

# **Procurement Board meeting held in the Civic Centre, Chorley Road, Swinton, M27 5DA**

Wednesday, 20<sup>th</sup> April 2022

Meeting commenced at 10:15am

Meeting ended at 10:44am

## **Present in Person**

Councillors Hinds (in the Chair) and Merry.

## **In Attendance in Person**

Christine Wood                      Democratic Services

## **In Attendance via MS Teams**

Emily Edwards	Senior Integrated Commissioning Manager
Chris Hesketh	Head of Financial Management
Anthony Hilton	Head of Strategic Procurement
Peter Locke	Public Health Strategic Manager
Majid Maqbool	Energy Manager
Hayley Nixon	Commercial Project Manager
Tony Thompstone	Strategic Finance Manager

## **1. Apologies for Absence**

Apologies for absence were submitted on behalf of City Mayor Paul Dennett, Councillor Kelly and Councillor Youd.

## **2. Declarations of Interest**

There were no declarations of interest.

## **3. Minutes of Proceedings**

The minutes of the meeting held on 13<sup>th</sup> April 2022 were approved as a correct record.

## **4. Matters Arising**

There were no matters arising.

## **5. Decision Items – Part 1 – Open to the Public**

### **5(a) Approval for an Exception to Contractual Standing orders to:**

- 1. Award a contract for Council funded targeted CAMHS (Child and Adolescent Mental Health Services) to Manchester University NHS Foundation Trust (MFT) for 12 months from 1<sup>st</sup> April 2022 to 31<sup>st</sup> March 2023; and**
- 2. To complete to integrate MFT CAMHS contracts and children's mental health budgets with Salford CCG and to facilitate alignment with new GM Integrated Care System contracts.**

Consideration was given to a report of the Strategic Director of People Services requesting Approval for an Exception to Contractual Standing Orders to:

1. Award a contract for Council funded targeted CAMHS (Child and Adolescent Mental Health Services) to Manchester University NHS Foundation Trust (MFT) for 12 months from 1<sup>st</sup> April 2022 to 31<sup>st</sup> March 2023, and
2. To complete work to integrate MFT CAMHS contracts and children's mental health budgets with Salford CCG and to facilitate alignment with new GM Integrated Care System contracts.

The Board was reminded that the previous exception period had been granted to enable the integration of the Council funded targeted CAMHS contracts with Salford Clinical Commissioning Group (CCG) for the provision of these services. The ambition to integrate CCG and Council budgets and contracts for Children's and Young People's Mental Health services had been agreed a number of years previously and the Council had acted as both Executive Lead and Commissioner for the children's mental health ('Thrive') programme for the previous 4 years, supported by the appointment of an Integrated Senior Commissioning Manager for Children's and Young People's Mental Health in April 2018.

It was reported that the integration of Children's and Young People's Mental health budgets and contracts had been significantly hindered due to COVID and the formal proposals that were first made to MFT in December 2019 for a new integrated contract could not be progressed due to NHS England requirements to pay NHS providers on a block contract basis to ensure guaranteed financial flow to providers to achieve business continuity and service delivery (accessibility) with minimal requirement for routine performance and monitoring information. The 2019 proposal had set out a plan to integrate all Salford CCG and Council funded contracts with MFT into a single block contract arrangement, with an element of incentive to undertake additional transformation work and system leadership.

It was further reported that this work has been further delayed with the forthcoming changes announced in the Health and Social Care Bill (2021), and planned transition from 10 GM CCGs to a single Greater Manchester Integrated Commissioning Board (ICB) due to take effect from 1<sup>st</sup> July 2022.

Whilst it was not yet entirely clear what this would mean for Salford CAMHS contracts, it was understood that the plans under the GM ICB arrangements would be to establish a single contract with each NHS/ NHS commissioned provider. The transition would require a transition from multiple individual or joint CCG contracts which would be achieved wherever possible via a process of 'lift and shift' into one contract per provider.

