

Item: 7.5

Report to:	NHS Hull Clinical Commissioning Group Board Part II
Date of Meeting:	23 November 2018
Title of Report:	Contract Award - Community Eating Disorders Service (Adults)
Presented by:	Joy Dodson, Deputy Chief Finance Officer – Contracts, performance, Procurement and Programme Delivery
Author:	Lee Pepper, Contract and Procurement Manager

STATUS OF THE REPORT:

To approve	<input checked="" type="checkbox"/>	To endorse	<input type="checkbox"/>
To ratify	<input type="checkbox"/>	To discuss	<input type="checkbox"/>
To consider	<input type="checkbox"/>	For information	<input type="checkbox"/>
To note	<input type="checkbox"/>		

PURPOSE OF REPORT:

The purpose of this report is to provide members with the outcome of the procurement evaluation and moderation for the Community Eating Disorder Service (Adults). The report outlines the process undertaken and assurances sought to be able to recommend a preferred provider .

RECOMMENDATIONS:

It is recommended that the Board approves the award of the Community Eating Disorder Service (Adults) contract to the preferred provider - City Health Care Partnership CIC.

REPORT EXEMPT FROM PUBLIC DISCLOSURE No Yes

If yes, detail grounds for exemption

CCG STRATEGIC OBJECTIVE

The procurement of the Community Eating Disorder Service will contribute to the achievement of the following CCG objectives:

2. Integrated Delivery;
5. Vulnerable People;
7. Clinical leadership / innovation in commissioning
11. Improvement in clinical outcomes

IMPLICATIONS: (summary of key implications, including risks, associated with the paper),

Finance	The financial value of this contract is significant, £0.440M per annum over a contract period of 5 years, with an option to extend for a further 2 years.
HR	This contract award will not involve TUPE transfer from one provider to another.
Quality	Quality has been assessed as part of the tender evaluation and will continue to be monitored over the life of the contract.
Safety	Safety has been assessed as part of the tender evaluation and will continue to be monitored over the life of the contract.

ENGAGEMENT: (Explain what engagement has taken place e.g. Partners, patients and the public prior to presenting the paper and the outcome of this)

Engagement has taken place with service users and prospective service users in Hull. Specifically, NHS Hull CCG conducted a patient engagement exercise period 25 July - 5 August 2018. The goals of the engagement exercise were to:

- Determine why potential users of service might not access eating disorder services;
- Listen to the experiences of existing service users to find out what aspects of service they value, and what areas they would like to see improvement;
- Find out what support may be required by carers and family members of those living with an eating disorder.

The report was made available to all potential providers to assist in the development of their proposed service models.

LEGAL ISSUES: (Summarise key legal issues / legislation relevant to the report)

There is a significant amount of UK and European legislation and Regulations governing procurement activity. NHS Hull CCG could be subject to legal challenge should the procurement processes for awarding contracts not be robust.

Examples of these are:

- Procurement, Patient Choice and Competition Regulations (no.2) 2013
- Public Contract Regulations 2015
- Public Services (Social Value) Act 2012
- Equality Act 2010.

EQUALITY AND DIVERSITY ISSUES: (summary of impact, if any, of CCG's duty to promote equality and diversity based on Equality Impact Analysis (EIA). **All** reports relating to new services, changes to existing services or CCG strategies / policies **must** have a valid EIA and will not be received by the Committee if this is not appended to the report)

	Tick relevant box
An Equality Impact Analysis/Assessment is not required for this report.	✓
An Equality Impact Analysis/Assessment has been completed and approved by the lead Director for Equality and Diversity. As a result of performing the analysis/assessment there are no actions arising from the analysis/assessment.	
An Equality Impact Analysis/Assessment has been completed and there are actions arising from the analysis/assessment and these are included in section xx in the enclosed report.	

THE NHS CONSTITUTION: (How the report supports the NHS Constitution)

The NHS Constitution, "The NHS belongs to us all" (March 2012), outlines 7 key principles which guide the NHS in all it does. These are underpinned by core NHS values which have been derived from extensive discussions with staff, patients and the public.

