

# Nottingham City Council

## Commissioning and Procurement Sub-Committee

Minutes of the meeting held at Loxley House, Station Street, Nottingham on 14 September 2021 from 10.05 am - 11.00 am

### Membership

#### Present

Councillor Sam Webster (Chair)  
Councillor Cheryl Barnard (Vice Chair)  
Councillor Eunice Campbell-Clark  
Councillor Sally Longford  
Councillor Adele Williams

#### Absent

### Colleagues, partners and others in attendance:

Antony Greener	- Head of District Heating and Waste Strategy
Lisa Lopez	- Lead Commissioning Officer
Bobby Lowen	- Commissioning Lead
Steve Oakley	- Head of Contracting and Procurement
Phil Wye	- Governance Officer

### Call-in

Unless stated otherwise, all decisions are subject to call-in. The last date for call-in is 21 September 2021. Decisions cannot be implemented until the working day after this date.

### 8 Apologies for Absence

None.

### 9 Declarations of Interests

None.

### 10 Minutes

The Committee confirmed the minutes of the meeting held on 15 June 2021 as a correct record.

### 11 Procurement Strategy 2018-23: Year End report

Steve Oakley, Head of Contracting and Procurement, introduced the report which presents the outcomes and achievements delivered under the Strategy in its third year 2020-21, and over the three years of the Strategy 2018-21.

### Resolved to

- (1) note the outcomes delivered under the Nottingham City Council Procurement Strategy 2018-23 in its third year (2020-21), as detailed in appendix 1 of the report;**
- (2) note the outcomes delivered during the three years of the Procurement Strategy 2018-21, as detailed in appendix 2 of the report;**
- (3) note that an update of the Nottingham City Council Procurement Plan 2020-25 is reported to Committee annually at the start of each financial year.**

Reasons for recommendations:

- 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; and commercial efficiency.

Delivery of the Council's strategic priorities depends on the strategic and efficient use of our purchasing power, and the Strategy promotes a commercial approach to support the Council in addressing significant financial challenges now and in the longer term.

- 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.
- Implementation of the Strategy during 2020-21 has continued the focus on the core principles of:
  - Commercial efficiency – a commercial approach and securing best value for money;
  - Citizens at the heart – providing 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.

Other options considered:

- None - progress against the Strategy is reported on a yearly basis.

## **12 Changing Futures award for people experiencing Severe and Multiple**

### **Disadvantage - Key decision**

Bobby Lowen, Commissioning Lead, introduced the report requests approval to accept and use funding awarded to Nottingham City Council (on behalf of a local partnership facilitated by the Nottingham City Integrated Care Partnership) following a successful application to the national Changing Futures programme.

The approval of the recommendations within this report will allow for the mobilisation of an ambitious programme of activity designed to drive improvements in collaboration between partners in the City working to help people experiencing Severe and Multiple Disadvantage.

#### **Resolved to**

- (1) approve the receipt of funding up to a total of £3,878,673 from the Ministry of Housing, Communities and Local Government for the delivery of Nottingham's Changing Futures programme over 2021/22 to the end of 2023/24;**
- (2) approve the use of funding to a maximum value of £1,365,105 allow for the delivery a range of activity required for the initial mobilisation of the programme as detailed in Appendix 1;**
- (3) approve dispensation from Contract Procedure Rules 4.1.1 and 4.1.2 in accordance with Financial Regulation 3.29 to allow for selected contracts to be directly awarded as detailed in appendix 1 of the report;**
- (4) approve the selection of providers to deliver selected contracts by means of an open quotation process as detailed in Appendix 1 of the report and to delegate authority to the Head of Contracting and Procurement to establish contracts with the successful provider(s) based on the outcome of this exercise;**
- (5) approve spend up to a value of £261,308 for internal appointments as detailed in appendix 1 of the report;**
- (6) note that use of the remaining balance of the Changing Futures award will be subject to further approval.**

#### Reasons for recommendations:

- Approval to take receipt of the funding is sought to allow for the delivery of Nottingham's Changing Futures programme in line with proposals submitted to the Changing Futures national team.
- The delivery of Changing Futures will put in place a significant programme of operational activity designed to help improve the lives of people in the city who experience severe and multiple disadvantage (SMD). SMD is defined by Changing Futures as experiencing three or more of the following: homelessness, substance misuse, mental health issues, domestic violence, and contact with the criminal justice system. The delivery and further development of this activity is

expected to realise the significant benefits of improving the lives of vulnerable people and the avoidance of serious negative outcomes (e.g. in relation to health, homelessness, offending, etc), as well helping to manage demand for reactive interventions (e.g. emergency homelessness responses, hospital attendances, etc) and the associated costs across the public sector.

