

Report of Head of Public Health Children and Families and Adults and Health Commissioning Team

Report to Director of Public Health

Date: 12 September 2018

Subject: Tender evaluation and contract award of the 0-19 Public Health Integrated Nursing Service (PHINS) (DN336699)

| | |
|---|---|
| Are specific electoral wards affected? If yes, name(s) of ward(s): | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| Are there implications for equality and diversity and cohesion and integration? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| Is the decision eligible for call-in? | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| Does the report contain confidential or exempt information? If relevant, access to information procedure rule number: 10.4 (3) Appendix number: Appendix 2 | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |

Summary of main issues

1. Leeds City Council Public Health currently contract with Leeds Community Healthcare NHS Trust (LCH) to deliver a number of contracts under the Leeds Healthy Child Programme. The services in scope include Health Visiting (0-5), the School Nursing Service (5-19) and the Oral Health Promotion Service. These contracts come to an end in March 2019 with no option to extend.
2. The services are strategically important contributing to the improvement of health and wellbeing outcomes for children, young people and their families. These services support children to have the best start in life, contribute to ensuring all children and young people are safe from harm and are key in promoting physical and mental health for all.
3. Following the conclusion of a thorough strategic review and procurement options appraisal, approval was given through the Authority to Procure Delegated Decision (D47529) in May 2018, to procure a new '0-19 Public Health Integrated Nursing Service' (PHINS) to commence on the 1st April 2019. The recommended and approved procurement route was the negotiated procedure without the publication of a notice, entering into negotiations with Leeds Community Healthcare NHS Trust (LCH). This is in accordance with the Public Contracts Regulations 2015 - Regulation 32 (1) (b) (ii) on

the grounds that we consider, due to the technicalities surrounding the interdependencies of the service, that only LCH can meet the Council's requirements. As part of this decision, it was also approved that CPR 15.2 would be waived to change the tender evaluation threshold to one based on 100% quality.

4. A formal tender evaluation process was conducted as part of undertaking the negotiated procedure with LCH and the process and outcome is detailed within this report.
5. Contract award is planned for mid-September 2018, with a transition period commencing from the date of award up until the contract start date of 1st April 2019. The contract will end on 31st March 2023, with the option to extend for a further 2 plus 2 years, with a maximum budget of £10,779,200 per annum.

Recommendations

The Director of Public Health is recommended to:

- Note the evaluation process undertaken and the final consensus that Leeds Community Healthcare NHS Trust (LCH) provided a successful submission that met the defined criteria.
- Recommend that DDP approve the award of the 0-19 Public Health Integrated Nursing service (PHINS) to Leeds Community Healthcare NHS Trust (LCH).
- Note that the contract will commence on the 1st April 2019 until 31st March 2023, with the option to extend for a further 2 plus 2 years.
- Note that the Adults & Health Commissioning team and the Children & Families Public Health team will support the implementation of the contract award to ensure that the transition to the new model can commence and that a number of key elements of the new model will be in place and operational from 1st April 2019.

1. Purpose of this report

- 1.1 This report describes the procurement process undertaken for the provision of the 0-19 Public Health Integrated Nursing Service (PHINS).
- 1.2 This report seeks approval for the recommendation to award the contract to Leeds Community Healthcare NHS Trust (LCH), following the use of the negotiated procedure without publication of a notice, to commence on the 1st April 2019.

2. Background information

- 2.1 This report details the procurement process undertaken for the provision of the 0-19 Public Health Integrated Nursing Service (PHINS), as the current contracts delivering these services expire on 31st March 2019 with no further provision to extend.
- 2.2 The recommended and approved procurement route was the negotiated procedure without the publication of a notice, entering into negotiations with Leeds Community Healthcare NHS Trust (LCH). This is in accordance with the Public Contracts Regulations 2015 - Regulation 32 (1) (b) (ii) on the grounds that we consider, due to the technicalities surrounding the interdependencies of the service, that only LCH can meet the Council's requirements. This reflects how the current service is structurally integrated with other NHS Community Child Health Services within LCH, underpinned by well-developed pathways, shared information systems and shared infrastructure. LCH Health visiting service is also functionally integrated with Leeds City Council Children's Centres (Leeds Early Start Service) through joint allocation, shared pathways and some co-location with Children's Centres. These interdependencies ensure a seamless service for children and families who are accessing a range of health and social support services and enable the most appropriate professional to respond to the needs of children and families.
- 2.3 The new service is due to commence on 1st April 2019 and run until 31st March 2023, with the option to extend for a further 2 plus 2 years. The maximum budget for the service is £10,779,200 per annum.
- 2.4 Authority to procure the 0-19 PHINS utilising the negotiated procedure without the publication of a notice under the Public Contracts Regulations 2015 - Regulation 32 (1) (b) (ii) was granted by the Director of Public Health and was published as a key decision on 27/04/2018 (D47529).
- 2.5 In accordance with the Public Contracts Regulations, a Voluntary Transparency Notice (VTN) was published on the Official Journal of the European Union (OJEU) on the 27th April 2018 confirming the procurement procedure Leeds City Council would be utilising and the rationale for this.
- 2.6 The procurement commenced in 17th May 2018 and concluded on the 25th July 2018.

