

Wellbeing and Health Scrutiny Board
 10 November 2016

Children Community Health Services Procurement Update

Purpose of the report: Consultation on Substantial Development

NHS Guildford and Waverley Clinical Commissioning Group (GWCCG) has led the procurement process for Children Community Health Services on behalf of the Surrey CCG Collaborative, Surrey County Council and NHS England. A preferred bidder has been identified; public announcement will be made in due course. This report details the procurement process to date and the next steps with regards to mobilisation.

Summary

1. Within Surrey there are currently three community health providers (Virgin Care Services Limited (VCSL); CSH Surrey and First Community Health Care (FCHC)). They are commissioned to deliver both children and adults community health services via block contracts. These contracts involve joint commissioning arrangements across the Surrey CCGs; Surrey County Council and NHS England. North West Surrey CCG manages the VCSL contract; Surrey Downs CCG manages the CSH Surrey contract and East Surrey CCG manages the FCHC contract.
2. CCG Governing Bodies and Surrey County Council Cabinet individually made a decision to form a Children Community Health Services (CCHS) Committees in Common, which provided delegated authority to enable decisions to be made at the same time. On 20th January 2016, the CCHS Committees in Common approved GWCCG to lead a restricted procurement process, to procure a provider to deliver children community health services across Surrey, with the aim to secure a new contract and service from 1 April 2017.
3. Between September 2015 and April 2016, extensive stakeholder engagement was undertaken to identify what was working well, what could be improved and what mattered most to children, young people and their families. Additionally there was engagement of the market resulting in 35 organisations expressing an interest to deliver children community health services in Surrey.

4. Following a comprehensive evaluation process, on 5th October 2016, CCHS Committees in Common approved the preferred bidder. GWCCG on behalf of the CCGs; Surrey County Council and NHS England will work with the preferred bidder to ensure children's community health services are effectively mobilised in time for the new contract to commence on 1 April 2017.

Background of Children Community Health Services across Surrey

5. Within Surrey there are currently three community health providers commissioned to deliver both children and adults community health services via block contracts. The Virgin Care Services Limited (VCSL) contract is managed by North West Surrey CCG. There is a contract with First Community Health Services which is managed by East Surrey CCG.
6. The CSH Surrey contract is managed by Surrey Downs CCG and delivers children and adult community health services within the Surrey Downs CCG locality. This contract does not expire until 31st March 2018; however the children service elements of this contract were included in this procurement with a delayed implementation date, starting 1st April 2018.
7. All three current contracts are managed by a lead CCG with other CCGs, NHS England and Surrey County Council (Public Health) as associate commissioners. Surrey County Council's Children, Schools and Families Directorate directly commission with all three community health providers which are in scope for this procurement.
8. The complexity of commissioning and contracting arrangements has led to children and young people experiencing service variation with differing access for families and differences in providers' delivery models, as well as gaps in service provision and variation in waiting times.
9. Commissioners have a clear vision. Children Community Health Services in Surrey will be equitable (based on needs), high-quality and child and family centred providing compassionate, responsive, needs-led services, which deliver good outcomes for children as well as good value for money.

Public Engagement

10. Between November 2015 and April 2016, over 600 stakeholders (including children and young people) were involved in service user and stakeholder engagement events and/or completed online surveys. Through engagement, commissioners sought to identify what was working well, what could be improved and what mattered most to children, young people and their families. Engagement enabled commissioners and stakeholders to agree a set of service delivery principles and outcome measures for this suite of services.

11. Commissioners sought to understand the provider market and engaged in market engagement exercises to test commissioning and potential bidder assumptions for example, mobilisation period for safe service transfer; service delivery requirements. Market engagement also enabled commissioners to gain an understanding of the capability and capacity of the 35 providers interested in delivering the service.

