- 4.7 This is set against £1.02m of total grant income for FY19/20.
- 4.8 As the last families to arrive exit their first year in late 2020, income and expenditure should automatically begin to taper off in balance with each other.

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

- 5.1 Although it is understood that the service will be subject to a commissioning process in the next financial year it is permissible to continue to provide the financial support as grant funding in this financial year. That is on the basis the services are not being specifically commissioned for the City Council but are being provided by the recipient to refugees and the City Council is willing and offering to provide additional financial support.
- 5.2 Where the City Council provides financial support to an organisation through grant funding instead of undertaking a competitive procurement exercise it must ensure the funding is not unlawful state aid. The status of the recipient as a charity or is not for profit is not relevant for the purposes of determining whether the recipient has received unlawful state aid. There is a reasonable argument that funding for the resettlement of refugees in Nottingham is geographically specific to Nottingham, and it is unlikely that the provision of the funding would have any negative impact on cross-border investment or the establishment of the same sort

of services. On that basis it is not a trading activity that would adversely affect inter-state trade and is therefore not state aid. The Legal Team will assist the Refugee Resettlement project team with the preparation of the grant funding agreement.

Andrew James, Team Leader (Commercial, Employment and Education) 7th May 2019.

5.3 Procurement comments

The proposed extension of the existing grant funding arrangement with Nottingham and Nottinghamshire Refugee Forum for up to one year will enable continuity of services while a commissioning-led review is undertaken and the outcomes implemented. As this is a grant funding arrangement, it does not present any procurement issues. The proposed commissioning review will consider the service requirements and options for future delivery (including 'Make or Buy') in order to secure best outcomes and value for money. Any procurement process required as a result of these decisions will be undertaken by the Procurement Team through a fair and open process, compliant with EU and UK regulations. In accordance with the Procurement Strategy 2018-23, the procurement process includes consideration of social value in order to maximise the social, economic and environmental benefits to the City of contracts awarded.

Jo Pettifor, Category Manager - Strategy & People, 7th May 2019

5.4 Risk Management

As a vulnerable cohort, resettled refugees are at particular risk of ASB, Hate Crime, in particular in County areas and in less diverse areas of the City.

Early intervention in terms of harm prevention is the first priority, and work is done with each intake to ensure that key messages around Hate Crime and ASB are communicated; that this behaviour should not be tolerated and that it will be considered seriously by the relevant authorities.

We find that families are often reluctant to involve uniformed services directly, which is likely an impact of their flight and bureaucratic conditioning. However, a number of families across the cohort have been adversely affected by crime and disorder issues; they tend to raise informal reports to us directly, or via their caseworkers, which will be passed onto Police/ASB as appropriate. It is important to bear in mind that in some cases, these complaints may be a bargaining tactic aimed at securing a better resettlement offer. However, all such information is investigated on its *prima facie* merits.

We work with CP Intelligence analysts to ensure that these matters are registered for consideration in the tasking process. In partnership with Community Protection teams (ASB and CPOs in particular) and Nottinghamshire Police, we support families and individuals intensively with these matters. We provide trusted interpreters to accompany face to face interviews, and follow up with NCC/NPF colleagues to channel updates back to families.

We also seek support from within our service, in particular from the Hate Crime Project Officer, who has been able to initiate wider pieces of response and mitigation work in areas where issues are particularly prevalent. Likewise, our colleagues will feed issues back to us when these are picked up by other teams.

Assuming a successor resettlement scheme is established, then as numbers, and therefore visibility, of resettled refugees increase in the aggregate, it becomes likely that the risk to this group will increase, with an associated increase in incidents. This risk is set against a background of growing political and social tension, particularly around immigration.

We are monitoring these tensions carefully as we move through the current scheme's lifespan.

