

# Nottingham City Council

## Commissioning and Procurement Executive Committee

Minutes of the meeting held at Loxley House, Station Street, NG2 3NG, on 10 May 2022 from 10.02 am - 10.55 am

### Membership

#### Present

Councillor Adele Williams (Chair)  
Councillor Cheryl Barnard (Vice Chair)  
Councillor Linda Woodings

#### Absent

Councillor Sally Longford  
Councillor Toby Neal

### Colleagues, partners and others in attendance:

Rachael Harding - Homelessness Strategy Manager  
Kara Gokova - Finance Business Analyst & Programming and Capacity Manager  
Mark Leavesley - Governance Officer  
Lisa Lopez - Lead Commissioning Officer  
Steve Oakley - Head of Contracting and Procurement

### Call-in

Unless stated otherwise, all decisions are subject to call-in. The last date for call-in is 19/05/2022. Decisions cannot be implemented until the working day after this date.

### 1 Appointment of Vice-Chair

**Resolved to appoint Councillor Cheryl Barnard as Vice-Chair for the municipal year 2022-23.**

### 2 Apologies for absence

Councillor Longford ) other Council business  
Councillor Neal )

### 3 Declarations of Interests

None.

### 4 Minutes

The Committee agreed the minutes of the meeting held on 12 April 2022 as a correct record and they were signed by the Chair.

### 5 Sports and Leisure Kit Replacement Strategy - key decision

Kara Gokova, Finance Business Analyst & Programming and Capacity Manager, presented the report, which detailed the proposal to create and implement a 5-year plan to replace existing fitness equipment and carry out any required fabrication changes to Council fitness facilities, providing fitness options for residents to benefit from improved mental and physical health and wellbeing and potentially impacting on employability, economic development and community cohesion.

Ms Gokova stated that NCC:

- would work in partnership with Public Health to encourage key target groups to participate in sport and fitness and ensure equipment was 'on trend' and provided a good level of digital integration, in line with the Sports and Leisure Digital Strategy;
- would, to aid with sales and retention of customers by maintaining membership sales growth in order to generate income and a balanced revenue budget, ensure equipment was relevant to customer demands in a competitive market, was well maintained and met all health and safety requirements, and was fit for purpose for local communities by offering a variety of machines accessible to all fitness levels and abilities;
- set up a financial process which enabled a continued, sustainable, funded plan for ongoing kit replacement, and ensure best value through the procurement process.

#### **Resolved to**

- (1) note the addition of £1.5million to the Capital Programme 2022/23-26/27 and the use and drawdown of existing resources from the kit replacement reserve;**
- (2) approve an annual transfer of up to £400,000 per annum from the Sports and Leisure revenue account into the earmarked kit replacement capital reserve, ensuring funds are available in advance of purchase;**
- (3) delegate authority to the Director of Sports and Culture to procure and award contracts as required for:**
  - (a) supplier(s) of sport and leisure kit for a period of up to 5 years, together with an associated maintenance requirement for kit across all leisure sites, including kit replacement;**
  - (b) specialist/unique equipment;**
  - (c) minor works requirements within leisure centres;**
  - (d) other professional services/specialist requirements for leisure provision.**

#### Reasons for recommendations

- To enable a robust procurement & financial resourcing process to be taken over the 5-year duration of the kit replacement strategy (2022/23-26/27).
- To support required income generation to meet budget targets (Over £7 million per annum following removal of Covid related pressure funding).
- Ensure sustainability and best value of the business in a competitive market and to meet health and safety requirements.

### Other options considered

- (i) Do nothing – The Service would not be able to compete effectively in a commercial environment. This would result in loss of members, reduced sales and limited offer available. This could also result in health and safety risks where no agreed maintenance plan in place and high costs for out of contract service repairs on machines.
- (ii) Maintenance contract only – There are estimated costs of £600K for just a maintenance only agreement on existing machines. Potential to lose members who are seeking more modern equipment being available. Maintaining income targets in a commercial environment would be effected where the industry norm is a 5-year replacement plan.
- (iii) Reduce the investment – This would mean an inferior offer to members either on quantity of machines available or the quality. This would impact on customer experience, customer retention and customer sales.
- (iv) Extend replacement or renewal programme – Due to COVID many sites are already past the initial 5-year industry standard replacement limit. Machines have already started to need repair more frequently with bills becoming higher now the previous maintenance contract has ended. It would be difficult to obtain maintenance agreements for longer than the standard 5 years. An extension to 6-7 years would incur higher costs within the tender to allow for the increased risk of repairs. Loss of those members seeking use of modern, high tech cardio and resistance machines during the latter stages of the replacement programme.
- (v) Leasing – Recent findings show leasing is no cheaper than buying and would lose the buy-back opportunities for sale of equipment at the end of the contract.