These are:

1. The NHS provides a comprehensive service, available to all.
2. Access to NHS services is based on clinical need, not an individual's ability to pay.
3. The NHS aspires to the highest standards of excellence and professionalism
4. NHS services must reflect the needs and preferences of patients, their families and their carers'.
5. The NHS works across organisational boundaries and in partnership with other organisations in the interest of patients, local communities and the wider population.
6. The NHS is committed to providing best value for taxpayers' money and the most effective, fair and sustainable use of finite resources.
7. The NHS is accountable to the public, communities and patients that it serves.

This Constitution establishes the principles and values of the NHS in England. It sets out rights to which patients, public and staff are entitled, and pledges which the NHS is committed to achieve, together with responsibilities which the public, patients and staff owe to one another to ensure that the NHS operates fairly and effectively. All NHS bodies and private and third sector providers supplying NHS services are required by law to take account of this Constitution in their decisions and actions.

This procurement supports delivery of all of the 7 Key Principles.

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COMMUNITY EATING DISORDERS SERVICE (ADULTS) CONTRACT AWARD

1. INTRODUCTION

The purpose of this report is to provide Committee members with the outcome of the procurement evaluation and moderation for the Community Eating Disorders Service (Adults). The report outlines the process undertaken and assurances sought to be able to recommend a preferred provider.

2. EXISTING SERVICES

The current Community Eating Disorders Service (Adults) is provided by City Health Care Partnership CIC (CHCP CIC). The contract term for the current service will expire on 31 March 2019.

3. PROJECT MANAGEMENT

The Project Leads were:

Commissioning: Toni Yel - Head of Commissioning - Integrated Commissioning;

Procurement: Lee Pepper, Contracts and Procurement Manager supported by Joy Dodson, Deputy Chief Finance Officer.

Clinical input to the project was provided by Dr Dan Roper - CCG Chair; and Dr Amy Oehring.

Quality: Kate Memluks, Quality Lead.

Colin Hurst provided engagement expertise.

Specialist procurement and HR/OD advice was provided by eMBED Health Consortium

4. ENGAGEMENT

4.1 ENGAGEMENT WITH PATIENTS

NHS Hull CCG conducted a patient engagement exercise to both service users and potential service users, during the period 25 July - 5 August 2018. The goals of the engagement exercise were to:

- Determine why potential users of service might not access eating disorder services;
- Listen to the experiences of existing service users to find out what aspects of service they value, and what areas they would like to see improvement;
- Find out what support may be required by carers and family members of those living with an eating disorder.

The report was made available to all potential providers to assist in the development of their proposed service models.

4.2 MARKET ENGAGEMENT

4.2.1 Prior Information Notice

A Prior Information Notice (PIN) was published on 15 June 2018 to assess the market appetite for delivering these services. Interested parties were given a deadline of 4 July 2018 to register an interest in providing the services. The outcome of PIN resulted in two organisations expressing an interest in the service.

4.2.2 Potential Provider Information Event

A Potential Provider Information event was held on 20 September 2018 where the service model, specification and procurement process were outlined. Immediately following the meeting, a networking opportunity was facilitated, the aim of which was for potential Lead Providers to make connections with potential sub-contractors. This event was attended by four organisations.

5. SERVICE MODEL AND SERVICE SPECIFICATION

The specification was developed by the project group taking into account the future requirements of the CCG, including the provision of physical health monitoring and Consultant input into service delivery. The final version of the service specification which was used for the procurement was approved by the Planning and Commissioning Committee on 7 September 2018.

6. PROCUREMENT PROCEDURE

The selection of procurement procedure was undertaken following a rigorous appraisal of the available options.

The option appraisal was presented to the NHS Hull CCG Board on 27 July 2018 and the preferred option of an Open Procurement was approved.

7. INVITATION TO TENDER (ITT) DEVELOPMENT

A comprehensive set of bidder questions was developed by multi-disciplinary workstreams, the members of which were drawn from the following:

- NHS Hull CCG commissioning, communication and engagement, finance, contract management and quality teams;
- eMBED Health Consortium (commissioning support) including IM&T and Human Resources professionals.

