

# Nottingham City Council

## Commissioning and Procurement Executive Committee

Minutes of the meeting held at Loxley House, Station Street, NG2 3NG, on 10 September 2024 from 9.30 am - 10.17 am

### Membership

#### Present

Councillor Linda Woodings (Chair)  
Councillor Jay Hayes (Vice Chair)  
Councillor Corall Jenkins  
Councillor Ethan Radford  
Councillor Pavlos Kotsonis

#### Absent

Councillor Cheryl Barnard  
  
(minutes 30 to 34 only)  
  
(non-voting co-opted member,  
minutes 31 to 34 only)

### Colleagues, partners and others in attendance:

Dawn Cafferty	- Head of Procurement
Mike Carey	- Governance Officer
Paul Crookendale	- Employment and Skills Development Manager
Charlotte Dodds	- Commissioning Lead Officer
Tracey Ford	- Changing Futures Senior Systems Change Commissioning Manager
Helen Johnston	- Consultant in Public Health
Claire Labdon-West	- Commissioning Manager
Zoey Titchener	- Commissioning Officer
Matthew Wheatley	- Head of Economic Development

### Call-in

Unless stated otherwise, all decisions are subject to call-in. The last date for call-in is 19 September 2024. Decisions cannot be implemented until the working day after this date.

### 27 Apologies for absence

Councillor Cheryl Barnard - leave

### 28 Declarations of interests

None.

### 29 Minutes

The minutes of the meeting held on 9 July 2024 were confirmed as a correct record and signed by the Chair.

**30 Commissioning of Changing Futures Services for Nottingham 2025/26-29/30 - key decision**

Councillor Jenkins joined the meeting at this point.

Helen Johnston, Consultant in Public Health, and Tracey Ford, Changing Futures Senior Systems Change Commissioning Manager, presented the report and highlighted the following:

- a) the Changing Futures programme aims to improve outcomes for people experiencing Severe Multiple Disadvantage (SMD), working intensively with people who are the most vulnerable and with the most complex needs in our communities. Recipients of support will have a concurrent combination of at least three out of five key sources of disadvantage: homelessness, substance misuse, mental ill health, experience domestic/sexual abuse or violence, and connection with the criminal justice system;
- b) this decision authorises receipt of funding from NHS Nottingham and Nottinghamshire Integrated Care Board (ICB) Health Improvement and Innovation Fund (HIIF) through a Section 256 agreement between the ICB and Nottingham City Council, and approves the outlined service model for the commissioning of Changing Futures services from 2025/26-29/30 against that funding envelope.

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

- c) Changing Futures is only able to work with individuals with the most complex needs, but through working and learning about what works with the most complex individuals, the programme can highlight system changes and enable improvements throughout the whole network of services, as well as bringing services into closer coordination;
- d) there had been concerns that the Changing Futures programme would not receive funding, despite being remarkably successful in Nottingham. The HIIF funding from the ICB is crucial for enabling that service to continue.

**Resolved to:**

- (1) approve receipt of £7,346,875 of ringfenced ICS Health Inequalities and Innovation Investment Funding (HIIF) between 01 April 2025 to 31 March 2030 (£1,469,375 per year);**
- (2) delegate authority to the Director of Public Health to;**
  - i. enter into a Section 256 NESA 2006 Agreement with the Integrated Care Board for the transfer to the Council of the HIIF of up to £7,346,875 (£1,469,375 per year) from 01 April 2025 to 31 March 2030;**
  - ii. approve the service model for the commissioning of Changing Futures services against the entire budget available;**

- iii. **subject to prior Spend Control / s151 Officer approval:**
- a. **spend £1,469,375 per year for the next five years on Changing Futures services and activity to 31 March 2030 as set out in the indicative budget at appendix A, including the extension of four specialist navigator contracts from 01 April 2025 to 31 March 2026;**
  - b. **procure, award and enter into two contracts for Changing Futures services and activity for three years from 01 April 2025, with an option to extend for a further two years from 01 April 2028 for (i) Main Delivery Service and (ii) Partnership Learning Hub;**
  - c. **enter into 1-year extensions of four specialist navigator contracts from 01 April 2025 to 31 March 2026.**