The main MFT CAMHS contract sat with Manchester Health and Care Commissioning (CCG), with Salford CCG as an 'Associate Commissioner'. It was initially envisaged that Salford City Council would also be made an Associate Commissioner in order to facilitate the integration of Council contracts with Salford CCG, but the plan for transfer of MFT contracts under ICB arrangements was yet to be agreed. It was anticipated that there would be one contract for MFT (which will include CAMHS) to cover Manchester, Salford and now Trafford, who had re-commissioned and transferred their CAMHS contracts to MFT from PCFT. Further time was therefore required to allow for this contract transfer work to be completed before July 2022.

The significant proportion of funding into MFT Salford CAMHS was from Salford CCG as was detailed in table 2 of the report, with Salford City Council contributing only a comparatively small amount. Until March 2022, the three main Council funded contracts were for the targeted services, as detailed in the report at an annual value of **£308,871**. Two of these were jointly funded with CCG and were therefore not standalone services (Emerge and Starlac). All Council and CCG CAMHS contracts were recurrently funded and budgets were now included within the Integrated Fund/ Pooled budget from April 2022.

The Board was reminded that Salford CAMHS had signed a Social Value Pledge some years ago. Social Value benefits of the contract/ scheme were outlined within the report.

It was confirmed that as Salford was already involved with MFT and that they would be creating a relationship with the council as an associate (which was already in place with the CCG), that concerns about current delivery of services and their future delivery would be suitably managed. Furthermore, of all the services, presently, this was the least at risk of cuts and there was confidence that CAMHS would be protected.

It was highlighted that the Council's funding would go towards:

- Emerge - which is a 17-year-old service (£75,000)
- Youth Justice Service (£43,871)
- STARLAC - CAMHS for cared for children (£190,000)

There would also be £70,000 going towards the Route 29 Service which had now been approved for recurrent funding.

It was confirmed that whilst there had not been a contract review of social value in the previous two years, in view of its importance to the council, a review would be picked up.

RESOLVED, THAT: The Procurement Board:

1. Award a contract for Council funded targeted CAMHS (Child and Adolescent Mental Health Services) to Manchester University NHS Foundation Trust (MFT) for 12 months from 1<sup>st</sup> April 2022 to 31<sup>st</sup> March 2023; and
2. To complete work to integrate MFT CAMHS contracts and children's mental health budgets with Salford CCG and to facilitate alignment with new GM Integrated Care System contracts.

#### **5(b) Request for approval to go out to competition through existing Frameworks for contractors to design and install up to 4 Air Source Heat Pump systems as part of the Public Sector Decarbonisation Scheme 3.**

Consideration was given to a report of the Strategic Director for the Place Directorate requesting approval going out to tender through a Framework for the design and build of 4 Air Source Heat Pump systems as part of the Public Sector Decarbonisation Procedure Rules.

The Board was advised that the Public Sector Decarbonisation Scheme 3 funding consortium bid, led by the GMCA and where Salford City Council was a partner, had

been approved by Salix and an award has been made to GMCA of £19m. The total project value for Salford City Council was £747,467 to install Air Source Heat Pumps at 4 sites, this would be a grant of £331,979 and match funding of £415,488.

The proposed sites were as listed below and would be part of its contribution towards Greater Manchester's target of becoming a carbon-neutral city region by 2038:

- Beesley Green
- Boothtown Library
- Turnpike Mess room
- Waterside Activity Centre

The Board was further advised that the project would run from 1<sup>st</sup> April 2022- 31<sup>st</sup> March 2023.

RESOLVED, THAT: The Procurement Board approve going out to tender through a Framework for the design and build of 4 Air Source Heat Pump systems as part of the Public Sector Decarbonisation Scheme 3 which is to be procured in accordance with the Council's Contract Procedure Rules.

#### **6(a) LATE ITEM – Approval to award the Contract for Merchant acquiring (enables the Council to accept credit and debit card payments)**

Consideration was given to a report of the Strategic Director of Service Reform requesting that the Procurement Board approve the award of the Contract for Merchant acquiring (enables the Council to accept credit and debit card payments).

