

EXECUTIVE BOARD – 18 MARCH 2014

Subject:	Implementation of Mortuary Services Contract		
Corporate Director(s)/ Director(s):	Carole Mills, Deputy Chief Executive/Corporate Director for Resources Glen O’Connell, Director of Legal and Democratic Services		
Portfolio Holder(s):	Councillor Graham Chapman, Deputy Leader/Portfolio Holder for Resources and Neighbourhood Regeneration		
Report author and contact details:	Lucy Lee, Head of Civic, Coronial and Celebratory Services Lucy.lee@nottinghamcity.gov.uk 0115 8765480		
Key Decision	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Subject to call-in	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Reasons: <input checked="" type="checkbox"/> Expenditure <input type="checkbox"/> Income <input type="checkbox"/> Savings of £1,000,000 or more taking account of the overall impact of the decision			<input type="checkbox"/> Revenue <input checked="" type="checkbox"/> Capital
Significant impact on communities living or working in two or more wards in the City			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Total value of the decision: £1,619,687.50 (cost to Nottingham City Council) £3,239,375 total contract value equating to £647,875 per annum over 5 years split equally between Nottingham City Council and Nottinghamshire County Council			
Wards affected: All	Date of consultation with Portfolio Holder(s): February 2014		
Relevant Council Plan Strategic Priority:			
Cutting unemployment by a quarter			<input type="checkbox"/>
Cut crime and anti-social behaviour			<input type="checkbox"/>
Ensure more school leavers get a job, training or further education than any other City			<input type="checkbox"/>
Your neighbourhood as clean as the City Centre			<input type="checkbox"/>
Help keep your energy bills down			<input type="checkbox"/>
Good access to public transport			<input type="checkbox"/>
Nottingham has a good mix of housing			<input type="checkbox"/>
Nottingham is a good place to do business, invest and create jobs			<input checked="" type="checkbox"/>
Nottingham offers a wide range of leisure activities, parks and sporting events			<input type="checkbox"/>
Support early intervention activities			<input type="checkbox"/>
Deliver effective, value for money services to our citizens			<input checked="" type="checkbox"/>
Summary of issues (including benefits to citizens/service users): The previous Mortuary Services contract has expired and a fully competitive tender process has been undertaken. Nottingham University Hospital Trust (NUHT) have been identified through this process as the successful tenderer. This report seeks approval to enter into a contract with NUHT.			
Exempt information: None			
Recommendation(s):			
1. To approve entering into a contract with NUHT, the successful tenderer following a competitive tender exercise, at a cost of £1,619,688 to Nottingham City Council for Mortuary Services for a 5 year period, with the possible extension of a further 3 years plus 2 years (totalling a maximum of a further 5 year extension) and delegate authority to the Deputy Leader/Portfolio Holder for Resources and Neighbourhood Regeneration to authorise the extension of the contract.			

1 REASONS FOR RECOMMENDATIONS

- 1.1 The contract for mortuary services expired and as a result a full procurement process was undertaken from which NUHT were the successful tenderer. The service received from NUHT is excellent and employment opportunities remain within the city. Value for money can be demonstrated as the additional cost is only marginally higher than the original contract cost which was awarded in 2001.

2 BACKGROUND (INCLUDING OUTCOMES OF CONSULTATION)

- 2.1 The contract for mortuary services was originally split between Nottingham University and Sherwood Hospital Trusts. Continued quality issues arose with Sherwood Forest Hospital Trust and the tender process allowed for a bid for the entire contract or elements of it. Sherwood Forest Trust did not bid, Nottingham University Hospital Trust bid for the entire contract and were the only bidders. The services within this contract can only be undertaken by a large local hospital trust.
- 2.2 The contract covers storage of bodies on behalf of HM Coroner for Nottinghamshire, providing mortuary facilities including post mortem examinations, payment for pathologists and histology and toxicology. NUHT were the only bidders for the contract. Their facilities and service are excellent and the price reflects an increase of £24,187 (net £12,093 to the City) from the original contract which was negotiated over 12 years ago, representing value for money.
- 2.3 The contract ensures we can offer excellent, secure and dignified provisions for the bereaved people of Nottingham. The medical professionals and mortuary technicians at NUHT are some of the best in the country and this contract ensures continued employment for them and reinforces our commitment to employment within the city and to embracing the technological and scientific excellence that Nottingham University and the hospital trust provide. Queens Medical Centre is the trauma centre for the midlands and supports the Coroner's service which is the largest jurisdiction in the UK by over 20%.

3 OTHER OPTIONS CONSIDERED IN MAKING RECOMMENDATIONS

- 3.1 There are no other options available as the existing contract expired, a fully compliant tender process was undertaken to identify NUHT as the provider and this is a statutory service that the Council must continue to provide.

4 FINANCIAL IMPLICATIONS (INCLUDING VALUE FOR MONEY/VAT)

- 4.1 The total value of the contract is £3,239,375 over 5 years or £647,875 per annum, however 50% of all the total cost will be recharged to Nottinghamshire County Council leaving a net cost to Nottingham City Council over 5 years of £1,619,688 or £323,938 per annum. This represents a slight increase on the current costs of £12,093 per year. There is budget provision available with the Coroners budget to cover the full costs of this contract.
- 4.2 The Post Mortem examination element £216,150 pa (£108,075 to City) is subject to VAT.
- 4.3 It has been difficult to benchmark the costs against other councils as they have not published their budget provisions and remain reluctant to do so, however the cost has only increased marginally with this new contract and the value of the service received remains very high.

5 RISK MANAGEMENT ISSUES (INCLUDING LEGAL IMPLICATIONS AND CRIME AND DISORDER ACT IMPLICATIONS)

- 5.1 NUHT have robust procedures and work to a strict protocol, we work very closely with them and therefore any risk is minimal.
- 5.2 Following expiration of the existing mortuary services contract, a fully compliant tender process was undertaken from which NUHT were identified as the successful tenderer. The Corporate Procurement Unit supports the recommendations of this report.
- 5.3 Mortuary services are a statutory service which the Council must ensure provision of and endorsement of the contract will enable the Council to meet its statutory obligations in this regard.
- 5.4 Legal Services have assisted to prepare the contract documentation between the parties. For the above reasons, the proposals in this report are supported.

6 SOCIAL VALUE CONSIDERATIONS

- 6.1 Nottingham is a diverse city with a variety of citizens with specific cultural needs. It is important to ensure that deceased persons are treated with dignity and respect, that cultural requirements are met (within the remit of the law) and the best pathologists and technicians are employed in this capacity.
- 6.2 NUHT have a robust Equality and Diversity policy which they adhere to in regards to employment and customer provision.

7 REGARD TO THE NHS CONSTITUTION

- 7.1 Local authorities have a statutory duty to have regard to the NHS Constitution when exercising their public health functions under the NHS Act 2006. In making this decision relating to public health functions, we have properly considered the NHS Constitution where applicable and have taken into account how it can be applied in order to commission services to improve the health of the local community.

8 EQUALITY IMPACT ASSESSMENT (EIA)

Has the equality impact been assessed?

- (a) not needed (report does not contain proposals for new or changing policies, services or functions, financial decisions or decisions about implementation of policies development outside the Council)
- (b) No
- (c) Yes – Equality Impact Assessment attached

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

- 9.1 None.

10 PUBLISHED DOCUMENTS REFERRED TO IN THIS REPORT

10.1 None

11 OTHER COLLEAGUES WHO HAVE PROVIDED INPUT

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