- The delivery of the programme will also prevent a substantial loss of existing support for people experiencing SMD by providing continuity of provision beyond the closure of the current Opportunity Nottingham programme funded through the Big Lottery Fulfilling Lives programme until the end of June 2022.
- The delivery of Changing Futures is expected to significantly enhance partnership efforts to improve the collective response to help people who experience SMD, with the further expectation of improved outcomes and greater efficiency through collaborative planning and delivery. Changing Futures will also seek to establish a partnership programme of activity on SMD on a sustainable footing (e.g. by creating the structures to join up planning for the use of partners' mainstream resources) beyond the end of external funding for the programme at the end of March 2024.
- The recommendations under this report allow for the initial mobilisation of the programme during the 2021/22 year. Work will take place within the scope of the programme to shape recommendations for the further commissioning and procurement of the programme from July 2022 in line with key objectives of supporting collaboration between partners.
- Dispensation from Contract Procedure Rule 4.1.2 in accordance with Financial Regulation 3.29 is sought to enable a direct award of contracts with the following rationale (see Appendix 1):
  - Project Coordination and Support, Lived Experience Team, and Frontline Delivery Team (rows 8-13). A direct award is sought to enable funding to be provided for the continuation of activity previously funded through Opportunity Nottingham for a short period of time only (a maximum of six months) in advance of full procurement of the Changing Futures programme for delivery from July 2022. The current provider is considered the only viable provider based on the short timeframe for delivery and required compatibility with the existing Opportunity Nottingham programme;
  - Embedded / Hosted Posts: Primary Care Officer and Offender Management Officer (rows 14-15). These roles have been commissioned to work to improve the response to SMD within these organisations as key mainstream services. These roles also need to support direct engagement between the service and the wider Changing Futures programme with scope to directly influence developments within their organisation. A direct award is sought in each case on the basis that no alternative provider is able to meet these requirements.
- The Changing Futures programme requires a number of new Navigator posts to work as SMD specialists within BAME communities and with women and people experiencing domestic violence. These roles have a remit that includes the direct

delivery of support to people experiencing SMD as well as improving understanding of how people within different communities are affected by SMD and effective means of providing support. Approval is sought to select providers through means of a quotation process to secure the most appropriate organisations to meet the requirements corresponding to each post.

Other options considered:

- Not to take receipt of funding awarded by MHCLG for the delivery of the Changing Futures programme. This is not recommended on the basis that to not take receipt of the funding would lose the opportunity to realise expected benefits from direct operational delivery and prospects for longer term improvements.
- To procure all activity from the offset of the programme. This option has been rejected on the basis that the procurement of all activity will delay the implementation of the programme, with a substantial risk of loss of funding from MHCLG and of undermining the ability of the programme to achieve desired outcomes.
- To procure the required activity for the initial mobilisation of the programme from the Project Coordination and Support, Lived Experience Team, and Frontline Delivery Team through means of a competitive tender. This option is not recommended on the basis that there is considered to be no alternative viable provider in line with the requirements for the short period of delivery and compatibility with the current Opportunity Nottingham programme.
- To procure the Embedded Posts – Primary Care Officer and Offender Management Officer through a competitive tender. This option is not recommended on the basis that there is considered to be no alternative viable provider in line with the requirement for these posts to work within key existing mainstream services.

### **13 Procurement of waste services - Key Decision**

Councillor Sally Longford introduced the report, stating that the Council has a statutory duty under as a Waste Disposal Authority (Unitary Authority) under the Environment Protection Act (EPA) 1990 to arrange the dispose of waste collected on its behalf. The current contracts expire in March 2022 after running for the last five years and need to be re-procured in a compliant manner:

- Transfer/bulking and or disposal of various waste streams
- Clinical waste treatment/disposal
- Street Sweepings treatment/recycling/disposal.

**Resolved to**

- (1) approve the undertaking of a compliant procurement for this service. This option allows the authority to fulfil both statutory obligations and secure the continued operation of the facility;**

**(2) further delegate authority to the Director of Carbon Reduction, Energy and Sustainability, to award the contract to the successful bidder, in conjunction with legal and procurement colleagues advice.**

Reasons for recommendations:

- To allow the council to discharge its statutory duty through a tendering exercise for the procurement of waste disposal services.
- To procure via a competitive tendering exercise, enabling value for money and seek improving environmental performance through increased recycling, recover and diversion from landfill.