Scope of procurement

12. There are 19 service specifications, focus on prevention of ill health, advising on child development and providing early intervention, targeted and specialist medical, nursing, therapy services and safeguarding. These service specifications were underpinned by an overarching service specification and were refreshed with Family Voice members. These service specifications include specific performance indicators as well as quality metrics that will enable commissioners to support the effective delivery of services to children and young people.
13. The contract term is three years with the possibility of extending the term for a period of up to two years (five year maximum contracting period) by agreement between the Contract Authorities and the Provider. The procurement has a maximum financial envelope of £82 million for the three years of contract; increasing to £140 million, if the option to extend the contract for a further two years is agreed.

Benefits of the new contract:

14. Under a single contract the preferred bidder will deliver a single Surrey wide community health service for children and young people.
15. The preferred bidder will be a system leader in the field of healthcare for children, young people and families.
16. The preferred bidder will proactively overcome system barriers and in the future suggests new ways of integrating service delivery to improve access and efficiency.
17. The preferred bidder will focus on ensuring best practice in service delivery whilst maintaining a high level of user satisfaction as well as acting as a co-operative and innovative partner in the wider system of services for children, young people and their families.
18. Commissioners will have significantly improved visibility of performance data and information in regard to this area to support strategic commissioning and understanding of need, gaps and innovative solutions to service delivery.
19. The preferred bidder will be held to account for ensuring all services are delivered against the services principles below; demonstrating improvement in outcomes for children and young people
 - a. Principle 1 – Person centred services;

- b. Principle 2 – Consistent provision with timely access;
 - c. Principle 3 – Intervening early;
 - d. Principle 4– Delivering good quality care that makes a difference to children, young people and their families;
 - e. Principle 5 – Good communication that facilitates access to best care and good outcomes;
 - f. Principle 6 – Skilled, competent and empowered workforce;
 - g. Principle 7 – Effective partnership working and
 - h. Principle 8 – Information, Data sharing, need analysis
20. The headline outcomes are as follows; these have been converted into performance and quality measures with the contract:
- Outcome 1 – Improved Service User Experience;
 - Outcome 2 –Early identification, intervention and service access;
 - Outcome 3 - Delivery of safe, high quality, evidence based services;
 - Outcome 4 – Improved Communication;
 - Outcome 5 – Improvements to the integration of services and
 - Outcome 6 – Improvement to Workforce Delivery

Procurement Governance, Process and outcome
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21. All eight commissioning organisations formed a CCHS Committees in Common, providing delegated authority from CCG Governing Bodies and Cabinet to enable key decisions to be made at the same time. The strategic and operational management is overseen by the CCHS Procurement Programme Board which is represented by all eight commissioning organisations.
22. The procurement process was managed by NHS Shared Business Services (NHS SBS) on behalf of NHS Guildford and Waverley CCG (as lead Commissioner). A bespoke two stage procurement process was designed in compliance with procurement regulations and advertised through Contracts Finder on 13 April 2016. The two stage process was undertaken to restrict the potential high number of applicants, the advertisement generated 24 expressions of interest from a range of potential providers.
23. There were 39 evaluators across the eight commissioning organisations who evaluated the submissions received using their specialist knowledge and experience. Committees in Common held on 5 October 2016 approved the recommendation of the preferred bidder following CCHS procurement evaluation.

Conclusions:

24. A new contract for Children Community Health Services across Surrey will commence on 1 April 2017. There will continue to be a clear governance structure in place to monitor the developments of the contract and to support mobilisation.

Public Health Impacts

25. The Equality Impact Assessment (June 2016) for CCHS identified a positive impact overall.

Recommendations:

26. The Wellbeing and Health Scrutiny Board is asked to note the principles and outcomes cited as benefits to be achieved through the contract.

Next steps:

27. Commissioners will continue to work with incumbent providers to maintain and address service waiting time variations where they exist, whilst mobilising and exiting contracts.

28. The CCHS Procurement Programme Board will continue to meet to oversee the mobilisation of the new contract; exit of the CCHS contracts and ensure contract management governance is in place from 1st April 2017.

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Sources/background papers: Impact Analysis, NHS (Procurement, Patient Choice and Competition (No. 2) Regulations 2013 (the "2013 Regulations"), EU Treaty Principles (i.e. transparency, proportionality, non-discrimination and equal treatment).

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