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 VPRS was expanded in 2015 principally with the goal of providing vulnerable families a means to reach safety without needing to make hazardous sea crossings. Nottingham City Council has pledged to 'play its part' in responding to and alleviating a humanitarian crisis. In all cases, families resettled under VPRS are judged to be vulnerable or disadvantaged in some way. VPRS is therefore creating social value by providing a safe and legal route to safety for vulnerable families who may otherwise lack the resources or ability to independently flee from war.
- 7.2 VPRS is intended to provide resources for Local Authorities to build bespoke wrap-around support for these individuals and families, as well as to empower smooth orientation to UK culture and customs, with self-sufficiency as the ultimate goal. This means we have an opportunity to empower the resettled community to fast-track their economic and community development. We are already seeing refugees take up educational, vocational training, and employment opportunities. As these elements slot into place, the barriers to greater cultural integration begin to fall. Sustainable development of employment skills remains one of our critical priorities for a future casework package.
- 7.3 We have taken particular care to look for opportunities to empower resettled women, not only to raise awareness of the specific legal protection and rights which the UK offers, but also to promote and encourage greater equality and independence.
- 7.4 In addition, over 50% of the cohort are under the age of 18. Young people within the cohort are frequently able to adapt to UK culture much more swiftly than older generations. As such, in almost all cases, families view Nottingham as their permanent home, because their children are settled here and are making progress. In future, as the diaspora embeds itself more deeply into the fabric of Nottingham and Nottinghamshire, we anticipate seeing resettled young people taking their places at the forefront of the next generation, seeking to fulfil their ambitions, enriching the overall cultural and economic life of the city and surrounding areas.
- 7.5 Finally, as the work has developed, we have shifted from predominantly social housing towards a greater proportion of private rented sector (PRS) stock. In the interim, in 2018, Nottingham City Council has introduced Selective Licensing of

private lets, with the intention of improving PRS housing in Nottingham. As such, by working with private landlords to create compliant, affordable and sustainable housing for resettled refugees in the PRS, we have contributed in a material way to this strategic objective.

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 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 N/A

11 PUBLISHED DOCUMENTS REFERRED TO IN THIS REPORT

11.1 N/A

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Agenda Item 7

COMMISSIONING AND PROCUREMENT SUB-COMMITTEE – 11/06/19

| | | | |
|---|---|---|---|
| Subject: | Crime and Drugs Partnership Contract Approval 2019/20 | | |
| Corporate Director(s)/ Director(s): | Katy Ball, Director of Commissioning & Procurement Alison Challenger, Director Public Health Andrew Errington, Director Community Protection | | |
| Portfolio Holder(s): | Councillor Webster – Finance, Growth and the City Centre Councillor Mellen - Regeneration, Safety and Communications Councillor Williams - Adult Care and Local Transport | | |
| Report author and contact details: | Christine Oliver Head of Commissioning - 01158 765725 Tim Spink Head of Community Safety - 01158 764506 | | |
| Key Decision | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | Subject to call-in | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| Reasons: <input checked="" type="checkbox"/> Expenditure 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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| Total value of the decision: £9,916,345 | | | |
| Wards affected: All | | Date of consultation with Portfolio Holder(s): 28 May 2019 | |
| Relevant Council Plan Key Theme: | | | |
| Strategic Regeneration and Development | | | <input type="checkbox"/> |
| Schools | | | <input type="checkbox"/> |
| Planning and Housing | | | <input type="checkbox"/> |
| Community Services | | | <input checked="" 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 checked="" type="checkbox"/> |
| Leisure and Culture | | | <input type="checkbox"/> |
| Resources and Neighbourhood Regeneration | | | <input type="checkbox"/> |
| Summary of issues (including benefits to citizens/service users): | | | |
| <p>The purpose of this report is to seek delegated authority to the Director of Commissioning and Procurement to receive and collate grants and other funding for the Crime and Drugs Partnership.</p> <p>In addition to grant delegated authority to the Director of Commissioning and Procurement to award funding, award and extend contracts and grant authority to the Head of Contracting & Procurement to sign contracts in order to secure continuation of services and best value for Nottingham Citizens.</p> | | | |
| Exempt information: | | | |
| State 'None' or complete the following. | | | |
| Appendix 1 to the report is exempt from publication under paragraph 3 of Schedule 12A to the Local Government Act 1972 because it contains information relating to commercial confidentiality 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 it will prejudice negotiation with funders and providers. | | | |
| Recommendation(s): | | | |
| <p>1 To approve the anticipated receipt and expenditure of the Public Health Grant, Police and Crime Commissioner Grant, NCC and partner contributions by the CDP in 2019/20 as set out in exempt appendix 1.</p> | | | |

