

Wellbeing and Health Scrutiny Board  
3 May 2016

## **Adult Community Health Services Procurement Update**

**Purpose of the report:** Scrutiny of Services and Budgets – update about procurement plans.

North West Surrey CCG is currently undertaking a competitive procurement exercise to secure adult community health services. This report provides the Wellbeing and Health Scrutiny Board with details of the process being employed by the CCG, an overview of plans, and where the CCG currently is in the process.

### **Introduction**

1. North West Surrey CCG has a community health care contract with Virgin Care Services Ltd which expires on 31 March 2017. This contract covers community health services for children and adults. Parties to the contract include East Berkshire CCG, East Surrey CCG, Guildford and Waverley CCG, North East Hampshire and Farnham CCG, North West Surrey CCG, Surrey Downs CCG, Surrey Heath CCG, Surrey County Council and NHS England.
2. Legal advice has been clear that the terms of the current contract preclude any extension. North West Surrey CCG is therefore undertaking a formal procurement to secure community health services within **North West Surrey** moving forward.
3. This briefing relates to the procurement of **adult community services** in North West Surrey only (by North West Surrey CCG), and describes the procurement plans and timelines, the process being used to govern procurement arrangements and how local people and clinicians are being involved.

### **Context and background: The current landscape of community health services**

4. Community health services are a large part of NHS activity. Across Surrey these services are currently worth about £85 million per annum.
5. There are many different types of community services, including community nursing, adult rehabilitation and therapies, adult physiotherapy, podiatry and children's services including health visitors, school nursing and services for children with complex needs.
6. Children's community health services across Surrey are currently being procured collaboratively between East Berkshire CCGs, East Surrey CCG, Guildford and Waverley CCG, North East Hampshire and Farnham CCG, North West Surrey CCG, Surrey Downs CCG, Surrey Heath CCG, Surrey County Council and NHS England. This procurement is outside the scope of this report.

7. Guildford and Waverley CCG and North West Surrey CCG are independently procuring adult community services for their respective populations. Other commissioners plan to negotiate a new one year contract with current providers or already have contracts that end in 2018 so they do not need to procure services immediately.
8. NWS CCG aspires to deliver adult community health services via a transformed Out of Hospital Care environment. This would see community services, mental health services, social care services, secondary care (acute hospital) services and the voluntary community and faith sector working much more collaboratively around a patient's individual care plan, with core clinical direction coming from a more developed and organised primary care sector led by general practice.

<b>Procurement plans and timelines – North West Surrey CCG</b>
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9. The procurement has three stages. Stage one (completed) invited organisations wishing to bid to provide adult community health services to pre-qualify to take part. Stage two involves receiving proposals from pre-qualified bidders. Stage three involves shortlisting bidders to supply final revised proposals. In January 2016 a pre-qualification questionnaire was issued and seven organisations responded. Six of these seven organisations were pre-qualified to take part in the procurement process. One organisation bidder has since withdrawn so five organisations are currently active bidders for this procurement.
10. This procurement is being undertaken using a process developed by NWS CCG to ensure it meets its obligations both under the NHS Regulations and the 2006 Regulations. This is akin to a Competitive Process with Negotiation whereby qualified Bidders will take part in meetings with the CCG to discuss innovative responses to the proposed model of care and to demonstrate how they will work to move towards the development of an overarching Alliance contract over the term of the contract.
11. In recognition of the alliance model and in a bid to accelerate the development of our aspirations to transform Out of Hospital Care through a multi-provider led system, NWS CCG has identified a number of 'Neutral Partners' who will remain neutral and not form part of any bidding entity or support one bidder over another. Neutral Partners will have active roles in a structured and defined process which has been designed to ensure the CCG meets its legal duties. These Neutral Partners will have direct involvement in the selection of the integral, critical partner – the eventual Community Health Services provider - and will influence up to 10% of the final score.

