

BNSSG CCG Governing Body Meeting

Date: Tuesday 4th December 2018

Time: 1.30pm

Location: The Vassall Centre, Gill Avenue, Downend, BS16 2QQ

Agenda number: 6.2

Report title: Adult community health services procurement update

Report Author: Community Health Services Procurement Team

Report Sponsor: Lisa Manson, Director of Commissioning

1. Purpose

This paper provides the Governing Body with an update about the procurement of adult community health services, for information only.

2. Recommendations

The Governing Body is asked to:

- **note** progress towards the procurement of adult community health services
- **note** that in order to ensure equity between Bidders, confidentiality of information and the legality of the procurement process, the Governing Body will not receive updates about the procurement in public except in general terms, and without disclosing the number or type of Bidders. The Governing Body will be asked to approve launch of the procurement at a meeting in early 2019 and will receive a report in public following due diligence and NHS England assurance of the Preferred Bidder and the planned Contract in Summer 2019, asking the Governing Body to award a Contract.

3. Executive Summary

The CCG's Contracts for adult community health services end in 2020 and 2021. As part of business as usual the CCG is procuring adult community health services across its geography, with a Contract to begin on 1 April 2020. A Prior Information Notice was released in September 2018 to let the market know the CCG's intention to procure. Two market engagement events have been held.

The scope of the services included in the procurement, approved by the Governing Body in October 2018, is all core adult community health services across Bristol, North Somerset and South Gloucestershire.

The procurement process, approved by the Governing Body in October 2018, is an iterative process with two rounds of proposals based on the principles of a Competitive Procedure with Negotiation.

The procurement timeline, approved by the Governing Body in October 2018, is to launch the procurement in early 2019 and conclude the procurement in Summer 2019.

4. Financial resource implications

The financial envelope for adult community health services will be released when the procurement is launched. Current spending on adult community health services core contracts across Bristol, North Somerset and South Gloucestershire is about £90m per annum, plus additional sums as part of contracts with acute providers.

5. Legal implications

Public procurement is governed by the Public Contracts Regulations 2015. The Mills and Reeve legal team and the South, Central and West Commissioning Support Unit have reviewed all proposed processes and scope to help ensure a fair, transparent and proportionate process.

6. Risk implications

The main risk associated with the procurement is not gaining Bids that are able to meet the Requirements. The CCG is mitigating this risk by using an iterative process so the CCG can negotiate with Bidders to receive appropriate Bids.

7. Implications for health inequalities

Screening for a Quality Impact Assessment and Equalities Impact Assessment has been undertaken. The procurement has no significant implications for health inequalities over and above existing known issues. The service specifications require the Community Services Provider to detail plans to address health inequalities and the determinants of health.

8. Implications for equalities (Black and Other Minority Ethnic/Disability/Age)

Screening for an Equalities Impact Assessment has been undertaken. The procurement has no significant negative implications for equality and diversity issues. The service specifications require the Community Services Provider to detail plans to address equality and diversity issues.

9. Implications for Public Involvement

Stakeholders, including the public, patients and carers, have been involved in the development phase of the procurement to help identify priorities for the service. Five workshops have been held where the public, patients and carers were invited (alongside other stakeholders), an online survey was completed by almost 200 people and a Public Reference Group has been set up to support the procurement. Formal public consultation is not required as part of the procurement as no 'significant variation' to services is planned.

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1. Background

Bristol, North Somerset and South Gloucestershire Clinical Commissioning Group (CCG) has contracts with three separate community interest companies for adult community health services, one in each of the three legacy areas of past CCGs. Two of the contracts come to an end in March 2020 and one in March 2021. Two cannot be extended. The CCG needs to ensure that community health services are available for the population when current contracts end.

The Governing Body has approved procuring adult community health services (May 2018) and the scope and process to be used (October 2018). This paper provides an update.