| | |
|----------|---|
| 2 | To delegate authority to the Director of Commissioning & Procurement to allocate anticipated funds for the above expenditure to the Head of Commissioning, as set out in exempt appendix 1. |
| 3 | For the purpose of OPCC grant funding for serious youth and red thread, to delegate authority to the Director Community Protection to receive the budget and allocate the anticipated funds to providers. |

1 REASONS FOR RECOMMENDATIONS

- 1.1 To ensure the Public Health, Police and Crime Commissioner, NCC and partner contributions funding allocations are utilised to commission and contract with services in an appropriate way and in accordance with the correct legalisation.
- 1.2 To allow for relevant and necessary commissioning and commissioned activity to continue in order to maintain service provision for the citizens and meet identified local need.
- 1.3 To enable timely contract variations, extensions and allocations to be made to services in order to deliver continuation of services in 2019/20.

2 BACKGROUND (INCLUDING OUTCOMES OF CONSULTATION)

- 2.1 The OPCC has written proposals for allocating 2019/20 funding to the CDP. Public Health, Partner contributions and other funding has not yet been confirmed for 2019/20. Therefore indicative written proposals and unconfirmed allocations to the CDP for 2019/20 are set out in exempt appendix 1.
- 2.2 Exempt appendix 1 also sets out anticipated expenditure for the CDP for 2019/20.
- 2.3 In 2018/19 a twenty percent reduction in Public Health funded services was applied. Work continues with providers to achieve targets in line with the Medium Term Financial Plan.

3 OTHER OPTIONS CONSIDERED IN MAKING RECOMMENDATIONS

- 3.1 Option 1 - To cancel the provision of the services. This is not considered an option due to the impact on the Crime & Drug Partnership overall aims to reduce crime, substance misuse and domestic and sexual violence.

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

- 4.1 The anticipated value of the Public Health Grant, Police & Crime Commissioner Grant, Nottingham City Council, and partner contributions funds totals £9,916,345 in 2019/20 as outlined in exempt Appendix 1.
- 4.2 The proposals outlined in exempt Appendix 1 allow for savings to be delivered in 2019/20 which align to the requirements of the Medium Term Financial Plan (MTFP). Plans would need to be revised accordingly should funding differ from that anticipated.

- 4.3 Continuing commissioning activity will ensure a seamless service provision for residents and assist delivery of efficiencies in future years.
- 4.4 Any increase in contract value exceeding the amounts stated in exempt Appendix 1 would require further approval to be gained through the appropriate process.

Phil Gretton – Strategic Finance Business Partner - 15th May 2019

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

- 5.1 There are no significant issues arising from this report. Annual funding contributions are agreed with partners in respect of the activities set out in Appendix 1 as part of the work undertaken by the Crime and Drugs Partnership, which is hosted by the City Council.
- 5.2 Appropriate documentation will be put in place to record contributions and reflect the obligations of the parties.

Naomi Vass – Senior Solicitor, Legal Services

- 5.3 Any procurement associated with the provision of services included in this report should be compliant with Public Contracts Regulations 2015 and EU Procurement Regulations. The Procurement Team will support accordingly.

Julie Herrod – Lead Procurement Officer - 15th May 2019

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

- 6.1 This is not a capital decision.

7 SOCIAL VALUE CONSIDERATIONS

- 7.1 Recommendations have been considered in line with the Public Services (Social Value) act 2012. All services within this report aim to improve the social wellbeing of the client groups they target.

8 REGARD TO THE NHS CONSTITUTION

- 8.1 Local Authorities have a statutory duty to have regard to the NHS Constitution when exercising their public health functions under the NHS Act 2006. In making the decisions relating to public health functions we consider the NHS Constitution where appropriate and take into account how it can be applied in order to commission services to improve health and wellbeing.