Reasons for decision

- e) all of the funding for Changing Futures services commissioned by Nottingham City Council sits either under ring-fenced grant conditions (national Changing Futures grants from DLUHC and TNLFC) or partnership agreements (the ICB), for which the Director of Public Health is accountable, and the resource must be stewarded in line with these conditions;
- f) the current Changing Futures Main Delivery Service contract expires on 31 March 2025. As the funding for the services is now recurrent, the services must be competitively procured. Recommendation 2(3)(b) approves separating the services currently deliver under one contract into two lots and procure separately, under 3 + 2 year contracts. There is an expectation that the programme will attract additional funding over the next five years. The advertised contract values will therefore be in excess of the funding currently secured, to provide flexibility for additional capacity in those contracts; all additional funding will be subject to separate decisions to approve receipt and spend and procurement approach;
- g) four specialist navigator services designed to meet the needs of women and people from minority ethnicities experiencing SMD were competitively procured in 2023. One-year contracts were awarded from 01 April 2024, each contract has provision to be extended until 31 March 2026. The decision also seeks approval to utilise this extension provision. Separate decisions to approve will be needed for re-procurement of that service beyond 31 March 2026;
- h) the ICB funding includes a requirement for the provision of system and programme leadership. Recommendation 2 incorporates approval of the budget allocation for the programme staffing. A review of the staffing structure has been proposed to explore the most appropriate future arrangements, including the development of permanent roles.

Other options considered

- i) Do nothing. The current contracts have been aligned such that they cease on 31 March 2025. Without re-commissioning or extending, there would be no commissioned Changing Futures services and a lack of specialist, intensive provision for people experiencing SMD, with NCC failing to maximise the opportunity offered by the ICB's HIIIF grant, and there would be no change of attracting additional funding through partners or a national programme. NCC would not fulfil its partnership role with wider preventative benefits, with a lack of benefit for Nottingham residents;
- j) reprocure all services, including the Specialist Navigators. This is not possible for operational and capacity reasons, and would represent a significant risk to the continuity of services. To minimise the risk around transition, the programme has recommended the option to extend existing agreements where provided for within existing contracts. These services are distinct from the main delivery contract, currently delivered by community organisations, run by and for the communities they represent;
- k) procure the main delivery service and the Partnership Learning Hub together. This is how the services are currently delivered, with the PLH sub-contracted by the main delivery provider. To separate the contracts gives greater accessibility to delivery for new partners to the Changing Futures programme. It also gives greater accountability for managing the service directly by NCC.

### **31 Re-commissioning of Extra Care services in Nottingham City - key decision**

Councillor Kotsonis joined the meeting at this point.

Claire Labdon-West, Commissioning Manager, presented the report, highlighting the following:

- a) the report proposes re-commissioning Extra Care services at five existing schemes, with provision in the budget to fund an additional service if needed, depending on demand;
- b) the schemes will be funded from the existing Adult Social Care budget, with a block-funded element and an individual element. This report seeks approval for the block-funded element, while individual care packages will be approved individually;
- c) Extra Care allows people to maintain independence in the community for longer, maintaining social contacts and routines as their care needs change, rather than going into residential care too soon;
- d) the strategic commissioning review of Extra Care conducted in 2023/24 identified demographic pressures, including a large increase in the cohort aged 75-84, and without developing alternatives to residential care that would be the only option for many individuals;

- e) there are risks in the market, due to rising costs and instability of care providers. Providers have advised that the current financial envelope provided for Extra Care is not enough to maintain those services;
- f) consultation with citizens has shown that they want consistency, the ability to get out and about and maintain social contacts, while receiving support around any health conditions and feelings of isolation and loneliness, and this has feedback has fed into the specifications for Extra Care;
- g) the new model includes three new elements: night care and background hours as standard across all the schemes, to make them a viable alternative to residential care, and an expectation that care providers and housing providers will work together to support residents' overall wellbeing;
- a) an implementation group is being set up to help implement the framework. The contract will be managed by colleagues, with appropriate termination clauses if providers do not accept those with high levels of need;
- b) the revised scheme will help to bolster the market, deal with demographic pressures, and help to reduce the number of people in residential care.

Councillor Kotsonis, Executive Member for Adult Social Care and Health, stated:

- c) at the moment, Extra Care is not able to provide a consistent offer, with night-care not always available, but the new model corrects that. The new offer is streamlined and flexible enough to meet people's needs as those needs change. The new model will enable other types of provision than residential care to meeting growing demand;
- d) modelling has been completed to understand the impact on the budget. It is not a saving at this point, but it is an avoidance of cost and may become a saving in time – if the target occupancy of 192 citizens is achieved, it will imply a saving of 0.582m per year;
- e) it is important than residential care and more intensive kinds of care do not grow out of proportion, in the context of rising demand for care services.

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

- f) Extra Care facilities can provide a wonderful atmosphere, with a community feeling, communal spaces, and self-contained spaces. They can provide independence, dignity, and community while meeting care needs;
- g) lack of people wanting to take up Extra Care is a risk, even though they are very good facilities. The lack of geographical spread may be a barrier, as it may mean moving away from local connections, so wider provision would be welcome;
- h) it would be useful to start conversations with citizens about different housing options early and arranging visits so that people can see them for themselves.

