

Wellbeing and Health Scrutiny Board
14 September 2016

Update on the North West Surrey CCG Adult Community Services Procurement and a Focus on Quality Performance and Monitoring

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

To update the Board on the conclusion of the recent procurement exercise to secure Adult Community Health Services for North West Surrey Clinical Commissioning Group (NWS CCG) and provide more detail about quality and performance management metrics and contract governance.

Introduction

1. On the 3 May 2016, a representative of NWS CCG attended the meeting of the Wellbeing and Health Scrutiny Board to provide details about the preparation and delivery of a competitive procurement exercise to secure Adult Community Health Services for the population of NWS CCG.
2. The procurement exercise was being conducted due to the pending expiration of the current Surrey-wide contract held by Virgin Care Services Ltd.
3. Members of the Board wished to receive an update of the position and hear more about the contract governance process and understand the range of quality and performance metrics against which the services will be measured.

Context and background: An update on the Procurement Programme

4. NHS North West Surrey CCG's contract for community health services with Virgin Care Services Limited (VCSL) comes to an end on 31st March 2017. It is therefore necessary to procure provision of these services from 1st April 2017 onwards.
5. This procurement falls within the scope of "Part B Services" as defined in the Public Contracts Regulations 2006 (as amended) and Directive 2004/18/EC. The 2006 Regulations and the 2004 Directive are

applicable to the procurement to the extent required for Part B Services.

6. As advised to members of the Board at the meeting held in May, NWS CCG developed a process to ensure that it met its obligations both under the NHS Regulations and the 2006 Regulations. The process was akin to a Competitive Process with Negotiation whereby qualified Bidders took 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. (An Alliance contract/agreement is a series of multiple parallel contracts with aligned objectives and incentives amongst providers including the sharing of incentives and risks. (Can be achieved through a single contract agreement also)).
7. 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 identified a number of 'Neutral Partners' who remained neutral and did not form part of any bidding entity or support one bidder over another. Neutral Partners had active roles in the structured and defined process which was designed to ensure that the CCG met its legal duties. These Neutral Partners had direct involvement in the selection of the preferred provider.
8. Neutral Partners are as follows:
 - a) Ashford and St Peter's Hospitals NHS Foundation Trust (Provider)
 - b) Surrey and Borders Partnership NHS Foundation Trust (Provider)
 - c) General practice representatives (commissioners)
 - d) Surrey County Council Social care representatives (commissioners)
9. NWS CCG held two negotiation meetings with each of the three pre-qualified bidders prior to the submission deadline for Initial Proposals and invited bidders to meet with a group of Neutral Partners as well as meetings with Service Users and opportunities to discuss estates and Information Management and Technology (IM&T). The meetings dealt with a number of pre-advised topics. Any clarifications arising from these meetings were published for all bidders using a procurement portal.
10. Three bids were received by the response deadline on 9th May 2016.
11. The Initial Proposals were evaluated and moderated and two bidders were shortlisted to move forward to the final proposals stage and notified on 27th May 2016, these were:
 - a) CSH Surrey
 - b) Virgin Care Services Ltd
12. All bidders were given written feedback about the strengths and weaknesses of their Initial Proposals.

13. NWS CCG held one further negotiation meeting with each of the two shortlisted bidders prior to the submission deadline for Final Proposals and invited bidders to again meet with a group of Neutral Partners and Service Users. Bidders were also invited to undertake site visits with NHS Property Services. A separate meeting about financial assumptions was also held. The meetings dealt with a number of pre-advised topics. Any clarifications arising from these meetings were published for all bidders using a procurement portal.
14. Both shortlisted bidders submitted Final Proposals by the deadline of noon on 30th June.
15. Both bidders passed the requirements for selection and achieved good final scores.
16. Central Surrey Health was the highest scoring bidder.
17. The Programme Board reviewed the evaluation and moderation process and asked final clarifications of bidders during a presentations session on 21st July 2016. The Board agreed unanimously that the process for evaluation and moderation had been conducted robustly in line with the Request for Proposals and procurement guidelines. As such, the Programme Board recommended that CSH as the high scoring bidder, be recognised as the Preferred Provider for contract award, this was ratified by the NWS CCG Governing Body.
18. A voluntary 10 day standstill period known as the Alcatel period was observed by the commissioner post notification of preferred provider status.
19. At the end of the Alcatel period the CCG entered contract finalisation discussions with CSH in order to formally award the contract by agreeing the conditions and particulars including the Quality and Performance Reporting schedules
20. A series of subject matter expert working groups have been established to undertake the necessary review and agreement of contract schedules, imminently these working groups will move to become mobilisation work-stream groups and concentrate on service transition in preparation for service commencement on the 1st April 2017.
21. A Programme Board will continue to meet monthly to oversee progress and provide strategic direction as the programme moves from delivery of the procurement exercise to the contract and service mobilisation