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 a comprehensive EIA was completed against the substance misuse budget to inform the reductions to services in 2019/20. Individual EIAs are completed as part of commissioning activities in year. Therefore an additional EIA is not required to support the allocation of funds as set out within this paper.

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

10.1 Internal financial working documents, including budgets, email and spreadsheets.

11 PUBLISHED DOCUMENTS REFERRED TO IN THIS REPORT

11.1 None

| | | | |
|--|--|---------------------------|---|
| Subject: | PROCUREMENT STRATEGY 2018-23 YEAR END REPORT | | |
| Corporate Director(s)/ Director(s): | Candida Brudenell, Corporate Director Strategy and Resources Katy Ball, Director of Commissioning and Procurement | | |
| Portfolio Holder(s): | Councillor Sam Webster, Portfolio Holder for Finance, Growth and the City Centre | | |
| Report author and contact details: | Jo Pettifor – Category Manager - Strategy and People Tel: 0115 8765026 Email: jo.pettifor@nottinghamcity.gov.uk | | |
| Key Decision | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | Subject to call-in | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| Reasons: <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 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 type="checkbox"/> No | | |
| Total value of the decision: nil | | | |
| Wards affected: All | Date of consultation with Portfolio Holder(s): Cllr Sam Webster, Portfolio Holder for Finance, Growth and the City Centre - 28 th May 2019 | | |
| Relevant Council Plan Key Theme: | | | |
| Strategic Regeneration and Development | | | <input checked="" type="checkbox"/> |
| Schools | | | <input checked="" type="checkbox"/> |
| Planning and Housing | | | <input type="checkbox"/> |
| Community Services | | | <input checked="" type="checkbox"/> |
| Energy, Sustainability and Customer | | | <input checked="" type="checkbox"/> |
| Jobs, Growth and Transport | | | <input checked="" type="checkbox"/> |
| Adults, Health and Community Sector | | | <input checked="" type="checkbox"/> |
| Children, Early Intervention and Early Years | | | <input checked="" type="checkbox"/> |
| Leisure and Culture | | | <input checked="" type="checkbox"/> |
| Resources and Neighbourhood Regeneration | | | <input checked="" type="checkbox"/> |
| Summary of issues (including benefits to citizens/service users): | | | |
| <p>The Nottingham City Council Procurement Strategy 2018-2023 (the Strategy) drives the use of the Council's spending power to drive our key strategic objectives of:</p> <ul style="list-style-type: none"> Citizens at the heart Securing economic, social and environmental benefits Commercial efficiency. <p>This report presents the outcomes and achievements delivered under the Strategy in its first year 2018-19, which are detailed in Appendix 1. During 2018-19, procurement activity has delivered:</p> <ul style="list-style-type: none"> 384 contracts awarded - representing a total value of £228.4m £133.8m injected into the local economy – 58.56% of total contract value awarded to City suppliers (of which £37.9m awarded to local SMEs). A total of 67.5% of contract value (£154m) retained within Nottinghamshire; 72.2% within the East Midlands area (£165m) 113 new entry level jobs and 24 apprenticeships created Cashable savings of £2.6m per annum – representing 2.4% of total contract value awarded (recurring contracts only) Income generation (for the Council or its subsidiaries) of £3.3m from sold procurement activity and concession contracts (over the full life of contracts) 130 contracts awarded subject to the 1% levy. Levy income is dependent on expenditure under contracts during their lifetime and based on expenditure on relevant contracts in 2018/19, the anticipated income for employment and skills activity is £105,401 | | | |

| |
|--|
| <ul style="list-style-type: none"> 114 environmental measures and requirements included in contracts awarded |
| Exempt information: None |
| Recommendation(s): |
| 1 To note the outcomes delivered under the Nottingham City Council Procurement Strategy 2018-23 in its first year (2018/19) - as detailed in Appendix 1 |