Neutral Partners have been identified as follows:

- Ashford and St Peter's Hospitals NHS Foundation Trust (Provider)
- Surrey and Borders Partnership NHS Foundation Trust (Provider)
- General practice representatives (commissioners)
- Social care representatives (commissioners)

12. The Request for Proposals (RFP) was issued to shortlisted bidders on 1<sup>st</sup> April 2016. The timetable for completion of the entire procurement process is detailed below:

### 13. Procurement timetable

<b>Initial Proposals</b>	
1st April 2016	Issue initial RFP to qualified Bidders
8th April 2016 (2.30-4.30pm)	Bidder Information Session
19th April 2016	Neutral Partners Session (one hour per Bidder)
20th or 22nd April	First negotiation meeting between CCG and Bidders (two hours per Bidder)
Noon on 27th April 2016	Deadline for clarification requests for Initial Proposals
28th or 29th April 2016	Second negotiation meeting between CCG and Bidders (two hours each)
<b>Noon on 9th May 2016</b>	<b>Initial proposal submissions</b>
30th May 2016	Issue of feedback about initial proposals, notifying Bidders whether they have been shortlisted for final stage, plus issue of updated RFP if required
<b>Final Proposals</b>	
c. w/c 13 <sup>th</sup> June	Third negotiation meeting - shortlisted Bidders only (two hours each)
22nd June 2016	Neutral Partners Session – shortlisted Bidders only (up to two hours per Bidder)
Noon on 22nd June 2016	Deadline for clarification requests for Final Proposals
<b>Noon on 30th June 2016</b>	<b>Final proposal submissions from shortlisted Bidders</b>
14th July	Bidder presentations
<b>Contract Award and Mobilisation</b>	
27th July 2016	Notification of Contract Award and beginning of standstill period
10th August 2016	Standstill period ends
31st August 2016	Final deadline for contract signature
Sept 2016-March 2017	Mobilisation
1 April 2017	Service commencement

### Procurement governance and engagement

14. A Programme Board meets at least monthly to oversee progress and provide strategic direction.
15. Identified Neutral Partner representatives attend Programme Board meetings as deemed appropriate.
16. There is an operational programme team working across NWS CCG with input from identified subject matter experts. The team includes specialists in procurement, contracts, communications, information governance, information management and technology, workforce and human resources, estates and finance.
17. A clinical reference group made up of senior clinicians met regularly to review all service specification content, approving the final documents for release. . Members will continue to meet following evaluation of the initial proposals and delivery of negotiation meetings in

order to actively engage and support any necessary refresh of the RFP in advance of the submission of Final Proposals from shortlisted bidders, if so required.

18. Specialist procurement and legal advisors are supporting the delivery of robust processes.
19. Voluntary sector organisations and service user groups have been involved in reviewing specifications and will support the process on an on-going basis including the evaluation of tenders and activities to be delivered post award of contract.

In particular, a number of public and stakeholder events were run across the county, as well as a number of more focused 'co-design' events across North West Surrey bringing together patients, community and voluntary organisations and wider stakeholders. All the feedback from the events has been taken into account during the various planning stages, and most recently members of the CCG's community services patient advisory group gave a brief presentation on key themes to the bidders, describing issues of most importance to patients and service users. Moving forward, service users will also play a part in the evaluation where appropriate.

20. In addition, over 300 people completed a survey telling us about their service and delivery priorities. Information has been released through Facebook, Twitter and press releases. Feedback from events and other information about the procurement is available at [www.nwsurreyccg.nhs.uk/improvingcommunityservicesinsurrey](http://www.nwsurreyccg.nhs.uk/improvingcommunityservicesinsurrey). This website is available to the public and is updated regularly.

## Conclusions

21. NWS CCG is working collaboratively with commissioning and neutral provider partners to procure adult community health services, with a planned effective start date of 1 April 2017.
22. There is a clear governance structure and local people and clinicians have been involved in planning and priority setting.
23. Each CCG has its own plans to secure adult community services. This is due to different end dates of current community services contracts and different service needs and priorities within the regions.

## Recommendations

24. The Wellbeing and Health Scrutiny Board is asked to note that North West Surrey CCG has embarked on a community health services procurement – for adults - based on a Model of Care which includes a number of fundamental design principles for the benefit of patients:
  - a) People-centred integration of health and care services.
  - b) Whole system care navigation.
  - c) Sustainability of the local acute Trust (Ashford & St Peter's Hospitals).
  - d) Mental health equality.
  - e) Care provision at the most appropriate place.
  - f) Age-appropriate care.
  - g) Effective transition of children and young people into adult services.

**Next steps:**

25. The commissioners will provide the Wellbeing and Health Scrutiny Board with an update about the results of the procurement in September 2016.

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