## **6 Rough Sleeping Initiative 2022-25 - key decision**

Rachael Harding, Homelessness Strategy Manager, presented the report, which sought approval to accept and use revenue funding awarded to Nottingham City Council (in anticipation of a successful grant bid) by the Department of Levelling Up, Housing and Communities under the Rough Sleeping Initiative, to allow the delivery of a system of services to prevent and respond to rough sleeping in Nottingham.

### **Resolved**

- (1) to approve:**
  - (a) upon award, acceptance of a £6,323,241 revenue grant from the Department of Levelling Up, Housing and Communities Rough Sleeping Initiative, and approve spend of the funding in accordance with the Programme of Spend as detailed in appendix A;**
  - (b) the variations / award of contracts as detailed in appendix A;**
  - (c) extension of the following fixed term posts (as detailed at points 1.a, 4.a.i, 4.a.ii, and 8.a of appendix B):**

- **Rough Sleeping Operations Manager;**
  - **Hospital Discharge Navigator;**
  - **Mental Health Navigator;**
  - **2x RSI Social Letting Officers;**
- (d) **creation of and recruitment to the following fixed term posts (as detailed at points 1.b, 3.c, 4.a.iii, 4.d and 8.b of appendix B);**
- **Rough Sleeping Prevention Case Coordinator;**
  - **Housing Aid Rough Sleeping Move On Officer;**
  - **Prison Release navigator;**
  - **Housing Aid Assessment Officer;**
  - **1x new RSI Social Lettings Officer;**
- (5) **to delegate authority to the Corporate Director of Growth and City Development, in agreement with the Department of Levelling Up, Housing and Communities, to adjust the remit or reinvest any grant underspend on services for rough sleepers as demand requires, within the financial envelope of the grant, and subject to compliance with the Council's Constitution and Contract Procedure Rules.**

#### Reasons for recommendations

- (i) Approval to accept and utilise the grant funding to deliver the specified programme of measures will enable the continuation of a system of services that have been successful in supporting a reduction in rough sleeping in Nottingham. The programme for 2022-25 is intended to achieve a further decrease in street homelessness in the city through prioritising prevention and resettlement alongside responding to presenting need.
- (ii) At the monthly snapshot count of rough sleepers in March there were 11 individuals identified (though 2 had accommodation available that they were choosing not to use). This is a considerable decrease from the 45 individuals identified at the corresponding March street count in 2018, before the RSI initiative had embedded. However, although there are fewer people street homeless there were also 34 people accommodated in RSI bedspaces and a further 29 people in emergency winter provision. Meaning that without the interventions, the number of rough sleepers would actually be higher. This is further demonstrated by intelligence from the Framework Street Outreach Service which calculates an increase of 83% in the number of new individuals identified as rough sleepers in Nottingham in the first quarter of 2022 (185 people) compared to 101 in the first quarter of 2021.
- (iii) Approval for exemption to extend existing contracts through direct award, has been secured in accordance with Article 18.79 of the Contract Procedure Rules, to enable the uninterrupted delivery of services into year one of the three-year funding programme, pending the establishment of a procurement framework by year two.

#### Other options considered

- (i) Not to accept the RSI funding (upon announcement). This option is not recommended because the need for services for rough sleepers in Nottingham remains acute and there is no other available funding source to enable and ensure delivery.
- (ii) To accept the RSI funding, but not spend it according to the programme outlined at Appendix A. This option is not recommended because a condition of the grant is that it is ring-fenced for spend according to the predetermined programme of services.
- (iii) To procure activity for delivery from April 2022 through a competitive tender. This option is not recommended on the basis that the grant requirements include uninterrupted delivery of services which is not possible within the timescales set by DLUHC if a procurement process was followed. However, from 01 April 2023 onwards contracts for services funded by the RSI will be awarded via a Procurement Framework compliant with Contract Procedure Rules that will be established over the course of 2022-23.

