

NOTTINGHAM CITY COUNCIL

COMMISSIONING AND PROCUREMENT SUB-COMMITTEE

MINUTES of the meeting held at Loxley House, Nottingham on 14 September 2016 from 14.02 - 14.30

Membership

Present

Councillor Jon Collins
Councillor David Mellen
Councillor Nicola Heaton (Vice Chair)
Councillor Dave Trimble

Absent

Councillor Alex Norris (Chair)
Councillor Jane Urquhart

Colleagues, partners and others in attendance:

Katy Ball	- Director of Commissioning and Procurement
Christine Oliver	- Head of Commissioning
Claire Labdon-West	- Commissioning Manager
Dave Robinson	- Nottingham Community and Voluntary Service (NCVS)
Phil Wye	- Constitutional Services Officer

Call-in

Unless stated otherwise, all decisions are subject to call-in and cannot be implemented until 26 September 2016

23 APOLOGIES FOR ABSENCE

Councillor Alex Norris
Councillor Jane Urquhart

24 DECLARATIONS OF INTEREST

None.

25 MINUTES

The minutes of the meeting held on 13 July 2016 were agreed as a true record and signed by the Chair.

26 APPROVAL TO CDP TO EXTEND CONTRACT LENGTH FOR NEW YOUNG PEOPLE'S SUBSTANCE MISUSE SERVICES

Christine Oliver, Head of Commissioning, introduced the report but noted that the financial and legal advice was incomplete.

RESOLVED to postpone the decision based on the recommendations in the report pending complete financial and legal advice, and for it to be signed as a delegated decision by Councillor Alex Norris

27 DAY AND EVENING SERVICES FRAMEWORK

Clare Labdon-West, Commissioning Manager, introduced the report seeking approval to establish an Accreditation Process for the procurement of day and evening opportunities for vulnerable adults with a personal budget. This will replace the existing Framework when this comes to an end in February 2017. The new contracts will commence in March 2017 and be for three years plus a potential three year extension. The services will provide a range of outcome focussed, person centred activities for eligible citizens including those with a learning disability, mental health issues, physical disabilities and older people.

RESOLVED to

- (1) approve the establishment of an Accredited List of providers for Day and Evening Services for vulnerable adults with a personal budget;**
- (2) delegate authority to the Director of Procurement and Commissioning to approve the outcome of the procurement processes and award contracts to providers that are deemed suitable to be part of the Accredited List;**
- (3) delegate authority to the Head of Contracting and Procurement to sign the final contracts.**

Reasons for decision

An Accreditation Process will enable Nottingham City Council to vet and qualify potential providers of day and evening opportunities to ensure they have the ability to provide such services. The process is similar to the Pre-Qualifying Questionnaire phase of a tender process and will look at the organisations' suitability to provide a service. This will include examining the company's finances as well as ensuring that relevant policies and processes are in place. Checks will also be carried out to ensure that there is no legal reason why the provider should not deliver the service. The detail of the service, including quality standards, will be included in the service specification and contract. The providers will then be subject to Nottingham City Council's quality monitoring processes.

The current Framework for Day and Evening Services was established in 2013 and was fixed for 4 years. Several of the existing providers within Nottingham City were unsuccessful in the tendering process and were therefore not included in the Framework. As there was still a need for their provision and citizens have continued to choose these providers, spot contracting arrangements have been used. There have also been a number of new providers enter the market that have been unable to join the Framework. In order to make use of their provision, spot contracts have been required. This puts additional pressure on the council in terms of managing the process. Although citizens are able to access direct payments for provision, it is reported by operational colleagues that often citizens do not want this option despite this being offered during the assessment process. This is particularly true of citizens

with a learning disability where there is reported to be a clear preference for a managed account.

