



Agenda item: 10
Paper no: 5

	Surrey County Council use
Section 151 Finance cleared on:	02/12/19
Legal cleared on	02/12/19
Executive Director cleared on:	02/12/19
Cabinet Member cleared on:	03/12/19

Title of Report:	Health and Social Care Commissioning: Surrey County Council's Annual Procurement Forward Plan 2020/21	
Status:	TO APPROVE	
Committee:	Surrey County Council Sub-Committee	Date: 18/12/2019
Venue:	Martineau Hall, Dorking Halls	
Presented By:	Cllr Tim Oliver, Leader of the Council, Surrey County Council	
Author(s)/ Lead Officer(s):	Rachel Maloney, Procurement Partner, Surrey County Council Anna Kwiatkowska, Head of Procurement, Surrey County Council	

Executive Summary:

In March 2019, Surrey County Council's Cabinet approved the recommendation to delegate authority and decision making related to the strategic commissioning of health and social care services across Surrey. This included the delegation of key decision making authority regards specific commissioning functions (Core Better Care Fund, ASC Learning Disabilities, ASC Mental Health, Children's Community Services/emotional health and wellbeing, Continuing Healthcare and various Public Health services) to the SCC sub-committee.

The revised Procurement and Contract Standing Orders agreed by the Council in May 2019 require the preparation of an Annual Procurement Forward Plan (APFP) during the business planning cycle. The APFP has been developed for 2020/21 and the Surrey County Council Sub-Committee is asked to approve the Plan to allow implementation of the identified the procurement activity that is led by Surrey County Council.

Governance:

Conflict of Interest: The Author considers:	None identified	✓
Previous Reporting: (relevant committees/ forums this paper has previously been presented to)	Committee name: Surrey Strategic Health and Care Commissioning Collaborative Meeting date: 15/11/2019 Outcome: report Approved	

Freedom of Information: The Author considers:	Open – no exemption applies. Part I paper suitable for publication.	✓
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Decision Applicable to:

Decision applicable to the following partners of the Committees in Common:	NHS East Surrey CCG	
	NHS Guildford and Waverley CCG	
	NHS North West Surrey CCG	
	NHS North East Hants and Farnham CCG	
	NHS Surrey Downs CCG	
	NHS Surrey Heath CCG	
	Surrey County Council	✓

Recommendation(s):

The Surrey County Council Commissioning Sub-Committee is asked to:

1. Gives Approval to Procure for the projects listed in Annex 1 – “Annual Procurement Forward Plan for 2020/21” in accordance with Surrey County Council’s Procurement and Contract Standing Orders.
2. Agrees that where the first ranked tender for any projects listed in Annex 1 is within the +/-5% budgetary tolerance level, the relevant Executive Director, Director or Head of Service (as appropriate) is authorised to award such contracts. For contracts over £1million the SCC Commissioning Sub-Committee delegates authorisation to approve the award of contract to the relevant SCC Cabinet Portfolio holder, in alignment with the Procurement and Contract Standing Orders.
3. Agrees the procurement activity that will be returned to Committee in Common for review of the commissioning and procurement strategy prior to going out to market, and which is highlighted in grey in Annex 1.

Reasons for recommendation(s):

- To comply with the Procurement and Contract Standing Orders agreed by Surrey County Council in May 2019.
- To provide Committee in Common with strategic oversight of planned procurement projects led by Surrey County Council for 2020/21.
- To ensure Committee in Common oversight is focussed on the most significant procurements.
- To avoid the need to submit multiple individual requests for Approval to Procure as well as individual contract award approvals for work taking place in 2020/21.

Next Steps

1. The approved plans will be delivered during the financial year 2020/21.
2. The procurement activity that is highlighted as per recommendation (3) will be returned to the Committee in Common for review of the commissioning and procurement strategy prior to going out to market.