## **7 Overnight Short Breaks for disabled children with complex health needs - key decision**

Lisa Lopez, Lead Commissioning Officer, presented the report, which sought approval to commission new overnight Short Breaks provision for children and young people with complex health needs, in order to meet the needs of the families and NCC's statutory obligations as a local authority.

Ms Lopez stated that the proposed provision would include an emergency bed for young people with complex health needs, to support hospital discharge and avoid unnecessary hospital stays for the same cohort of young people, and the cost of this bed would be funded by NHS Nottingham and Nottinghamshire CCG, who would also contribute to the costs of the overnight short breaks beds.

### **Resolved**

#### **(1) to approve:**

- (a) the procurement of a block contract for overnight short breaks for disabled children with complex health needs, as detailed in appendix 1, 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 October 2023, for a five-year period, with an option to extend for a further three plus two years (i.e. 5+3+2, to a maximum of 10 years in total);**
- (b) the expenditure of £7,600,000 (of which £2,850,000 is from Nottingham City Council funding) over the entirety of the contract(s) for the provision of the block contract for overnight short breaks for disabled children with complex health needs, as detailed in appendix 1;**

#### **(2) to delegate authority to the:**

- (a) Director for Commissioning and Procurement to approve the outcome of the procurement processes and award the contract(s) to the most suitable provider of these services;**
- (b) Head of Contracting and Procurement to sign the final contract and agree extensions on the basis of performance and budget availability.**

Reasons for recommendations

- (i) To provide high quality, overnight short breaks for children and young people with complex health needs and their families. 'Short breaks' provide opportunities for disabled children and young people to spend time away from their primary carers, providing a break for their families to support them to continue in their caring role, and for the children and young people to take part in activities and socialise with peers as part of their healthy development. Where the needs of the young person are highly complex, families are more likely to require overnight short breaks. No overnight provision exists locally which is able to support the young people of Nottingham City with the most complex health needs.
- (ii) The length of contract provides stability for this vulnerable group of children and young people who could spend up to 20% of their year on site and enables the children and young people and the facility to be seen and feel they are part of the community. Services which were historically commissioned by NHS Nottingham and Nottinghamshire CCG to offer overnight breaks to children and young people with complex health needs have now closed, making it difficult to find appropriate breaks for their families. As of March 2022, there are 5 children who have not been able to access any suitable alternative and a further 7 who are accessing provision that is either out of area, is not able to fully accommodate their needs, or they have a direct payment but are unable to purchase a suitable alternative.
- (iii) To meet Nottingham City Council's statutory duties. Local authorities have a statutory duty under the Breaks for Carers of Disabled Children Regulations 2011 to provide appropriate breaks for the parent/carer of a disabled child, however that break must also meet the child's individual outcomes as identified through assessment. The Chronically Sick and Disabled Children's Act 1970 requires local authorities to provide activities and support which are appropriate to meet the needs of the disabled child/young person. Overnight short breaks for children/young people with complex health needs provision, which was commissioned by NHS Nottingham and Nottinghamshire CCG, closed in March 2019. A number of other services aimed at this cohort have ceased to operate, leaving significant gaps in provision and a risk that Nottingham City Council could be seen as not fulfilling its statutory duties to this cohort. Therefore, Nottingham City Council and NHS Nottingham and Nottinghamshire CCG are obliged to create new local provision.
- (iv) To provide a statutory service in the most efficient way, securing the best value for money. NHS Nottingham and Nottinghamshire CCG have agreed in principle to jointly commissioning this service, with funding contributions of 50% of the cost of a Short Breaks unit. The CCG would be unlikely to agree to fund 50% of

provision which was delivered in any other way (for example, by providing a new internal service).