The Board was advised that in order to accept payments from bill payers via debit and credit cards the Council required a merchant acquirer, that processes card payments and passed the payments to the Council.

The Board was further advised that there was a facility within the Council's bank contract that permitted the Council to access merchant acquiring services using the direct award process and terms of the Crown Commercial Services Framework RM6118 - Payment Acceptance.

It was reported that the Council's income management system provider was changing their gateway provider, as part to this change the Council must obtain new merchant IDs as soon as possible to enable the change to be made by the 31 October 2022, this had communicated at a meeting on the 13<sup>th</sup> April. As part of the process the income management system provider was freezing all other development and a delay in getting a decision on the change in merchant provider could lead to the Council being unable to process card payments after that date. To mitigate this occurring the Council would need to continue with its existing supplier paying the higher fees.

It was further reported that the Council would need to work with its existing merchant provider until the changeover in October 2022 if the income management system provider freeze on development includes changes of MIDs in the interim.

As part of the due diligence of checking that the Council was receiving the most competitive rates available through the CCS framework, the user guidance had followed which required the Council to undertake a desktop evaluation of the three providers on the framework.

Contact had been made with CCS who provided pricing spreadsheets for the 3 suppliers on the framework. After entering the Council's card processing volumes and values, the estimated costs for 12 months of the 3 providers had been compared.

	£
Supplier 1	103,446
Supplier 2	94,190
Global pay	79,794

These represent a saving of approx. £39k per annum against the current contract cost of £119,165 (excludes chip and pin costs).

The contract would be for 3 years with 2 options to extend for a further 12 months to be approved by Strategic Director – Service Reform.

The start date of the contract would need to be determined following consultation with the Council's supplier of its income management software as some configuration work would be required to use the new merchant provider. When a commencement date for the switch over had been confirmed, there would be a 4-week lead in period and the cost of the switch would be £5k, however this cost would be recouped in the first months of the new contract.

The following legal implications had been received since publication of the agenda and reports:

*“When commissioning contracts for the procurement of goods, services, or the execution of works, the Council must comply with the Public Contracts Regulations 2015 (PCR) and its own Contractual Standing Orders (CSO's), failing which a contract may be subject to legal challenge from an aggrieved provider. The proposed award of the contract follows an exercise to call off following competition in accordance with an appropriate Crown Commercial Services (CCS) Framework.*

*CSO's stipulate that where a suitable framework exists, this must be used unless there is an auditable reason not to do so. The proposed award of the contract follows a call off exercise in accordance with the CCS framework referred to in the body of the report, which is a fully compliant framework from a legislative perspective available for the Council (and other local authorities) to use.*

*The Council can comply with the requirements of PCR by carrying out its own procurement exercise or relying upon another contracting authority's compliant procurement exercise. In that regard, contracting authorities may procure goods, works or services through a 'central purchasing body' (and are deemed to have complied with PCR to the extent that the central purchasing body has). The definition of 'central purchasing body' includes an authority that concludes framework*

*agreements for works, goods or services intended for one or more contracting authorities.*

*In this instance three submissions were invited and received from tenderers on the framework, which were evaluated in line with the published criteria resulting in the proposed award of the contract to Global Pay. The procurement procedures therefore appear robust and compliant with the requirements of the Council's CSO's and public procurement legislation”.*

In relation to Social Value, the Board was advised that the contract was for the processing of card payments, whilst the volume and value of the card transactions was high, the cost of the contract was relatively small.

RESOLVED, THAT: The Procurement Board approve the award of the Contract for Merchant acquiring (enables the Council to accept credit and debit card payments) to Global Pay as detailed in the report.

#### **7. Any other business – Part 1 – Open to the Public**

There was not any other business.

#### **8. Decision Items – Part 2 (Closed – Open to the Public**

There were not any Part 2 items.

#### **9. Decision Items – Part 2 – Open to the Public**

There were not any Part 2 items.

#### **10. Date and time of next meeting**

10:00am on Wednesday 11 May 2022 in the Salford Suite at the Salford Civic Centre, Chorley Road, Swinton, M27 5DA.