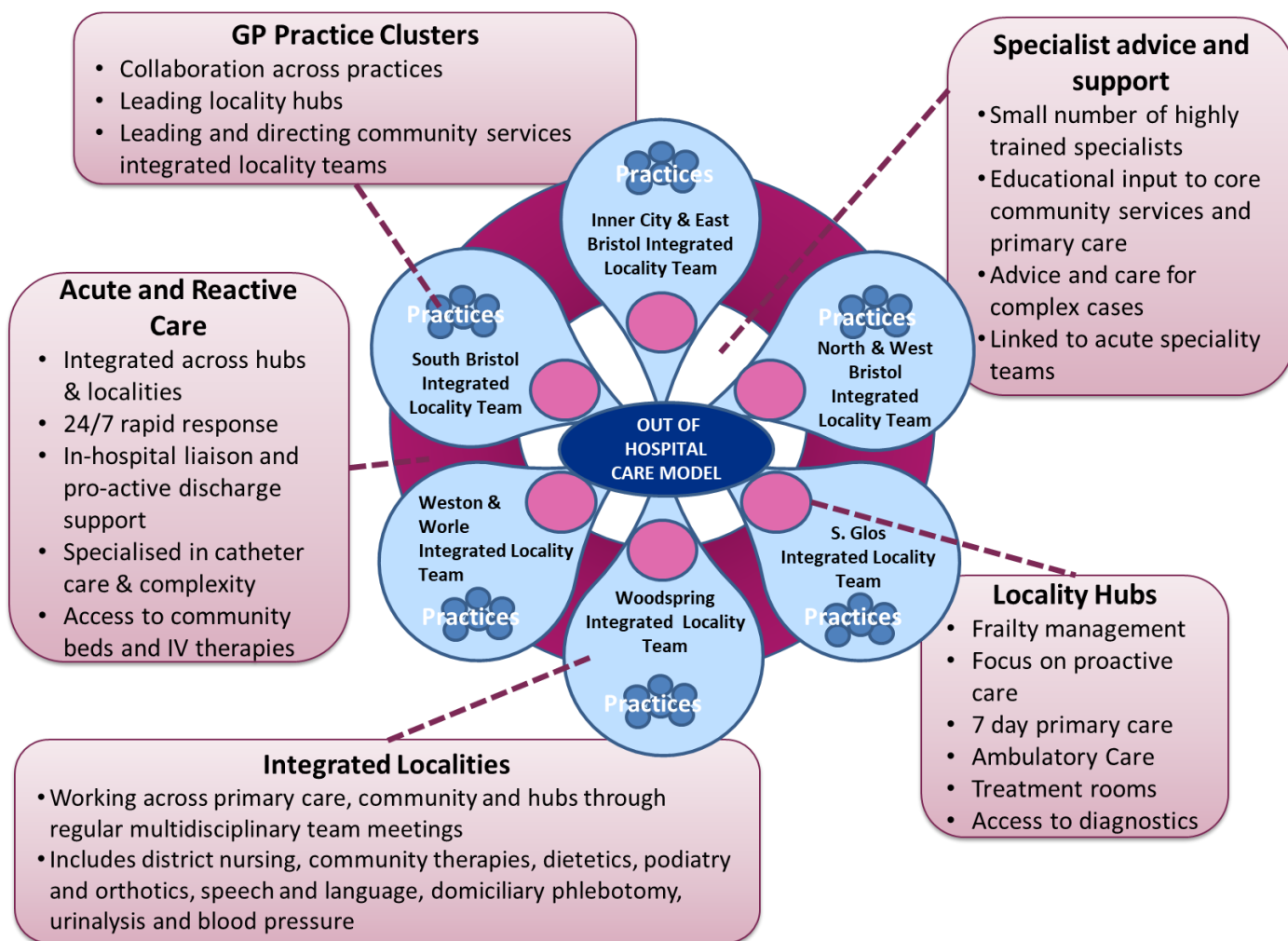
2. Procurement scope and progress

2.1 Model of care

Community health services are a core part of the CCG's vision for integrated care. Figure 1 sets out the model of care for community health services being procured.