3. **Main issues**

- 3.1 A robust review of these services was conducted over a 6 month period which included a Health Needs Assessment and an extensive consultation with over 800 stakeholders including service users and the existing provider LCH.
- 3.2 Based upon the review and consultation a series of recommendations and areas for innovation have been identified. The key areas are:
- Integrate the Health Visiting and SCPHN services into a 0-19 Public Health Nursing Service.
 - Increase coverage of the 5 mandated health reviews for families assessed as needing higher levels of support (Universal Plus and Universal Partnership Plus).
 - Continue to build upon the integration of the service with Children's Centres, with 100% of the 0-19 workforce co-located by 2023.
 - Pilot, develop and innovate new digital methods for direct contact with clients.
 - Re-model the parenting support offer to target areas of higher need.
 - Develop a Single Point of Access for all Children's Community Health Services.
 - Increase resilience to respond to outbreaks.
 - Extend hours of service provision to 8.00am – 8.00pm Monday to Friday.
- 3.3 Findings from the review and consultation were used to inform the development of a new 0-19 PHINS model and a new specification, bringing together the current three services (Health Visiting (0-5), School Nursing (5-19) and Oral Health Promotion) into a single delivery contract. Following the national model, the Leeds PHINS model reflects the principle of progressive universalism and has four inter-related tiers of service. All families (from pregnancy to nineteen years) will benefit from the community and universal levels of service, whereas universal plus (short-term early/additional help) and universal partnership plus (long-term multidisciplinary support), are accessed through identified additional need.
- 3.4 The new 0-19 PHINS model and specification reflect the recommendation to further structurally and functionally integrate services in order to achieve the best outcomes for all Leeds children and their families.
- 3.5 All tender documents were developed in partnership with Public Health, Adults and Health Commissioning and Procurement and Commercial Services.
- 3.6 A formal two stage tender evaluation process was conducted as part of undertaking the negotiated procedure with LCH. This involved the submission of a Standard Selection Questionnaire and Method Statement response to the evaluation criteria published in the tender (Appendix 1). The tender was evaluated on the basis of 100% quality and the method statement questions individually had a minimum threshold of 60%, in order to gain contractual assurance that LCH can meet the requirements of the specification and deliver the specified areas of innovation. All the tender documentation through this exercise were issued using YORtender.
- 3.7 The Standard Selection Questionnaire (SSQ) and tender submission were received via YORtender on 13th June 2018 and these were checked for compliance against the tender instructions by Procurement and Commercial Service (PACS).

- 3.8 The tender evaluation panel consisted of officers from Adults and Health and Public Health Children & Families Team, who brought a range of experience and knowledge relating to children and families, public health, safeguarding and commissioning. The tender evaluation process was overseen by the PACS.
- 3.9 The successful bid was evaluated in accordance with the instructions and met the minimum requirements specified in the tender documents. There were 9 qualitative areas which were developed into method statement questions for the bidders to respond to which included;
- Service Model
 - Workforce
 - Transition and Mobilisation
 - Improvement and Performance
 - Co-location within Children's Centres
 - Early Help and Child Protection
 - Health Reviews
 - Marketing and Communication
 - Pathways, Inequalities and Social Value
- 3.10 The panel agreed a consensus score for stage 1 of the quality assessment. Following the consensus scoring, clarifications were sought from LCH. This was completed prior to feedback being provided in a meeting on 28th June 2018.
- 3.11 As part of the stage 2 process, LCH provided the final submission of their proposal. This was received on the 17th July 2018. The evaluation panel assessed the information provided and agreed the final consensus scores against the criteria. LCH met the minimum required threshold. Appendix 2 shows the tender evaluation summary.
- 3.12 As part of the tender submission, the pricing schedules and pricing assumptions were also reviewed by the evaluation panel. A number of clarifications were sought and responded to, to ensure that the officers were satisfied that the breakdown of the costs of the services could effectively deliver the overall service. The clarifications will form part of the final contract documentation.
- 3.13 Following the completion of the quality evaluation, it was determined that Leeds Community Healthcare NHS Trust had provided a successful tender submission that met the defined criteria.
- 3.14 The new contract will begin on the 1st April 2019 until 31st March 2023, with an option to extend the contract for a further 2 plus 2 years. A due diligence check has been concluded by PACS prior to this contract award recommendation. This process includes checking insurances, Accounts, Health and Safety, and references.