1 REASONS FOR RECOMMENDATIONS

- 1.1 The Procurement Strategy 2018-23 provides a robust framework for the procurement of all goods, works and services to drive the delivery of the Council's strategic priorities within a challenging financial context. It sets out how procurement will use the Council's spending power to pursue our key objectives of:
- Citizens at the heart
 - Securing economic, social and environmental benefits
 - Commercial efficiency
- 1.2 The delivery of the Council's strategic priorities depends on the efficient and strategic use of our spending power, therefore the Procurement Strategy promotes a commercial approach to support the Council to address the significant financial challenges it faces now and in the longer term.
- 1.3 The Strategy drives the delivery of social value for the City by addressing economic, social and environmental considerations at all stages of the procurement cycle, through the framework of the Public Services (Social Value) Act 2012. It sets out the key actions to be taken to maximise the economic, social and environmental benefits to be secured through all our purchasing activity.
- 1.4 Implementation of the Strategy during 2018-19 has enabled a focus on:
- Commercial efficiency – a commercial approach and securing best value for money
 - Citizens at the heart – providing great services that are right for all citizens and customers
 - Partnerships and collaboration – maximising opportunities for joint working
 - Governance, fairness and transparency – to ensure a level playing field and legal compliance
 - Ethical standards – promoting the well-being and protection of work forces throughout the supply chain
 - Innovation and improvement – developing our processes and working innovatively to secure improved outcomes.

2 BACKGROUND (INCLUDING OUTCOMES OF CONSULTATION)

- 2.1 The development of the Nottingham City Council Procurement Strategy 2018-23 provided an opportunity to take stock of the strategic context for procurement with reference to national and local policies and strategic drivers. These included the Public Services (Social Value) Act 2012, the legal framework of the EU and UK Procurement Regulations and key Council plans such as the City Council Plan 2015-20, the Nottingham Plan to 2020, the Nottingham Growth Plan and the Nottingham City Council Business Charter.

- 2.2 The Strategy was developed in conjunction with internal and external policy and strategy leads and other key stakeholders, particularly in relation to the key themes of economic growth, employment and skills and environmental sustainability. Consultation was undertaken with stakeholders including the Voluntary and Community Sector and the local business community and the feedback obtained helped to inform the Strategy.
- 2.3 A primary purpose of the Strategy is to inform the supplier market of the Council's key strategic objectives and the proposed procurement approach to deliver them. This aims to enable all potential suppliers (particularly local businesses, SMEs, SEs and the voluntary and community sector) to access our contract opportunities.
- 2.3 The Strategy has continued to embed a modern, effective and efficient procurement service delivering best value and quality services for citizens, supporting innovation and stimulating growth within the City. Through the Strategy, the aims of the Social Value (Public Services) Act 2012 are taken forward whilst ensuring that competition, transparency and equal treatment are maintained.
- 2.4 A Procurement Information Management System is used to monitor and report on the outcomes of procurement activity undertaken, in particular progress against the key economic, social and environmental objectives of the Strategy.
- 2.5 During 2018-19, 58.56% of total contract value awarded was to local suppliers, representing investment of £133.8m. The minor shortfall compared to previous years is primarily due to the award of a number of high value supplies contracts (such as equipment) during this year; however a number of these were awarded to Nottinghamshire-based companies therefore are likely to benefit the local supply chain and economy. The average local spend over the four year period 2015/16 to 2018/19 remains above target at 63.77%, equating to £667.7m of investment in the local economy.
- 2.5 Procurement has continued to provide sustainable funding for the Nottingham Jobs Employment Service, through the 1% levy rebate mechanism applied to eligible contracts. During 2018-19, 130 contracts have been awarded subject to the levy, although actual levy income will be dependent on expenditure over the lifetime of these contracts. Based on confirmed expenditure on contracts subject to the levy in 2018/19, income for this year to fund employment and skills activity is anticipated to be £105,401 (subject to receipt of repayments).
- 2.6 Procurement also continues to drive commercial and income generation initiatives; the projected total income generated for the Council or its subsidiaries through sold procurement activity and concession contracts awarded during 2018-19 is £3.3m (income over the full life of contracts).