**Resolved to:**

- (1) establish a framework of up to 10 providers for Extra Care services, for a duration of 4 years, and to undertake call off competitions under the framework to contract for individual scheme providers, for a maximum of 9 years;**
- (2) approve the Nottingham City Council budget expenditure on call off contracts of £2,777,777.77 per year, with an overall projected spend for the entire contract term under all call off contracts of £25,000,000;**
- (3) delegate authority to the Interim Director of Adult Social Care and Health to approve the outcome of the procurement process for the framework and to call off and award contracts;**
- (4) delegate authority to the Head of Personalisation, Quality and Contracting to agree and sign the contract documentation relating to the services, save where sealing as a deed is necessary, which shall be sealed and signed by the Director for Legal and Governance / Head of Legal and Governance.**

Reasons for decision

- i) Extra Care services support citizens to maintain their levels of independence and enable them to remain living in the community for longer, resulting in better outcomes for citizens as they can maintain social contacts, interests, and routines even as their care needs change;
- j) Extra Care can provide flexible support to meet changing needs and delay the need for intensive forms of care, such as residential care. This supports the Better Lives Better Outcome (BLBO) programme to reduce the number of older citizens requiring residential care;
- k) the current contracting arrangements for the on-site care providers at five Extra Care services end in 2025 and there are no provisions for extending the contracts beyond their current end dates. Therefore, the services must be recommissioned;
- l) the estimated contract value is based on current commissioned packages of care, which have been agreed through separate Adult Social Care processes, as well as the block contract values for night care and background hours which have been modelled against existing block contracts for night-care and the existing Extra Care hourly rate for the background hours;
- m) whilst the proposed contract awards are likely to increase the current annual spend on Extra Care, this will be offset by the avoidance of costs if citizens were to receive care under homecare and residential care contracts;
- n) the decision will enable a compliant procurement process to be undertaken;

- v) the framework will enable new services to be secured in the future if and when required for the existing schemes. Best value will be secured through competitive tender and call off procedures.

#### Other options considered

- w) Do nothing, and allow Extra Care contracts to terminate when they reach their end dates throughout 2025, without procuring new services. This would not fulfil the authority's statutory duty to provide care to all citizens with an eligible need through Extra Care, and would not represent best value, as the authority would have to put more costly alternatives in place;
- x) Procure Extra Care services under the current model operating within Nottingham City. This was not recommended, because consultation with citizens living in Extra Care and providers indicated that a new model is needed. This is also reflected in the underutilisation of Extra Care currently, partly due to the lack of a standard offer in areas such as night-care.

### **32 Children's Advocacy and Independent Visitor Service - key decision**

Charlotte Dodds, Commissioning Lead Officer, introduced the report, highlighting the following:

- a) for noting, since the report was published, Nottinghamshire County Council has slightly changed their figures. There will be an additional £28,000 in block funding per annum, on top of the £200,000 outlined in the report, and a further unconfirmed amount which may be available from 2026/27. The updated figures will be included in the tender, so it would be permissible under procurement regulations should they secure that funding;
- b) this report seeks approval for the joint commissioning of a Children's Advocacy and Independent Visitor Service with Nottinghamshire County Council, on a five-year contract (with an initial three years with the option to extend it to 2030);
- c) the service will provide issue-based advocacy for children in care, with advocates regularly visiting children and young people in residential homes and champion their wishes and views, Independent Persons for secure accommodation review panels, and Independent Visitors who befriend children in care and act as an adult role model;
- d) currently, Nottingham City Council and Nottinghamshire County Council hold separate contracts with the same provider. Both have provision to extend these contracts to 2026, however the incumbent provider does not wish to extend these contracts. The provider has stated that holding the contracts jointly allows for efficiency savings;
- e) the current contract is out of line with government guidance, which recommends that young people aged 16 and 17 who may be homeless should have access to an independent advocate during their Joint Housing Assessment interview process. There is also updated guidance related to advocacy for Looked-After

Children, Children in Need and Care Leavers, which the new contract will meet on a payment by activity basis to ensure Best Value;

- f) a consultation was undertaken through a tender process in 2022, including consultation with the Children in Care Council. It is hoped that the contract opportunity will be advertised through an open tender process in late September / early October, ready for the new contract start date in April 2025.

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

- g) there should not be any risk that Nottinghamshire County Council would not approve the joint commissioning approach, as they have been securing additional funding;
- h) the Nottinghamshire County Council funding element has been updated, but the Nottingham City Council funding element remains as in the report.