Other options considered:

- The current contracts expire in March 2022 and no suitable framework currently exists, as a result the only compliant measure is to seek new contract/tenders.

**14 Semi-Independent Accommodation block contract (Children in Care) - Key decision**

Lisa Lopez, Lead Commissioning Officer, introduced the report which seeks approval to secure a small block contract to provide semi-independent accommodation for up to ten older young people, to enable them to move towards living more independently, but with support available when required. Through this contract we will provide high quality accommodation for the young people whilst supporting them towards greater independence in a managed way, potentially improving their longer term outcomes around sustaining tenancies, managing budgets and understanding where to go for support.

This block contract model offers improved value for money for Nottingham City Council, and is expected to offer savings of approximately £216,944 per year once the contract is in place. This links to Nottingham City Council's approved budget for 2022/23 onwards.

**Resolved to**

- (1) approve the expenditure of £2,730,000 over the entirety of the contract term (up to 7years) for the provision of a block contract for Semi-Independent Accommodation for Children in Care, as detailed in appendix 1 of the report;**
- (2) approve the procurement of the block contract for Semi-Independent Accommodation for Children in Care, as 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 April 2022, for a 3–year period with an option to extend on a two-yearly basis for a further four years (3+2+2), to a maximum of 7 years in total;**

- (3) delegate authority to the Director for Commissioning and Procurement to approve the outcome of the procurement processes and award the contract(s) to provider that is deemed most suitable to provide these services;**
- (4) delegate authority to the Head of Contracting and Procurement to sign the final contract(s) and agree annual extensions on the basis of performance and budget availability.**

Reasons for recommendations:

- To provide high quality, local accommodation for older children in care, aged 16 years and over. Commissioning a block contract for up to 10 placements within Nottingham City, in addition to the existing provision, will ensure the young people who are moving towards living independently will have access to high quality accommodation and support locally. This service will form part of a range of accommodation and support options to meet the differing needs of children in care.
- To ensure sufficiency of local placements for the young people who require them. There is a national shortage of available placements, which can result in young people being placed outside the city, away from their support networks. Commissioning this service as a block contract will secure a fixed number of local placements exclusively for use by Nottingham City Council.
- To improve efficiency and value for money. The proposed new service model will provide up to 10 beds at a fixed cost to Nottingham City Council. Most of the young people who will be moving into this accommodation will be moving from higher cost placements, at the appropriate time as they approach adulthood. The average cost of a placement for a young person who requires this type of support, and is currently in semi-independent accommodation, is approximately £1,459 per placement per week. The expected cost of the Semi-Independent Accommodation block contract will be approximately £750 per placement per week. Therefore, once variations have been considered, the proposed new service model offers expected savings of approximately £216,944 per year once the contract is in place.
- To manage the market. The shortage of placements has led to increased demand and high placement costs, with placements being taken by other local authorities. Commissioning this service will increase local placements available, and therefore reduces competition for other placements as well as costs. Should there be additional demand for the service, Nottingham City Council could seek to negotiate for additional placements with the provider, at additional costs and subject to approval.

Other options considered:

- Develop additional internal semi-independent accommodation. The existing internal provision for semi-independent accommodation takes the form of a centralised management 'hub' shared across the satellite properties. This management 'hub' is at capacity, and any new internal provision could not be

developed as a satellite of the existing internal provision. Therefore a new 'hub' would be required to expand internal provision. This means the model would not be cost effective in the short-medium term, and would not realise the savings required.

- Do nothing. Taking no action will mean outcomes for children in care are likely to be negatively impacted and costs will increase. Lack of sufficiency in both the internal and external markets mean that without action, Nottingham City Council will not be able to secure the best placements for each child. More children will be placed out of area, leading to more disruption for the child/young person, and lost connections to friends and loved ones. Matching options will be increasingly limited, making it ever more difficult and costly to secure placements, particularly for those with the most complex needs. Lack of suitable placements for children/young people with highly complex needs will mean these needs will not effectively be de-escalated, potentially leading to risk of CSE, criminal exploitation, offending behaviour, and long term poor outcomes. Choice and diversity of provision are required to meet the needs of each individual child/young person. Therefore this option is not recommended.