4. Corporate considerations

4.1 Consultation and engagement

- 4.1.1 Significant consultation has been undertaken during the development of the 0-19 PHINS specification including with service users, strategic partners, providers, LCC officers and relevant Executive Members.
- 4.1.2 As part of the negotiated procedure, the existing provider has been consulted (where appropriate).
- 4.1.3 The new specification has been developed in consultation with key wider commissioning stakeholders including representatives from the Clinical Commissioning Groups (CCG), Children's Services, Joint Children's Commissioning sub-group of the Children and Families Trust Board and Leeds Safeguarding Children Partnership.
- 4.1.4 The Public Health Programme Board has been consulted regularly as part of formal commissioning governance arrangements.
- 4.1.5 Procurement and Commercial Services (PACS) have been a member of the Project Team overseeing the review and procurement.
- 4.1.6 Lead Elected Members and Directors have been briefed and are supportive of the process and service developments. Councillor Charlwood will be briefed on the outcome of the tender evaluation ahead of the Delegated Decision Panel on the 12th September 2018.

4.2 Equality and diversity / cohesion and integration

- 4.2.1 An Equality, Diversity, Cohesion and Integration Impact Assessment has been completed and published with the Authority to Procure Key Decision Report in May 2018. This has been reviewed and updated, following the conclusion of the tender evaluation and has been included as background information to this report.
- 4.2.2 Due regard has been given through the Health Needs Assessment and Consultation Report which has been undertaken by the Project Team. This highlighted key areas, groups, cohorts, demographics and principles which will underpin the development of a new 0-19 PHIN Service. Key actions have been reflected within the new service specification, performance and quality framework. Considerations have also been addressed throughout the method statement requirements.
- 4.2.3 The Impact Assessment is a live document and will be revisited with the provider during the contract transition period to ensure actions are embedded and to reflect the operational delivery model.
- 4.2.4 Throughout the contract management process, due regard will be given to equality in the delivery of these services facilitated by enhanced performance data reporting to ensure the service is accessible to all and targeted to those vulnerable and most in need.

4.2.5 The maintained and enhanced level of structural and functional integration within this model will in its nature enable the service to create capacity and maximise opportunities for accessibility whilst delivering more holistic person centred provision.

4.3 Council policies and best council plan

4.3.1 Leeds aspires to be the best city for health and wellbeing. This commissioned activity supports the delivery of the key priorities in the Best Council Plan 2018/19 to 2020/21, in relation to giving children the best start in life, improving health and wellbeing (supporting healthy lifestyles and improving physical and mental health) and developing a child friendly city (keeping children safe and supporting families).

4.3.2 The 'Leeds Children and Young People's Plan 2015-19 - from Good to Great' sets out the city vision to be a child friendly city, with the ambition that Leeds is the best city in the UK for children, where young people enjoy growing up and achieve their potential to become successful citizens of the future. Outcomes for children and young people in Leeds are good and improving, with the majority of children and young people having fun growing up and being ready for adult life. However, in order to fulfil our child friendly ambitions we need to improve life outcomes for all children, particularly those who are vulnerable or in care, by providing children with the learning, support, advice, guidance, care and the opportunities they need to lead successful and fulfilling lives.

4.3.3 The vision of the Health and Wellbeing Strategy 2016-21 is that 'Leeds will be a healthy and caring city for all ages, where people who are the poorest, improve their health the fastest'. Priority areas for action include ensuring a best start in life, a focus on prevention, promoting mental and physical health equality and the best care, in the right place, at the right time. This service will directly contribute the delivery of the priorities within this Strategy.