1. Details:

- 1.1 Surrey County Council's Cabinet approve an Annual Procurement Forward Plan for all procurement activity to be delivered throughout the upcoming financial year:
 - 1.1.1 to comply with the Procurement and Contract Standing Orders agreed by Council in May 2019.
 - 1.1.2 to provide Cabinet with strategic oversight of planned procurement projects for FY 2020/21.
 - 1.1.3 to ensure Cabinet oversight is focussed on the most significant procurements.
 - 1.1.4 to avoid the need to submit multiple individual requests for Approval to Procure as well as individual contract award approvals for work taking place in FY 2020/21.
- 1.2 As decisions relating to various commissioning functions were delegated to the SCC sub-committee as part of the Surrey joint health and wellbeing strategy in March 2019, the approval to procure for the services in scope must be sought from the SCC sub-committee. While the SCC Sub-Committee holds the decision making authority for their delegated functions, the decision will be taken in line with the Committee in Common ethos to:
 - 1.2.1 consider and make collective decisions for all delegated functions
 - 1.2.2 discuss strategic commissioning decisions across Surrey
- 1.3 Annex 1 lists all known projects over £181,302 that are in scope of the Committee in Common and due for procurement in 2020/21. They include services that are funded by Surrey County Council. These projects will be publicised in due time using the established e-procurement platforms.
- 1.4 Please note that there may be services included in Annex 1 for which the procurement is likely to be led by the CCGs or another partner. They are included so that the SCC sub-committee can approve in principle the Surrey County Council funding for the service.
- 1.5 Procurement of social care services that are outside scope of the SCC Sub-Committee (and therefore approved by SCC Cabinet) are provided as a separate list for information only.
- 1.6 This threshold figure is the level at which the council is bound by the UK Public Contract Regulations 2015 to advertise in the Official Journal of the European Union (OJEU) and conduct a public tender for goods and services above £181,302.
- 1.7 It is important to note that the budgetary figures provided in Annex 1 are to give members and partners an indication of the size and scope of the service, usually taken from the value of the existing contract. Budgets will be agreed with the service, finance and partners (where applicable) through the development of a detailed statutory procurement report and finalised before going to the market.
- 1.8 Once the approval to procure is granted by the SCC Sub-Committee, officers may proceed to procurement without delay. Award decisions are delegated to Executive Directors, Directors, or Heads of Service.

- 1.9 There will only be additional approvals required at the award stage of each procurement in the event that the outcome is outside a +/-5% tolerance of the budget agreed with Finance when each project begins. Any project with an out-turn not within tolerance will be reported and approved as follows:
- 1.9.1 Under £1m: S151 Officer
 - 1.9.2 Over £1m: S151 Officer and relevant service Portfolio Holder
 - 1.9.3 Over £5m: S151 Officer and SCC Sub-Committee
- 1.10 By approving the APFP in this way, there will be no need to gain Approval to Procure for each individual project for the remainder of this financial year. This will streamline governance processes and ensure focus on the most important projects throughout the year. However, it is likely that unforeseen projects will arise, and officers will need to seek Approval to Procure for these separately.
- 1.11 Where significant transformation or material change to the delivery of a commissioned service is proposed these projects have been identified in grey in Annex 1. Depending on the nature of the changes, public consultation and equality impact assessments may also be necessary. Further situations not currently anticipated (but included in Annex 1) may arise during the year. In any situation, the final proposed commissioning strategy and, if applicable, the outcome of any public consultation and equality impact assessment, will be brought back to the SCC Sub-Committee as an exception report for a new Approval to Procure.
- 1.12 Whilst the APFP is integral to the business planning cycle, it is not intended to set budgets for coming years, a task which is handled via the council's annual budget report. Where the contractual limits and the available budgetary provision are not in alignment, the lower of the two will generally prevail.

2. Consultation:

- 2.1 Consultation will take place for individual projects as appropriate to the products or services required.

3. Risk Management and Implications:

- 3.1 If Surrey County Council does not manage the contract renewal programme effectively and efficiently it could lead to a detrimental impact on value for money and required outcomes and benefits from our contracted services. Good forward planning will ensure adequate resources and sufficient time are dedicated to ensure appropriate procurement strategies and commercial negotiations to take place.
- 3.2 Also, by bringing forward member and partner approval to an earlier stage in the governance process, there will be the opportunity for the review and influence of plans in advance of any procurements being carried out.