3 OTHER OPTIONS CONSIDERED IN MAKING RECOMMENDATIONS

- 3.1 None

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

- 4.1 The financial implications of procurement activity included in this report have been aligned to the Medium Term Financial Plan as part of the decision making process for each project.

Each procurement process incorporated financial modelling and recommendations at the appropriate time ensuring value for money for the organisation and alignment to financial strategies.

Phil Gretton, Strategic Finance Business Partner. 13/05/2019.

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

- 5.1 The recommendations in this report are notes of action taken and do not raise significant legal issues. In the event the United Kingdom leaves the European Union during 2019/20 the City Council will need to ensure it complies with new requirements for advertising tenders. As at the date of this report there are no proposals for significant changes to the Public Contracts Regulations 2015 and Concession Contracts Regulations 2016. Legal Services will continue to provide support to the City Council's Procurement team by advising on relevant legislation, legal and commercial risks, and drafting and approving contract documents.

Andrew James, Team Leader (Contracts and Commercial) 02/05/19.

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 Procurement Strategy 2018-23 is a key driver in meeting the requirements of the Public Services (Social Value) Act 2012 by using the framework of the Act throughout the procurement process to consider how the social, economic and environmental well-being of the area can be improved. It sets out how procurement will deliver the Council's key priorities of supporting the local economy, delivering social and community benefits, and environmental sustainability. Our social aims are also supported by the Strategy core principles which include 'Citizens at the heart' and ethical standards.
- 7.3 During the first year of the Strategy (2018-19), a total of £133.7m has been injected into the local economy through procurement - representing 58.56% of the total value of contracts awarded to City based suppliers. Of this, £37.9m was awarded to local SMEs. In total, 67.5% of contract value (£154m) was retained within Nottinghamshire and 72.2% within the East Midlands area (£165m).
- 7.4 The Strategy continues to support the implementation of the Council's Business Charter, through the inclusion within eligible contracts of relevant contract specific requirements and targets based on the principles of the Charter. During 2018-19, 100 contracts were awarded subject to the Business Charter.

- 7.5 In 2018-19, the Strategy has continued to boost the creation of new entry-level jobs and apprenticeship opportunities for citizens; a total of 137 jobs and apprenticeship opportunities were secured through contracts awarded. Suppliers have been engaged with the Nottingham Jobs Service and other local employment and training initiatives through mandatory inclusion of the Business Charter in contracts and on a voluntary basis; this has maximised opportunities for disadvantaged local residents. An example of the positive impact of this work in 2018-19 is the engagement of Nottingham Jobs with contracted lead homecare providers. Nottingham Jobs have supported these providers to commit to ethical employment practices and to move under-employed citizens into more secure contracted hours. They have also provided a pipeline of future candidates, targeted events, workforce development and supported diversification of the workforce.
- 7.6 The links made with Nottingham Jobs in the procurement of drug and alcohol support services have further benefited citizens accessing these services as support workers on the contracted service are able to encourage service users to access the personalised employment support service offered. Workers can also register to receive Nottingham Jobs notifications to share with service users.
- 7.7 In accordance with the Strategy aim of minimising the negative environmental impact of our procurement, environmental measures and requirements have been included in contracts where appropriate to secure environmental benefits. In 18-19, 114 specific environmental measures have been included in contracts awarded relating to: air quality and climate change; resource efficiency, waste reduction and recycling; and biodiversity, nature conservation and greening.

8 REGARD TO THE NHS CONSTITUTION

- 8.1 This is considered where appropriate for relevant service areas.