In addition, the review has been guided by the aims of the Leeds Best Start Plan 2015-19, the Leeds Maternity Strategy 2015–2020, the Leeds Child Healthy Weight Plan 2017-21, the Leeds Breastfeeding Plan 2016-21, the Leeds Children and Young People Oral Health Promotion Plan 2015-19 and the Future in Mind: Leeds Local Transformation Plan 2016-20.

4.4 Resources and value for money

4.4.1 Economic analyses show that investment in early years gives the greatest return of any life stage, and this investment will impact on key outcomes such as emotional wellbeing, improved behaviour, school readiness and educational attainment, and fulfilment of potential.

4.4.2 Financial provision for the delivery of this contract has been made available through the Public Health grant. It is intended that the re-commissioning of these services will lead to improved and efficient delivery methods so that outcomes are improved for children, young people and families, within the same budget envelope (maximum budget for the service is £10,779,200 per annum).

4.4.3 The budget reflects the current envelope for existing contracts that have already been subject to budget reductions over the last 2 years. Any further reduction could not be managed without significant impacts on outcomes and quality.

4.4.4 The specification, tender documentation and terms and conditions have been written to allow flexibility in service provision should additional investment be secured.

4.5 Legal implications, access to information, and call-in

4.5.1 The procurement has been undertaken in accordance with the council's Contract Procedure Rules, Public Contract Regulations 2015 and European Legislation.

4.5.2 The decision maker's authority falls under Section 3E (08) of the Council Constitution, Officer Delegation Scheme (Executive Functions) – Director of Public Health.

4.5.3 In using the negotiated procedure without the publication of a notice, it must be noted that there is the potential risk of challenge that there are no real technical reasons justifying the use of the negotiated procedure without publication of a notice in accordance with the Public Contracts Regulations 2015. This risk has been significantly reduced by publishing in the Official Journal of the European Union (OJEU) a Voluntary Transparency Notice (VTN). A standstill period has been observed and no challenges for ineffectiveness received during that period. Until the effective award of this contract take place there is still a potential risk of claims for breach of Public Contracts Regulations 2015 but this risk is low due to the publication of the VTN.

4.5.4 Advice has been sought from PACS throughout the duration of the review and re-modelling process and will continue to be sought through to contract award.

4.5.5 This decision is a direct consequence of a Key Decision of 27th April 2018 and as such is not a key decision or subject to call in and will be treated as a Significant Operational Decision.

4.5.6 Appendix 2 of this report is exempt under the Access to Information Procedure Rules 10.4.3. The public interest in maintaining the exemption in relation to the confidential Appendix outweighs the public interest in disclosing the information as this contains commercially sensitive tender information relating to the organisation involved, which if disclosed may adversely affect the business of the Council and the business affairs of the organisation involved.

4.6 Risk management

4.6.1 A risk register relating to the review, remodelling and procurement was established and will continue to be managed through the Project Team and Public Health Programme Board.

4.6.2 As part of the tender process LCH have developed a risk register that will be monitored throughout the transition and implementation period by their Project Team. For assurance purposes LCC will have input to this document and the monitoring process.

5. Conclusions

- 5.1 The recommendation to award the PHINS contract has been reached following evaluation of the quality response submitted by the Leeds Community Healthcare NHS Trust.
- 5.2 The bid reflects the desired outcomes that Leeds City Council requires through the delivery of a structurally and functionally integrated service, in order to ensure a seamless service for the children and families who are accessing a range of health and social support services.

6. Recommendations

The Director of Public Health is recommended to:

- 6.1 Note the evaluation process undertaken and the final consensus that Leeds Community Healthcare NHS Trust (LCH) provided a successful submission that met the defined criteria.
- 6.2 Recommend that DDP approve the award of the 0-19 Public Health Integrated Nursing Service (PHINS) to Leeds Community Healthcare NHS Trust (LCH).
- 6.3 Note that the contract will commence on the 1st April 2019 until 31st March 2023, with the option to extend for a further 2 plus 2 years.
- 6.4 Note that the Adults & Health Commissioning team and the Children & Families Public Health team will support the implementation of the contract award to ensure that the transition to the new model can commence and that a number of key elements of the new model will be in place and operational from 1st April 2019.