The vision is that community health services should be seamlessly integrated with Primary Care, providing care based on need and managing complexity and risk tailored to the person. An overarching principle is to enable people to support themselves as much as possible through a 'home first' approach. The home first principle aims to keeping people living and supported in the community.

Figure 1: Adult community services model of care



The model outlined in Figure 1 groups services according to the level of need and complexity of people they support, all designed to help people to stay in the community. The service groupings are:

- **Integrated locality teams** focusing on relationships with primary care through regular multi-disciplinary team meetings to support people who have relatively stable needs to manage and reduce the risk of acute worsening of their condition. This incorporates multi-disciplinary team meetings with the community service, primary care, social care and mental health to identify patients who need proactive support to maintain their health and wellbeing. Access to community services is through a single point of access (SPA) located within the integrated locality teams that will respond in a timely manner to needs and develop a consistent care plan agreed with the patient and named contact for the person being referred, keeping patients central to decisions about their care.
- **Acute and reactive care** working across localities and hubs to manage those people who have acutely worsening conditions and are at risk of a hospital admission/attendance. These teams will provide a timely response to prevent admission and includes rapid response. The teams have links to secondary care and community beds to help people remain in a community setting and enable prompter discharge from hospital. The Integrated Care Bureau and a falls service sit within this specification to enable the home first principle of working.
- **Specialist advice and support** has clinical staff knowledgeable about specific conditions such as diabetes and heart failure. There is an expectation that the community service will strengthen links between secondary care specialist knowledge and primary care support and ensure patients, carers and professionals within the community are empowered and educated to better understand and manage the specialist clinical condition. This should support the community service staff to also increase their generalist skills with the aim of reducing the number of staff a person with multiple health care needs has to see, enabling continuity and more holistic care.
- **Locality hubs** are a range of service models that are provided through physical building(s) and/or virtual connections of professionals within a locality that give people and professionals across a larger area access to multiple services with a focus on prevention. We expect that the community service will work with other partners across health and social care and the third sector to have services available to our population in a setting that brings organisations together in the same place to meet population need and focus on prevention and a holistic approach to improve health and wellbeing.

2.2 Procurement approach

The CCG needs to ensure that the process used to award the contract for adult community health services is fair, transparent and proportionate. The Public Contracts Regulations 2015 require that a competitive procurement process is followed for contracts of this scale unless there is good evidence against this. The CCG has significant flexibility to procure healthcare services under 'light touch' public procurement rules, as long as a fair and transparent process is followed. This means that the CCG can develop a bespoke process, as long as it is rigorous, transparent and fair.

After reviewing the options and hearing advice from procurement advisors and a legal team, the Procurement Programme Board proposed, and the Governing Body approved in October 2018, the use of a bespoke process akin to a competitive procedure with negotiation.

The full details will be released when the procurement goes live in early 2019, but at this stage it is planned to have two rounds of negotiation meetings and proposals to secure the most advantageous bid. The broad milestones are:

- January – March 2019: Release of Request for Proposals and Round 1 negotiation meetings and Proposals submitted
- April – June 2019: Release of updated Request for Proposals if desired and Round 2 negotiation meetings and Proposals submitted by Shortlisted Bidders
- July – September 2019: Due diligence, Governing Body review and NHS England assurance prior to Contract Award

2.3 Procurement progress

The CCG has set up a Procurement Programme Board to oversee the procurement process and content. The Board is chaired by the Chief Executive and the Deputy Chair is the Director of Commissioning, who is the Senior Responsible Officer for the Procurement. Other Board members include the Director of Transformation, the Director of Finance, clinical leads (GPs), CCG managers and members of local authorities and other partners.

Four workstreams are supporting the Programme Board focused on clinical specifications and quality indicators, communications and engagement, infrastructure and enablers and contracting, finance and transitions.

