

Nottingham City Council

Commissioning and Procurement Executive Committee

Minutes of the meeting held at Ground Floor Committee Room - Loxley House, Station Street, Nottingham, NG2 3NG on 11 July 2023 from 10.00 am - 11.05 am

Membership

Present

Councillor Cheryl Barnard (Vice Chair)
Councillor Linda Woodings
Councillor Jay Hayes
Councillor Corall Jenkins
Councillor Audra Wynter (Chair)

Absent

Colleagues, partners and others in attendance:

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| Mark Garlick | - Public Transport Policy |
| Roz Howie | - Commissioning and Partnerships |
| Jane Lewis | - Community Safety Strategy and Commissioning Manager |
| Steve Oakley | - Head of Procurement |
| Jane Garrard | - Senior Governance Officer |

Call-in

Unless stated otherwise, all decisions are subject to call-in. The last date for call-in is 20 July 2023. 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 agreed the minutes of the last meeting held on 30 May 2023 as a correct record and they were signed by the Chair.

11 Procurement Strategy 2018-23 Year End Report

This item does not contain any decisions that are eligible for call-in.

Steve Oakley, Head of Procurement, presented the report detailing the outcomes and achievements delivered under the Procurement Strategy 2018 - 2023 during its fifth

year (2022-23, as detailed in appendix 1) and over the five years of 2018-23 (as detailed in appendix 2). He highlighted the following information:

- a) over the five years of the Strategy 2018 - 2023, a total of £804m has been invested in the local economy – an average of 56.52% of total contract value awarded to City suppliers against a target of 60%. In total, 79% was awarded to East Midlands suppliers with 433 new entry level jobs and apprenticeships created. This is a good achievement;
- b) in 2022 - 2023 £104.4m was invested in the local economy, which was 39.19% of total contract value awarded to City suppliers. This was lower than the target for local spend due to the nature of the contracts awarded during the year, for example the new agency contract worth £30m;
- c) in 2022 – 2023 the number of new jobs created was slightly lower than anticipated due to the types of contract that were awarded which didn't enable many new entry level jobs;
- d) a new Strategy is in development to start in January 2024.

During discussion and in response to questions from Committee members the following points were made:

- e) compared with other similar local authorities, the Council is at the front of recording local spend. Most local authorities who have articulated it are aiming for 50-60% local spend but tend to be less focused on it as an issue than Nottingham City Council;
- f) work is taking place at a regional level to look at social value and work is also happening with other contracting authorities such as Nottinghamshire Police and the NHS. One of the challenges is that organisations have different measures so there is a need to identify key priorities that can be worked on together;
- g) local spend is more likely to enable local accountability for provision;
- h) using suppliers geographically closer to Nottingham supports CN28 objectives;
- i) it isn't possible to stipulate that suppliers have to be local but the benefits of being local can be included in scoring. However, it has to be recognised that sometimes it is cheaper and more cost-effective to use non-local suppliers;
- j) it is anticipated that the first draft of the new Strategy will be ready by autumn 2023. It won't be dissimilar to the current Strategy but there will be some new areas of focus. There could be scope to do more from an environmental perspective and assessing wider contract outcomes, not just procurement outcomes.

Resolved to note:

- (1) the outcomes delivered under the Nottingham City Council Procurement Strategy 2018 - 2023 in its fifth year (2023), as detailed in appendix 1;**
- (2) the outcomes delivered during the five years of the Procurement Strategy 2018 - 2023, as detailed at appendix 2;**
- (3) that the Nottingham City Council Procurement Plan has been refreshed during 2022-23 as part of the procurement transformation programme; and**
- (4) that the new format of Procurement Pipeline report is reported routinely under the new operating model for procurement in the Commercial, Procurement and Contract Management Division.**

Reasons for recommendations

The Procurement Strategy 2018 - 2023 provides a framework for the procurement of all goods, works and services to support 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. Delivering the Council's strategic priorities requires the efficient, strategic use of its 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 key actions to be taken to maximise the economic, social and environmental benefits secured through all the Council's purchasing activity.

Delivery under the Strategy in 2022-23 continued under the core principles of:

- Commercial efficiency;
- Citizens at the heart;
- Partnerships and collaboration;
- Governance, fairness and transparency;
- Ethical standards;
- Innovation and improvement.