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 implementation of policies development outside the Council)

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 Nottingham City Council Procurement Strategy 2018-23
Public Services (Social Value) Act 2012
- 11.2 The EU Public Contracts Directives 2014
- 11.3 The UK Public Contracts Regulations 2015, the Concessions Contracts Regulations 2016 and Utilities Contracts Regulations 2016

11.4 Nottingham City Council Plan 2015-20

11.5 The Nottingham Plan to 2020

11.6 The Nottingham Growth Plan

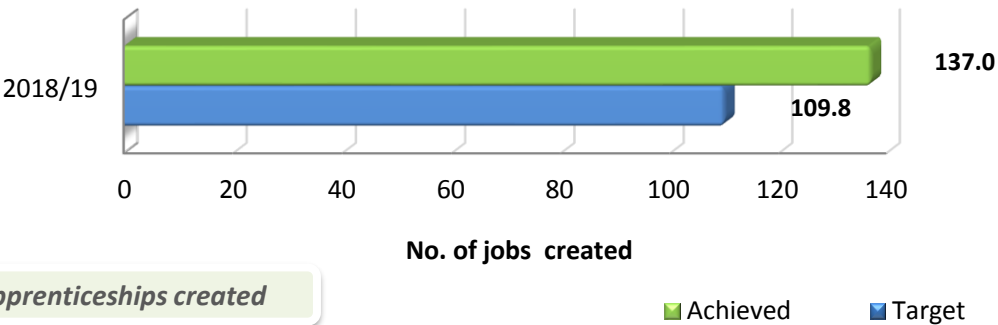
11.7 The Nottingham City Council Business Charter

PROCUREMENT - HEADLINE ACHIEVEMENTS (2018/19)

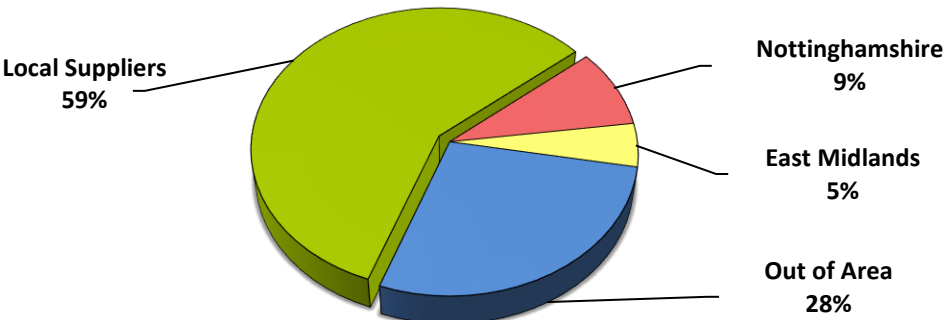
Procurement Activity

| Activity | Total |
|---------------------------------|---------|
| Contracts awarded | 384 |
| Total value (awarded contracts) | £228.4m |

New Jobs Created for Local People



Investment in Local Economy (Contracts Awarded)



N.B. Percentages have been rounded to 0 decimal places

£37.9m (16.60%) of total contract value invested in local SMEs

£133.8m (58.56%) of total contract value injected into the local economy

Environmental Benefits Identified

| Air Quality and Climate Change | Resource Efficiency, Waste Reduction and Recycling | Biodiversity, Nature Conservation and Greening |
|--------------------------------|--|--|
| 31 | 78 | 5 |

Income and Savings

| Annual Value of Awarded Contracts | Cashable Savings on Recurring Contracts (Annualized) | Income from Concessions & Commercial Activity (Total) |
|-----------------------------------|--|---|
| £109.8m | £2.6m | £3.3m |

CATEGORY MANAGEMENT - ACHIEVEMENTS

- People** : 125 contracts awarded with a total value of £15.1m (annual value £4.1m)
88% of total contract value awarded to local suppliers (£13.3m total contract value)
62% of contract value awarded to charitable organisations – representing 9.4m investment
- Places** : 150 contracts awarded with a total value of £169.3m (annual value £90.7m)
£31.5m of spend avoidance (requirement secured for less than the anticipated budget / cost)
65.26% of total contract value awarded to local suppliers (£110.5m)
109 environmental benefits identified (96% of all 114 benefits captured)
- Products** : 109 contracts awarded with a total value of £44m (annual value £15m)
27% over target for employment and training - 19 FTE (7 apprenticeships)
£2.3m of savings achieved through awarded contracts
£3.16m of income generated through awarded contracts

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