Day and evening services are unregulated and providers are not required to be registered with the Care Quality Commission. Providers who are part of the current Framework are subject to contract monitoring from the Contract Performance Care and Support Team which includes the internal Quality Monitoring Framework. Where standards are not maintained, there are a range of measures available to the authority to improve the provider performance and safeguard citizens. Spot contracts are not subject to the same internal quality monitoring processes as Framework Providers which creates a risk to citizens.

By having an Accreditation Process for providers there would be no further need for spot contracting arrangements. All providers would be required to meet the accreditation process that Nottingham City Council will no longer be making placements via spot contracts. If a citizen wishes to use an unaccredited provider they will only be able to do this by utilising a direct payment. An Accredited List will allow new providers to join the list at any time which would enable citizens to benefit from these providers at the earliest opportunity.

Operational colleagues have advised that they are often challenged to find services which are suitable for citizens with complex needs or behaviour which challenges. A procurement method which is flexible and allows Nottingham City Council to capture all capacity within the market is therefore necessary.

The specification for the services will maintain the current commitment to creating a broad spectrum of provision in order to meet the diverse needs of our citizens.

The accreditation process will include measures to ensure that citizens are being safeguarded, for example all providers will need to provide copies of their safeguarding policies and confirmation of the use of DBS checks. Citizens accessing a service from the Accredited List will be assured that the provider has met the minimum standard to be accepted onto the list and that the service they will receive will be subject to Nottingham City Council's quality monitoring process with regards to the agreed service standards.

The accredited List will enable the council to manage the overall costs of day services as providers will be required to clearly present prices for the services offered (whether session or hourly rates) and this information will be available to citizens when they select services from the list. Indicative prices could be publicised as part of the tenders and tenderers will be encouraged to offer value for money in their tender submissions, while still allowing for the market to self-regulate around this issue.

Other options considered

Do nothing. This is not an option as the Framework is due to end in February 2017 and a new contractual arrangement is required.

Establish another Framework. Citizens who wish to purchase a service from a provider who is not part of the framework would need to utilise a direct payment. An

Accredited List would create more choice for citizens and flexibility for us to add new providers as they enter the market.

28 VOLUNTARY AND COMMUNITY SECTOR UPDATE

Dave Robinson, NCVS, gave an update and highlighted the following:

State of Nottingham's Voluntary and Community Sector 2016

- (a) NCVS's State of the Sector Report will be launched in October. Over 100 local groups completed the survey which is a significant amount and gives a good overview of the city's position;
- (b) 41% of respondents reported increasing their income but only 28% reported that their income covered all of their costs. A significant proportion of the sector is unable to satisfy the level of demand for their services. Only 34% of respondents felt confident to describe their organisation's financial situation as stable;
- (c) the impact of austerity is still being felt, and this appears to be disproportionately impacting the specialist medium sized organisations as they have lost grant funding from local and national sources;
- (d) there has been a slowdown in the number of new community organisations, however there has been an increase in groups supporting new and emerging communities to support the increasingly diverse communities in the city;
- (e) there are concerns around provision of infrastructure services to groups. Groups are still coming forward with complex support needs which are in danger of going unmet. Business financial skills, quality systems, impact reporting and contract and investment readiness support are all in demand with minimal specialist provision available;

NCVS's Strategic Plan

- (f) the strategy for 2016-19 centres on 5 strategic objectives:
 - to provide services and support that enables the VCS to grow its capacity and capability;
 - to increase the scale, scope, quality and impact of volunteering in Nottingham;
 - to provide a strong, strategic voice for the VCS;
 - to work in partnership with other VCS organisations to enable the more effective delivery of services;
 - to be a more effective and financially sustainable organisation;
- (g) NCVS plans to change its trading offer, as it already attracts organisations from neighbouring counties;
- (h) after discussion, NCVS has decided not to sell their city-centre building, but continue to use it as voluntary sector hub with incubation spaces for smaller

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organisations as well as renting spaces for other organisations to make an income.

RESOLVED to note the update

29 WORK PROGRAMME

RESOLVED to note the Work Programme and note that the meeting on 12 October 2016 has been cancelled