**Resolved, subject to Nottinghamshire County Council's approval to spend up to £1,190,000 or more for the purposes of a joint Nottingham City Council and Nottinghamshire County Council Children's Advocacy and Independent Visitor Service, with a maximum contracts value of £1,681,000 (or more, depending on any further approved spending by Nottinghamshire County Council) and appropriate Spend Control Board approval for Nottingham City spend, to:**

- (1) approve Nottingham City Council's spend of up to £491,000 over a maximum 5-year contractual term for the above purpose;**
- (2) delegate authority to the Director of Commissioning and Partnerships or Head of Personalisation, Quality and Contracting as appropriate, on behalf of Nottingham City Council, to:**
  - i. procure, award and enter into a contract / agreement for the above purpose for an initial 3-year period (1 April 2025 – March 2028), with the option to extend for a further 2-year period to 30 March 2030;**
  - ii. enter into a Collaboration Agreement with Nottinghamshire County Council for the duration of the above contract, agree and sign the contract documentation relating to the service, save for either agreement being required to be executed as a deed, which shall be executed on behalf of Nottingham City Council by the Director for Legal and Governance / Head of Legal and Governance.**

#### Reasons for decision

- i) The incumbent provider of the Children's Advocacy and Independent Visitor Service has advised they will not be agreeing to an extension of their contract beyond March 2025, therefore a tender is required to secure a new service provider from April 2025 onwards;



- j) all Children in Care, Children in Need and Care Leavers, and when children and young people are subject of a Child Protection Plan and the local authority is considering care proceedings, have the right to an independent advocacy service;
- k) provision of an Independent Visitor for Children in Care is a statutory duty;
- l) government guidance recommends that homeless young people aged 16 and 17 should have access to an independent advocate during their Joint Housing Assessment interview process;
- m) the incumbent provider has stated they were able to make cost efficiencies due to holdings contracts with both Nottingham City and Nottinghamshire County, so commissioning a joint service will ensure NCC continue to benefit from these efficiencies. It has been agreed that Nottingham City will lead the procurement of the service on behalf of both local authorities.

#### Other options considered

- n) Do nothing, and allow the Children's Advocacy and Independent Visitor service contract to terminate without securing a new service. This would leave the authority's statutory duty to provide such a service unfulfilled, and would be contrary to government guidance regarding homeless young people aged 16 and 17;
- o) to procure a service that supports only Children in Care and homeless 16- and 17-year olds, but does not support Children in Need, Care Leavers, and children and young people subject to child protections. This would be contrary to government guidance;
- p) to procure a Children's Advocacy and Independent Visitor Service for Nottingham City only. This was not recommended, as there would be a risk that City and County would secure contracts with different organisations, losing the opportunity to secure current and future efficiencies related to a joint approach. This would not achieve Best Value, and would likely see an increase in the cost of the service, or reduce the service offer, impacting vulnerable children and young people.

### **33 Children's Residential Block call-off - key decision**

Charlotte Dodds, Commissioning Lead Officer, introduced the report, highlighting the following:

- a) the tender is for two, two-bed homes for those facing challenges within standard residential services, due to diverse needs often requiring specialist support;
- b) the tender is for a five-year contract, with options for two extensions for two years, under the D2N2 framework. It is part of a series of tenders intended to maintain sufficient places. The initial contract period of five years enables initial investment, but the options to extend provide flexibility and easier contract management;

- c) there is a maximum block element, and additional funding for the second child, and the provider's profit will be weighted towards this second placement;
- d) the Council is asking providers for details costings, to understand the market better and to introduce more transparency into the market for children's residential homes.

**Resolved to:**

- (1) subject to receipt of appropriate spend control approval, approve spend of up to £18.72m over 9 years for the provision of up to 4 children's residential care beds, of which up to £11.262m will be as a guaranteed block payment;**
- (2) approve procurement through the existing D2N2 framework of 2x 2-bed residential care homes for children with complex needs for 5+2+2 years;**
- (3) delegate authority to the Director of Commissioning and Partnerships to approve and award the outcome of the tender process;**
- (4) delegate authority to the Head of Service Contracts, Quality and Personalisation to sign the call off contract, save for any agreement/contract being required to be executed as a deed, which shall be executed on behalf of Nottingham City Council by the Director for Legal and Governance / Head of Legal and Governance.**