4. Financial and 'Value For Money' Implications

- 4.1 The APFP approach has been designed to facilitate better planning, early engagement and strategic oversight and, therefore, allows for more efficient and effective use of resources to support delivery of commissioning intentions.

5. Section 151 Officer Commentary

- 5.1 Although significant progress has been made over the last twelve months to improve the Council's financial position, the medium term financial outlook is uncertain as it is heavily dependent on decisions made by Central Government. With no clarity on these beyond 2020/21, our working assumption is that financial resources will continue to be constrained, as they have been for the majority of the past decade. This places an onus on the Council to continue to consider issues of financial sustainability as a priority in order to ensure stable provision of services in the medium term.
- 5.2 The Section 151 Officer supports the annual procurement plan which sets out the contracts expected to be retendered during the 2020/21 financial year. It remains however, the responsibility of the relevant Executive Director, Director or Head of Service to ensure that any expenditure committed to as a result of these procurements remain within approved budget envelopes and is consistent with the Directorate Commissioning Strategy (which should be approved by Cabinet).

6. Legal Implications – Monitoring Officer

- 6.1 The Committee is being asked to give formal Approval to Procure for the projects listed in Annex 1 in accordance with Surrey County Council's Procurement and Contract Standing Orders. In making this decision, the Committee should be cognisant of its fiduciary duty to Surrey residents to ensure services are provided effectively while also maintaining a balanced budget.
- 6.2 Notwithstanding the Committee giving Approval to Procure, Surrey County Council officers will have to ensure that the Public Contracts Regulations 2015 are complied with in relation to any procurements undertaken. Furthermore, commissioners will need to be aware of the 'best value duty' under Section 3 of the Local Government Act 1999 and its requirements on them. It states that local authorities "...must make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness."
- 6.3 For projects where additional statutory duties arise at a later date, for example as a result of a change in commissioning strategy and/or system transformation, the Approval to Procure given at this stage will no longer be valid. Once additional statutory requirements have been satisfied, a report will need to return to the Committee for a new Approval to Procure to be given. Surrey County Council's Legal Services will advise in relation to any such situations. For joint procurement projects, where both the Clinical Commissioning Groups and Surrey County Council are commissioning services together, both will need to ensure their respective legal duties are fully complied with prior to granting a final Approval to Procure.

7. Equalities and Diversity

- 7.1 Equality Impact Assessments will take place for individual projects as appropriate to the products or services required.

8. Other Implications:

8.1 There are no significant implications upon key council priorities and policy areas.

Consulted:

Surrey County Council - Service Directors, Finance, Strategic Commissioning Unit.

Surrey Strategic Health and Care Commissioning Collaborative

Annexes:

Annex 1 – “Annual Procurement Forward Plan for 2020/21”

Categories and Terminology – Explanatory Note to Annex 1

Sources/background papers:

Surrey County Council’s Procurement and Contract Standing Orders 2019

Committees in Common

Directorate	Service	Contract Name (over Regulatory Threshold and over £1,000,000)	Contract Description (up to 250 characters)	Capital/ Revenue/Grant funded/Mixed	Current Contract End Date	Procurement Activity Required (Renewal of Existing/ Replacement with New Service/ New Procurement Requirement)	Route to Market	Start date of new contract(s) (enter as dd/mm/yy)	To be reserved by CiC to review commissioning and procurement strategy before going to market? (Yes / No)
Children, Families & Learning	Children's Services	CAMHS Contract	A new model of service co-designed with Children, Young People and Families - Contract to deliver Children and Adolescence Mental Health Services in Surrey	Revenue	31/03/21	Replacement with New Service	Light Touch Regime	01/04/21	No
Health, Wellbeing and Adult Social Care	Public Health	Community Health	The Public Health services currently provided by these contracts are School Nursing, Health Visiting, Family Nurse Partnership. The services identified for joint re-procurement on a countywide footprint (e.g. to form part of the NHS re-procurement process) are School Nursing, Health Visiting and Family Nurse Partnership	Revenue	31/03/22	Replacement with New Service	Light Touch Regime	01/04/22	Yes
Health, Wellbeing and Adult Social Care	Adult Social Care	Independent Living (potential)	Framework for the provision of independent living schemes for working age adults including individuals with learning disabilities and/or autism, people with physical and sensory impairments.	Revenue	N/A	New Procurement Requirement	Light Touch Regime	01/04/20	Yes
Health, Wellbeing and Adult Social Care	Public Health	Remodelling public health agreements for GPs	Contracting on a regional basis for GP public health agreements with approx 125 GPs - lead provider model through the primary care networks (PCN) - £1.3 million per year. This is likely to be delivered as a pilot starting with Surrey Heath.	Revenue	31/03/21	New Procurement Requirement	Light Touch Regime	01/04/21	No
Health, Wellbeing and Adult Social Care	Adult Social Care	Carers	<p>Renew and retender of a number of carers contracts:</p> <p>Home Based Breaks for Carers - SCC-007407 - Expires 5/2/2021 - £2,173,346 per annum</p> <p>Independent Carers Support, currently commissioned as 4 geographical lots - SCC - 007516 - Expires 31/03/2021 - £1,142,000 per annum</p> <p>Benefits advice to carers - SCC - 008535 - Expires 31/7/2021 - £50K per annum</p> <p>County-wide carers - Support Services to Carers & Young Adult Carers (3 lots): - SCC008332</p> <ul style="list-style-type: none"> • Lot 1 Young carers and young adult carers • Lot 2 Giving Carers A Voice" And Multi Agency Awareness Raising • Lot 3 Back care services <p>Expires 31/7/2021 - £1,408,500 per annum</p> <p>Total £4,723,896 per annum</p> <p>Active engagement with health and community partners and carers to determine the best future configuration of these services</p>	Revenue	See description	Renewal of Existing	Light Touch Regime	Various	Yes
Health, Wellbeing and Adult Social Care	Public Health	Sexual Health contract	Retender of the Surrey-wide integrated sexual health contract which includes GUM, CASH and prevention. This project is likely to include a joint procurement with NHS England for the provision of HIV Treatment and Care	Revenue	31/03/2022	Renewal of Existing	Light Touch Regime	01/04/22	Yes
Health, Wellbeing and Adult Social Care	Adult Social Care	Contract for the provision of the Community Equipment Service	To ensure residents living in Surrey who have a required need for community equipment are able to gain access to the service to maintain and/or improve their health and wellbeing, enabling them to continue to live as independently as possible.	Mixed	31/03/2021	Renewal of Existing	Tender	01/04/2021	No

Directorate	Service	Contract Name (over Regulatory Threshold and over £1,000,000)	Contract Description (up to 250 characters)	Capital/ Revenue/Grant funded/Mixed	Current Contract End Date	Procurement Activity Required (Renewal of Existing/ Replacement with New Service/ New Procurement Requirement)	Route to Market	Start date of new contract(s) (enter as dd/mm/yy)	To be reserved by CiC to review commissioning and procurement strategy before going to market? (Yes / No)
Health, Wellbeing and Adult Social Care	Adult Social Care	Advocacy Services (Including IMHA & IMCA)	<p>Advocacy services help people – particularly those who are most vulnerable in society – to:</p> <ul style="list-style-type: none"> • access information and services • be involved in decisions about their lives • explore choices and options <p>defend and promote their rights and responsibilities</p> <ul style="list-style-type: none"> • speak out about issues that matter to them <p>Advocates and advocacy schemes work in partnership with the people they support and take their side. Advocacy promotes social inclusion, equality and social justice.</p>	Revenue	31/03/2021	New Procurement Requirement	Light Touch Regime	01/04/2021	Yes