Other options considered

None. Progress against the Strategy is reported to the Committee on a yearly basis.

12 New framework for Translation and Interpretation Services, including British Sign Language - key decision

Councillor Cheryl Barnard, Portfolio Holder for Children, Young People and Schools, and Roz Howie, Commissioning and Partnerships, introduced the report seeking approval to tender for a multiple provider framework to deliver translation and interpretation services and approval of the associated budget. They highlighted the following information:

- a) Nottingham City Council uses a number of suppliers to deliver translation and interpretation services to enable citizens with a language barrier or disability to access Council services;
- b) the current contracts are coming to an end in November and the Council is looking to establish a 4-year framework for multiple providers to deliver the translation and interpretation services, therefore supporting Best Value by consolidating providers with specialisms in specific areas;
- c) the intention is for the new framework to cover the full range of interpretation needs including non-standard British Sign Language and enable different dialects to be covered;
- d) when the current framework was put in place (pre-Covid pandemic), electronic methods were more expensive but this has now changed and is often better able to meet need. The need is for electronic, telephone and face-to-face services;
- e) having a range of suppliers in one framework should enable translation and interpretation support to be obtained quickly when needed to support citizens;
- f) one of the key performance indicators for the contract will be non-attendance by an interpreter as this has a cost for the commissioning authority and is poor service for the citizen;
- g) the framework would also allow other commissioning authorities (Nottinghamshire County Council, Nottingham and Nottinghamshire Integrated Care Board and Nottingham University Hospitals NHS Trust) to undertake their own call-offs, which again would support an integrated approach to access to translation services and achieve better value for money across the Integrated Care System.

During discussion and in response to questions from Committee members the following points were made:

- h) the ongoing Ockenden Review of maternity services provided by Nottingham University Hospitals NHS Trust has highlighted issues with translation services in the maternity units so it is good that the Trust will be able to use this framework to get rapid access to translation and interpretation services;
- i) suppliers will be encouraged to use local interpreters and this will be necessary for face-to-face translation in order to meet timeliness requirements;
- j) the proposed budget is based on the best estimate of demand, based on current spend. It is an amalgamation of budgets across different services, for which a number of different budget holders are responsible;
- k) within the framework, use of cheaper suppliers can be prioritised to reduce spend.

Resolved

- (1) to approve a tender process be undertaken for a multiple provider framework to deliver translation and interpretation services for a period of 4 years at a maximum total cost of £1,974,000;**
- (2) to delegate authority to the**
 - (a) Director of Commissioning and Partnerships to approve and award the outcome of the tender process for the framework; and**
 - (b) Head of Personalisation, Contracting and Quality to enter into and sign an appropriate Framework Agreement and to award and sign call-off contracts for Nottingham City Council.**

Reasons for recommendations

- A Translation and Interpretation service is required to enable citizens access Council services where there is a Language barrier or other communication need, such as British Sign Language. This service is required to ensure that the Council are able to perform their duties appropriately and meet statutory responsibilities in terms of equality of access.
- The existing arrangements are due to expire on 30 November 2023 and Nottingham City Council requires a new framework to ensure compliance with Nottingham City Councils Contract Procedure Rules and Best Value. For the new contract(s) award, the Procurement Team will be conducting an open tender process to establish a new framework which will be bespoke to Nottingham City Council, and which will allow other Commissioning Authorities (such as Nottinghamshire County Council and the Integrated Care Board) to have access and call off from it.
- The establishment of the framework does not imply any commitment of spend on the part of Nottingham City Council and spend will be based on activity and usage. Establishing a multiple supplier framework will ensure there is a choice of providers for colleagues and to ensure that there is sufficient supply to meet demand.
- The call-off process will encourage competitive pricing as suppliers will be called off based on specialism required, and best price.

Other options considered

- Not to procure a translation and interpretation service. This is not possible as the services are required to ensure citizens are able to access Council services.
- To extend the contract(s) to continue the service with the current provider(s). This is not an option, as all extension options in the current contracts have been utilised. The current arrangements were intended to be a short-term measure only whilst a more fit – for purpose arrangement was secured Currently there is

duplication in the services that are commissioned and this is therefore not in line with Best Value.