Reasons for decision

- e) offering D2N2 providers a guaranteed income under a block contract will encourage investment in the development of homes for children in care for whom it is challenging to find placements within standard residential services;
- f) the contract is arranged to allow an initial assessment period for both the authority and the provider to ensure the arrangements are working, with extensions to enable longer-term arrangements;
- g) the Council currently has 11 children placed in unsuitable provision, using unregistered accommodation as a short-term emergency fix, but this would help to move children into registered provision as quickly as possible;
- h) these unregistered placements tend to be costly, set up quickly with high staffing levels and prices reflecting the lack of choice within the market. Indicative costs for specialist 1 and 2 bed homes indicate this decision would provide savings, but to invest providers require the assurance of continued utilisation;
- i) the intention is to limit the block contract element to a cost which would enable a 2-bed home to be run as a solo provision with reduced payment for the second child, which would allow the home to be cost effective if it had to be run as a solo home for a period of time, but enable efficiencies of scale when the

second child moves in. Weighting the provider profit/surplus to the second child also incentivises use of the second placement.

#### Other options considered

- j) Waiting for the larger block contract to be let and incorporating these beds into that tender. Going to the D2N2 framework for these beds is a faster process as providers have already been approved, and demonstrates NCC's commitment to an on-going relationship with the D2N2 framework providers;
- k) continuing to commission on an individual call off basis. This has not proved successful to date, either through the D2N2 framework or by sport purchasing and providers have indicated that a block arrangement would give them more confidence to invest in property and ring fence beds for Nottingham City.

### **34 NEET Reduction Service - key decision**

Matthew Wheatley, Head of Economic Development, introduced the report, highlighting the following:

- a) the report sought approval to enter into a contract for a NEET reduction service for 2024/25 and to place that contract with Nottingham and Nottinghamshire Youth Services (NNYS), part of the Futures group, under a TECKAL exemption;
- b) the Council has a statutory duty to encourage, enable and assist young people, as well as those between 20-25 with SEN and disabilities, to participate in education and training. It is a priority for the Council in the strategic plan, as the longer a young person spends as a NEET, the more the long-term cost to the public sector;
- c) Futures has performed well, contributing to Nottingham City's combined NEET and unknown rate being recorded as 5.1% in 2023, the second lowest of all the core cities;
- d) the service will be delivered in three parts: core services, meeting statutory requirements, to be met from the local authority's base budget; an enhanced service, targeted for those with the highest risk of becoming NEET; and making use of public health grants to undertake activity supporting the wellbeing, including the financial wellbeing, of young people across the city;
- e) the value has reduced by £50,000. The Council is working with the provider to drive efficiencies and savings. An outline Best Value review has been undertaken, which showed that performance was good and cost was comparable with other cities and local authority areas.

During discussion and in response to questions from the Committee, it was stated that the report sought one-year's funding, and it was difficult for those working on one-year contracts renewed year-on-year. With the development of the East Midlands Combined County Authority, it is hoped that the landscape for skills funding would change positively in the future.

**Resolved to delegate authority to the Corporate Director for Growth and City Development to:**

- (1) enter into a new joint contract with Nottinghamshire County Council for the delivery of NEET reduction activity, delivered by NNYS under TECKAL arrangements within Nottingham City for the period 2024/25, with the combined value not exceeding £941,300 (£410,300 LA base budget) and the contract to be reviewed by Legal Services in advance of signature;**
- (2) sign the contract and any subsequent modifications on behalf of Nottingham City Council, subject to compliance with the applicable Public Procurement regime and review by Legal Services.**

Reasons for decision

- f) The local authority has a statutory duty under Section 68 of the Skills and Employment Act to support young people in participating in education or training, and implementing a NEET reduction service in Nottingham ensures that the local authority complies with its legal obligations;
- g) reducing the number of NEET individuals is crucial for economic development and is a key metric in the Keeping Nottingham Working strand of the Strategic Council Plan;
- h) young people who are NEET often face multiple social challenges, including mental health issues, social exclusion, and lower life satisfaction. Providing targeted support can help to address these issues directly, improving social outcomes for young people, reducing social inequality, and creating a more inclusive community;
- i) a Best Value review is being carried out to inform delivery and contracting in the 2025/26 financial year. Pending that review, and subject to performance, the continuation of the award to NNYS under TECKAL arrangements allows for significant benefits:
  - a. NNYS have maintained good performance achieving profiled results;
  - b. they have established relationships and a deep understanding of the local context;
  - c. NNYS through Futures holds additional Employment and Skills grant awards to enhance NEET reduction activity (UKSPF);
  - d. there are significant administrative savings due to not having to undergo a commissioning and re-implementation process.

Other options considered

- j) not delivering the statutory service could leave the Council open to potential legal challenge, would result in poor performance on the Strategic Council Plan NEET rate key metric, and would create demand for other Council services;
- k) the Best Value review will examine the best route to source future delivery of the NEET reduction service.