- (v) The commissioning organisations will not be paying upfront costs for the building and equipment – instead the provider will be responsible for these costs and they are built into the annual contract value, reducing financial impact on commissioners by spreading the cost over the lifetime of the contract. The length of the contract reflects the long-term capital investment required by the provider in this very limited market. Commissioning the new provision is likely to be the most cost-effective option for delivery.
- (vi) In order to avoid the unnecessary hospitalisation of children and young people with complex physical health needs, the CCG wish for the new provision to include an additional bed solely for emergency and step-down care. This bed will be for children and young people who are at risk of hospital admission due to their medical care needs not being able to be met at home on an emergency basis, and for those who are medically fit for discharge, but care and/or housing arrangements are not yet in place. The CCG will fully fund this bed and both City and County children will be eligible. Combining this bed with overnight short breaks provision offers value for money whilst providing an alternative to hospitalisation which is not currently available locally.

#### Other options considered

- (i) Do nothing. Nottingham City Council is currently not fulfilling statutory duties to those families who do not have appropriate short breaks in place. There is a significant gap in support options, particularly for young people with profound/complex disabilities and health needs. This may lead to parents feeling unable to continue to care at home, leading to a huge impact on the family, potential family breakdown, and very high, potentially life-long costs. It also risks legal action from families, as Nottingham City Council could be taken to judicial review for not fulfilling statutory obligations. This would also be likely to generate significant negative publicity, potential legal costs, and pose a reputational risk to the local authority.
- (ii) Costs of providing breaks to those families who previously attended the Villas, and for whom alternative breaks are can be provided, are currently being met by the CCG as they were previously. However, the full costs of these breaks will not be sustained by CCG indefinitely. This leaves Nottingham City Council at risk of bearing additional unexpected costs if the CCG decide to fund these young people to a lesser extent. The costs would be higher than we could expect to pay for more local services, as the provision is outside the city, and not only more expensive, but transport costs to and from the service is required. Therefore, this option is not recommended.
- (iii) Expand existing provision at Nottingham City Council's adapted bungalow staffed by Short Breaks foster carers. Nottingham City Council currently has access to one such adapted bungalow which could be utilised to meet the needs of this cohort, and expanded to include a further bungalow as needed. However, some families are unwilling to accept breaks where their child is placed in a different family, as this model is, for them, too similar to the child becoming 'looked after'. The current bungalow is also physically unsuitable for some of the older young people due to the size of the young person plus their equipment taking up the majority of the space in key rooms. Any new bungalow would need to be significantly larger to accommodate

this cohort. Bungalows are proportionately expensive forms of housing, so acquiring a large bungalow is likely to increase the costs of this model significantly. Capacity would be limited, as the current bungalow is fully utilised, and recruitment of sufficient Short Breaks foster carers has been a long-standing issue. This model does not readily support the young person to socialise with peers as part of their healthy development. This can be a significant issue for young people with complex health needs, as they often lack opportunities for play and sleepovers, which are common to other children. Therefore, this option is not recommended.

- (iv) Utilise County provision (Caudwell House) to meet needs. Caudwell House have declined to support some of our more complex young people due to staff training and registration, so provision cannot be expected to meet all needs. Parents have raised concerns regarding the impact of the journey (approx. 1-1.5 hours' drive) on a young person with complex health needs. This journey makes the facility unsuitable for some young people, so this option would leave them without suitable overnight breaks. Because Caudwell House is County Council provision, young people from the County will always take priority in terms of places, so places will not always be available for City young people. Therefore, this option is not recommended.
- (v) Borrow capital to build a new facility which could accommodate both the Crocus Fields cohort and the physical disabilities/complex health cohort. This option would require significant upfront funding (expected costs approx. £2.6m+ for the new build) and there is a risk that costs may increase during the project, leading to unexpected strain on financial resources available. Sources of capital funding are severely limited. The option of a Capital Loan which could be recouped through revenue has been explored - but predicted revenue costs of this model do not demonstrate a clear saving. However, this option would address the long-term issues around the structure of the Crocus Fields building.
- (vi) A new building project such as this would require approx. 2 years before the new provision became operational. New land would need to be identified for the development, or it would need to be built on the existing Crocus Fields plot (which would require re-location of Crocus Fields for approx. 18 months, at considerable expense, and disruption for families and young people with complex behavioural needs, many of whom do not respond well to changes). Therefore, this option is not recommended.

## **8 Meeting dates 2022/23**

The Committee agreed to meet at 10.00am at Loxley House on the following Tuesdays during the municipal year 2022/23:

<u>2022</u>	<u>2023</u>
14 June	10 January
12 July	14 February
13 September	14 March
11 October	
15 November	
13 December	