- To call off from existing established frameworks. This option was not considered to be suitable. This is because Nottingham City Council would like to have multiple providers to deliver these services. Creating a 'framework within a framework' is not compliant.

13 Domestic & Sexual Violence and Abuse Office of the Police and Crime Commissioner Legacy approvals - key decision

Jane Lewis, Community Safety Strategy and Commissioning Manager, presented the report regarding approval of domestic violence and abuse commissioned services. She highlighted the following information:

- a) legacy approval issues had come to light relating to a number of domestic and sexual violence and abuse commissioned services and the report sought to ensure that expenditure on these services had the appropriate approval;
- b) these services are included in the Nottingham City Council and Office of the Police and Crime Commissioner Partnership Agreement, under which the Council receives funding and commissions domestic violence and abuse services on behalf of the Community Safety Partnership;
- c) there were two elements to the approval required: retrospective approval for expenditure on delivered services; and approval for future spend on a number of services until the new commissioning framework is in place.

During discussion and in response to questions from Committee members the following points were made:

- d) the fragmented nature of funding for domestic and sexual violence and abuse services can be very confusing;
- e) while the Council hasn't increased funding into domestic violence services since 2012 it still compares well to other core cities. This is not something that the Council would want to diminish.

Resolved to

- (1) approve retrospectively the expenditure incurred on the delivery of the domestic violence and abuse services, at a cost of £1,131,520, as detailed in appendix 1, and in line with the Partnership Agreement, until the new Commissioning Framework is in place;**
- (2) approve expenditure on the continued delivery of domestic violence and abuse services, at a cost of £863,563, as detailed in appendix 1, in line with the Partnership Agreement until a new Commissioning framework is in place;**

(3) delegate authority to the Corporate Director of Communities, Environment and Resident Services to sign off contracts and variations to deliver the services, in line with the Council's Contract Procedure Rules and the Council's Partnership Agreement with the Office of the Police and Crime Commissioner.

Reasons for recommendations

To meet the requirements of the Partnership Agreement signed between the Council and the Office of the Police and Crime Commissioner to deliver domestic and sexual violence and abuse (DSVA) services. DSVA reporting has increased in Nottingham to the statutory sector and the voluntary and community sector in a slow trajectory since 2017/18 with the Police receiving 7,800 reports of domestic violence and abuse, in 2021/22 reports are running at 8,457 with a dip during covid down to 4,069 reports. The Juno Women's Aid 24-hour free phone DSVA city/ county helpline has experienced a different trajectory, with an increase from 2012 of 1,300 calls to the city per year, rising in 2019 to 1,800 calls to the City per year to an increase during the Covid pandemic of 3,000 calls to the city and this increase has remained high at 4,000 calls to the City. During the same timeframe Multi Agency Risk Assessment Conference referrals of the highest risk survivors rose from 500 per year to over a 1000, with a 10% increase in the last year. It is clear that there has been a year on year increase in reporting of domestic violence and abuse in Nottingham, with an increase in referrals to Women's Aid in particular, with a huge increase during the Covid pandemic and no return to pre-Covid levels. The Council has not increased funding into these services during this time and in the last couple of years there has been an increase in the costs of providing services.

Approval is required for services which have been delivered in the last few years, as it has not been possible to confirm whether it was granted at the time and approvals are required going forward as the services are still being delivered in line with their contracts.

Other options considered

To break the Council's Partnership Agreement with Office of the Police and Crime Commissioner (OPCC) and return the funding. As the OPCC is a key funder of both domestic and sexual violence and abuse services which Nottingham citizens benefit from it was concluded that this would not be an appropriate approach and therefore rejected.

To ask the OPCC to commission the services on the Council's behalf, despite the Partnership Agreement. This would put a huge burden on the OPCC when it is currently commissioning a wide range of services on the Council's behalf, including a Perpetrator Programme, Stalking Service, Sexual Violence and Abuse services, Therapeutic Services for children, services for deaf survivors of domestic abuse and services for Black and Minoritised communities of domestic abuse survivors. Therefore this option was rejected.