Partner organisations have been invited to sign a Memorandum of Understanding to agree to be 'neutral partners', meaning that they will not bid for the Contract or support one bidding entity over another. It is planned that these neutral partners will be invited to be part of the Programme Board and workstreams, where appropriate.

A Prior Information Notice was issued on 10 September 2018, calling for organisations to express an interest in learning more about the procurement by 10 October 2018. More than 40 organisations expressed an interest in knowing more.

An article about the procurement was published in the Health Services Journal (HSJ): (<https://www.hsj.co.uk/finance-and-efficiency/ccg-to-tender-billion-pound-community-services-contract/7023370.article>).

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| Name of meeting | Meeting of the BNSSG Governing Body |
| Date of meeting | 4 December 2018 |

A Market Engagement Event was held on 15 October 2018 and another on 16 October 2018. These events were each attended by over 20 people. They aimed to inform interested organisations about the scope of the procurement and likely timescales.

Four workshops have been held in October and November 2018 to help develop specifications, each attended by more than 40 people. Participants included patients, carers and members of the public, primary care clinicians, community service provider organisations, and partner organisations. The feedback gained from these specifications has been used to shape the content of service specifications.

A workshop was held in November 2019 asking patient and carer representatives and voluntary sector organisations to consider best practice for engaging patients and carers in the development, provision and monitoring of community services. It is intended that the ideas expressed at this workshop will be released as an appendix to procurement documentation.

Patients, carers and the public have also been engaged to support the procurement through an online survey. Almost 200 people have shared their views about priorities for community services. It is planned that the themes will be released as an appendix to procurement documentation.

A Public Reference Group has been set up to support the procurement. This group is made up of patients and carers. It has provided advice about the process and how to engage with patients, the public and carers. It is planned that this group will have an ongoing role in supporting the procurement process, including meeting with potential bidders.

A Request for Proposals document has been drafted and reviewed by procurement specialists and legal specialists. The procurement process is undergoing NHS England assurance on 7 December 2019, to ensure that the CCG is meeting its obligations and addressing any risks. Pending feedback from NHS England and the Governing Body's approval to proceed, all is on track to launch the procurement in early 2019.

2.4 Provision of updates to the Governing Body

In order to ensure equity between Bidders and the legality of the procurement process, the CCG needs to keep information about the exact procurement process and timeline confidential. It would not be fair for some Bidders to have access to information via Governing Body papers or other CCG documents before others. The CCG also has a duty to keep private the information about and submitted by Bidders during an active procurement.

For this reason, the Governing Body will not receive updates about the procurement in public except in general terms, and without disclosing the number or type of Bidders. The Governing Body will be asked to approve launch of the procurement in early 2019 and will receive a recommendation about the appointment of a Preferred Bidder, in closed session, around Summer 2019, depending on the progress of the procurement. This is so the CCG can undertake due diligence and other assurance reviews, including processes mandated by NHS England, without disclosing the Preferred Bidder in case circumstances change. The Governing Body will receive a report in public following due diligence and NHS England assurance of the Preferred Bidder and the planned Contract in 2019, asking the Governing Body to award a Contract.

3. Financial resource implications

The financial envelope for community health services will be released when the procurement is launched publicly. The envelope will be in line with current spending. The overall value of services commissioned from current providers totals around £90m per annum. Contracts with acute and mental health providers also include some adult community health services. A contract term of seven to ten years is being considered.

4. Legal implications

Public procurement is governed by the Public Contracts Regulations 2015. The Mills and Reeve legal team and the South, Central and West Commissioning Support Unit have reviewed all proposed processes and scope to help ensure a fair, transparent and proportionate process.

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9. Recommendations

The Governing Body is asked to:

- **note** progress towards the procurement of adult community health services
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Appendix 1: Glossary of terms and abbreviations

No technical terms or abbreviations have been used in the report, apart from those defined in the text of the report.