7. Background documents¹

Document A - Equality, Diversity, Cohesion and Integration Impact Assessment

Appendices

Appendix 1 – Quality Evaluation Criteria

Appendix 2 – Tender Evaluation Summary – **Confidential**

¹ The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.

Appendix 1: Quality Evaluation Criteria

| | Method Statement | Maximum Points Available |
|----------|---|---------------------------------|
| 1 | <p>Service Model</p> <p>Please describe the operational service delivery model you will provide to deliver the interventions and outcomes within the specification. This should include:</p> | 150 Points |
| | a) Your vision and how you will integrate teams to deliver a 0-19 model | |
| | b) How you will consolidate and build upon the current functionally integrated model with Children's Centres? | |
| | c) How you will achieve seamless integrated working with wider partners? | |
| | d) How you will extend operational hours of delivery? | |
| | e) How you will manage the governance arrangements of the service including clinical governance? | |
| | f) The Organisational Development work that will be undertaken to support the shift to this new way of working. | |
| 2 | <p>Workforce</p> <p>Please provide the following in relation to the workforce:</p> | 150 Points |
| | a) A proposed staffing structure including Agenda for Change bandings and the specific qualifications required at each band. You may supply copies of job descriptions that outline the role and the experience and qualification requirements. | |
| | b) A workforce development plan for the first year of service, linking to the key priorities for the service and a description of how you will ensure that all staff have the necessary expertise and specialist knowledge/competencies/qualifications to deliver a safe and effective service. | |
| | c) A description of how you will recruit and retain staff and how you will succession plan, particularly for qualified staff. | |

| | Method Statement | Maximum Points Available |
|----------|--|---------------------------------|
| 3 | <p>Transition & Mobilisation</p> <p>Please provide a detailed transition plan for the period from contract award to the commencement date, and a further three months following service commencement. (October 2018 – March 2019, April – June 2019).</p> <p>Include key milestones and timescales.</p> <p>Your response should include, but not be limited to:</p> <ul style="list-style-type: none"> • All areas of innovation/new service elements identified in the specification (including Oral Health Promotion) • Data Management • Transition Protocols • Identified risks and how you propose to mitigate these risks | 100 points |
| 4 | <p>Improvement & Performance</p> | 100 points |
| | a) What actions will you take in order to provide all of the performance and monitoring data that is required as per the specification? | |
| | b) How will you ensure consistent high data quality for performance reporting and service improvement purposes? | |
| | c) How will you use service data and intelligence to inform service improvement? | |
| | d) How will you share data to support partners to improve outcomes for children and young people? | |
| 5 | <p>Co-location within Children’s Centres</p> <p>Please detail the steps you will take to achieve 100% co-location of staff within Children’s Centres by Year 3 of the contract. Please also describe other venues that will be used by the service and why.</p> | 100 points |

| | Method Statement | Maximum Points Available |
|----------|---|---------------------------------|
| 6 | Early Help & Child Protection | 100 points |
| | a) Please describe how your service will contribute towards the Leeds Early Help offer. | |
| | b) How will you evidence your Early Help offer (quantitatively and qualitatively)? | |
| | c) How will you ensure an effective contribution to the city's child protection responsibilities? | |
| 7 | Health Reviews | 100 points |
| | a) How will the service maintain and improve overall coverage rates of the 5 mandated Universal Health Reviews? | |
| | b) How will the service increase coverage of the 5 mandated Universal Health Reviews for those families identified as having additional need? | |
| | c) How will the service improve timeliness in line with National requirements? | |
| | d) How will the service increase the coverage of the Reception Health Review and increase direct contact with school-aged children and young people? | |
| 8 | Marketing and communication Please detail how you propose to market and promote the new service to partners and service users by completing the communications plan template in the Tender Schedule (Appendix 1). This should include but not be limited to: a) Raising awareness and promoting the service to children, young people, their families and key partners. b) Key messages for different service user groups (please consider how you will maximise opportunities for prevention). c) How you will use innovative methods (such as ChatHealth, SMS reminders and social media) to maximise access. d) How you will measure success? | 100 points |

| | Method Statement | Maximum Points Available |
|----------|--|---------------------------------|
| 9 | Pathways, Inequalities & Social Value | 100 points |
| | a) How will you develop the new pathways identified in the specification and evidence that they are effective? | |
| | b) How will your service make an impact on health inequalities for children, young people and their families? | |
| | c) How will your service provide wider benefits to local communities and add social value? | |