14 Approval to re-tender the Locallink bus services - key decision

Mark Garlick, Public Transport Policy, presented the report seeking approval to undertake procurement for the Linkbus bus service contract. He highlighted the following information:

- a) these services serve a high number of elderly and disabled residents and also provide access to jobs and education in areas of the City that are not served by the commercial bus network;
- b) an external review of the existing locallink services (by Integrated Transport Planning (ITP) Ltd), which included a consultation with users and employers along the routes, considered alternative timetables and operating models for the services, and provided cost estimates. The proposals (below) are in line with the review recommendations and ensure that best value will be achieved.
- c) The current fleet is a first generation electric bus fleet and due to the need to recharge the buses in the middle of the day during operational service and difficulty in sourcing replacement parts, the services currently have very poor reliability. Between 21 November 2022 and 31 March 2023, electric vehicles were only available for 60% of the required time. Due to the charging issues, eight vehicles are required to provide a service which would only require four with more conventional vehicles. It has also become increasingly difficult to source major component part replacements for the vehicles due to parts becoming obsolete as the technology has evolved and also due to global supply chain issues. As the vehicles near the end of their lives, major component parts, including the batteries, now require replacement at significant cost in order to maintain the reliability of the vehicles. The majority of the buses are expected to require replacement batteries and other parts at a cost of at least circa £100,000, which is not affordable given current financial constraints;
- d) to ensure reliable services are provided, the re-tender would seek quotes for Euro VI diesel buses, or modern electric buses or minibuses, which would be supplied and maintained by the contractor. Prices for each option would be requested to assess affordability. Under the existing contract, electric buses are supplied by the Council for use by the contractor. Changing the mode of operation and responsibility for maintaining the bus fleet requires a re-tender to be undertaken, as this would constitute a material change to the existing (CPU3236) contract, awarded in September 2021 and due to end in September 2024;
- e) following feedback from the consultation, the opportunity will be taken to make some timetable changes, but without increasing the resources required to operate the services.

During discussion and in response to questions from Committee members, the following points were made:

- f) the reliability of these services is really important to its users, particularly those with mobility issues;

- g) ideally the bus fleet should be as 'green' as possible to support achievement of CN28 ambitions.

Resolved

- (1) to undertake a procurement process for the Linkbus service contract for a period of 2+1+1 years at a total maximum cost of £3,600,000.**
- (2) to delegate authority to the Corporate Director of Growth and City Development to award and sign contracts to the successful bidder following the outcome of the tendering process, subject to the costs being within the approved budget.**

(Note: The precise specification of the services to be put out to tender may be changed from the recommendations in the report, based on the considered findings that are received in the public consultation. This would be done following consultation with Councillor Kandola as Portfolio Holder, and on the basis of no change to the level of resource and cost involved.)

Reasons for recommendations

- To provide efficient and reliable services to employment and education sites, and to areas that would not have public transport services provided on a commercial basis.
- Within the tender process, opportunities for efficiency savings in providing these services will be sought. The tender process will ensure that the best value provision of services will be achieved.

Other options considered

- To continue to operate the current contract with the existing mode of operation. However, the first generation electric buses are now close to life-expired and require regular expensive repairs. The increased time to undertake the repairs also mean time out of service, leading to a less reliable service. Therefore this option was rejected.
- To withdraw the services due to rising costs. This option 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.
- To operate services with alternative timetables or operating models. Following a review by Integrated Transport Planning Ltd (ITP), the preferred timetable offers the best compromise between cost and providing a six-day per week service to those passengers who experienced the most significant changes to provision in October 2022. For alternative operating models, Demand Responsive Transport (DRT) in particular was considered in the ITP review, but there was resistance to DRT among Locallink users in the consultation, and coupled with the broadly equivalent vehicle requirement to provide an on-demand service, DRT is not

recommended as the future operating model for this network. Therefore this option was rejected.

- To purchase new vehicles. New electric vehicles cost approximately £400,000, and the Department for Transport's ZEBRA (Zero Emission Bus Regional Areas) scheme which funded the purchase of the first-generation electric buses operating the services is not available to replace them with new electric vehicles. This option is therefore unaffordable and was rejected. Having vehicles provided by operators is also likely to be more attractive to bidders, increasing competition for the contract.