Contract Governance and Quality and Performance Management

22. In a report entitled “Managing Quality in Community Health Care services”, The Kingsfund, December 2014; the need for good information on the quality of community services was recognised and the report notes that the lack of comprehensive, consistent and robust national data on the quality of community services has been apparent

for many years. It is however acknowledged that implementing a robust information base for community services is a challenge because of:

- a. the diversity of services provided by the community care sector
- b. the plurality of service providers
- c. the multiplicity and complexity of data flows required to cover the numerous and diverse services, settings and client base covered by community care
- d. the comparatively weaker information infrastructure in community care compared with the primary and acute care sectors where IT and computerisation are better developed
- e. the intrinsic difficulties in monitoring quality when care is provided in users' own homes

23. NWS CCG has established a Contract Management Structure as outlined in Appendix One, to manage the Adult Community Health Services contract as recommended within General Conditions Schedule 9 of the NHS Standard Contract 2016/17.

24. The governance structure establishes a mechanism to review, the activity, performance and quality metrics through the dedicated Clinical Quality Review Meeting ensuring that subject matter experts are able to meet to discuss clinical and operational issues with a point of escalation to the Contract Management Board.

25. Through robust contract management we want to ensure the delivery of:

- On-going value for money
- Solutions to meet on-going demand
- Realisation of intended benefits, including social value
- Sustainable service delivery
- Performance compliance
- Continuous improvement
- Management of risk
- Statutory obligations

26. This is achieved by:

- Holding regular monitoring reviews and triggering prompt corrective action to deal with poor performance
- Focusing on continuous improvement via incentivisation, not just compliance
- Emphasising that strong relationship management (internal and external) is a critical success factor

27. The contract has a number of schedules within it that specifically require the provider to submit data about the volume and type of activity and the quality of this activity. These are, Schedule 4 the Quality Requirements and Schedule 6 the Information Requirements.

28. Each of these schedules combines both national and local requirements, in addition the provider is required to comply with

statutory obligations to report serious incidents and workforce information for example and upload to national datasets as applicable for the scope of the contract.

29. Focusing on the Quality Requirements Schedule (attached at Appendix Two) the metrics are categorised into type

- **Safety** – quality care is care which is delivered so as to avoid all avoidable harm and risks to the individual’s safety;
- **Patient experience** – quality care is care which looks to give the individual as positive an experience of receiving and recovering from the care as possible, including being treated according to what that individual wants or needs, and with compassion, dignity and respect”
- **Clinical effectiveness** – quality care is care which is delivered according to the best evidence as to what is clinically effective in improving an individual’s health outcomes

30. In total there are 62 different quality measures. Each measure has a defined reporting period and when viewed together alongside the Information Requirements the multiple information sources should offer an ability to triangulate the data and offer either an early warning of service issues or detail as to why issues may have arisen so that recovery can be addressed.

31. NWS CCG plans to shift the approach to the delivery of care under the contract from a series of treatment episodes to a model which is delivered via whole system pathways built around the patient. This shift will enable an outcomes-based transformation in service design and delivery focussed on the patient.

32. Ultimately the CCG believes that the new model of care for the delivery of community health services will be a critical enabler in the delivery of a wider system transformative journey to create an integrated health and social care system and progress the design and development of future alliance arrangements with the local population and local health economy Partners.

Patient Involvement in Service Delivery and Performance and Future Developments

33. Service Users were engaged in the design of the service specifications and formally involved in the procurement process through meetings with bidders that enabled them to learn about the potential provider’s plans for service delivery and provide feedback to influence and hopefully improve the eventual bid submissions

34. Following the end of the procurement our service user group were keen to stay involved and accordingly we have invited them to be active members of the service mobilisation programme. This has been warmly welcomed by CSH as the preferred provider and we will

continue to work with and expand the service user group in order to ensure that the new service provisions deliver on the ambitions we put to the market to “deliver a Model of Care which includes a number of fundamental design principles for the benefit of patients”:

- People-centred integration of health and care services.
- Whole system care navigation.
- Sustainability of the local acute Trust (Ashford & St Peter’s Hospitals).
- Mental health equality.
- Care provision at the most appropriate place.
- Age-appropriate care.
- Effective transition of children and young people into adult services.

Conclusions

35. NWS CCG has successfully concluded a competitive procurement to secure a provider of Adult Community Health Services for the population of NWS CCG.

36. A range of Information and Quality Requirements have been designed and incorporated into the contract to provide a framework against which the safety, patient experience and clinical effectiveness of services will be measured.

37. Patients and service users will be engaged in the mobilisation of new services from the outset and further in the development of ambitious Alliance Contract arrangements following service commencement.

38. NWS CCG will work with the service provider as a trusted partner and further refine the services, quality and performance metrics and contract to ensure a focus on continuous improvement.

Recommendations:

39. The Wellbeing and Health Scrutiny Board is asked to note:

- a) that North West Surrey CCG has concluded its procurement process to secure a provider of Adult Community Health Services and awarded preferred provider status to Central Surrey Health.
- b) the scope of quality and information requirements to enable robust contract management
- c) the continued involvement of patients in the service mobilisation and future service and system developments.

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