The ITT questions covered the following areas:

Section Title	Weighting %
Potential Provider Information	-
Grounds for Mandatory Exclusion	Pass / Fail
Grounds for Discretionary Exclusion	Pass / Fail
Economic and Financial Standing	Pass / Fail
Bidding Model - additional information	-
Modern Slavery Act 2015	Pass / Fail
Insurance	Pass / Fail
Equality	Pass / Fail

Section Title	Weighting %
Health & Safety	Pass / Fail
Service Delivery	40
Service Quality Assurance	18
Workforce	6
Information Management and Technology (IM&T)	6
Finance	20
Potential Provider Presentation / Interview Meeting	10
Legal & Eligibility	Pass / Fail
TOTAL	100

In summary the procurement was weighted 20% Finance and 80% Quality (with 70% written responses and 10% Potential Provider Presentations).

8. PRICING

8.1 Core Contract

The commercial offer for the contract was offered based on a block contract payment arrangement.

The block contract envelope published was £440,000 per annum.

8.2 Local Incentive Scheme

The Provider has the potential to earn an additional 10% of the contract value subject to the achievement of the requirements of the local incentive scheme which relate to:

1. Demonstrating co-ordinated care of individuals when moving between services:
 - a. Evidence of joint transition protocols between the Service and other services using formal processes of care planning;
 - b. Evidence of joint working arrangements, including regular liaison and meetings, to discuss risk assessment and monitoring at transition between the Eating Disorders Service and associated services.
2. Demonstration of an improvement in individual patient reported outcome measures.

9. CONTRACT TERM

The contract term offered was 5 years with an option to extend for a further 2 years. Contract commencement date is 1 April 2019.

The contract documentation will be based on the NHS Standard Contract.

10. PUBLICATION OF THE INVITATION TO TENDER

The Invitation to Tender documents were published on the NHS e-tendering portal on 12 September 2018.

The deadline for submission of tender response was 13:00, 17 October 2018.

The CCG received ten clarification questions from Potential Provider during the tender period which were all responded to.

The CCG raised eleven clarification questions to the Potential Providers which were all responded to.

11. TENDER SUBMISSIONS RECEIVED

The tender submissions received were:

Potential Provider 1 - City Health Care Partnership CIC

Potential Provider 2 - Humber Teaching NHS Foundation Trust

12. EVALUATION PROCESS

12.1 COMPLIANCE ASSESSMENT

Stage One of the evaluation process is the **Compliance Assessment** and involves preliminary compliance checks on the bid in terms of: grounds for Mandatory Exclusion; grounds for Discretionary Exclusion; Economic and Financial Standing; Modern Slavery; Insurance; Equality; Health and Safety; Legal and Eligibility.

This stage is scored as PASS or FAIL. Any potential provider that fails at Stage One will have no further evaluation take place on their bid.

12.2 CAPABILITY ASSESSMENT

Stage Two of the evaluation process is the **Capability Assessment** and involves consideration of the tender submissions against the service requirements defined by the CCG in the ITT documentation.

The questions were scored on a scale of 0 to 5, with 0 being '*Does not meet the requirement*'; and 5 being '*Exceeds the requirement*'. The scoring criteria are included at **Appendix A**.

During 18 October - 5 November 2018, a comprehensive evaluation of tender submissions has taken place by place by individuals and subsequently collectively in the workstreams outlined in paragraph 7 above, to agree a moderated/consensus score for each question in the ITT.

All evaluation and moderation/consensus of the tender submissions were completed by 7 November 2018.

At the conclusion of Stage Two the Tender Assessment and Scores were as follows:

Organisation	Compliance Assessment	Capability Assessment - Quality	Capability Assessment - Finance	Points still available from presentation	Outcome
City Health Care Partnership CIC	PASS	40.00%	20.00%	10%	Invite to Presentation
Humber Teaching NHS Foundation Trust	PASS	33.60%	19.98%	-	Not invited to Presentation - minimum quality score not met

The Invitation to Tender stated that the Commissioners would invite the four top scoring Potential Providers to the Presentation/Interview meeting providing they achieved 50% of the Quality marks from their written submission, i.e. 35% minimum of 70% available.

Humber Teaching NHS Foundation Trust did not meet the minimum quality requirement of the Capability Assessment-Quality and were not invited to the Presentation/Interview meeting.

12.3 POTENTIAL PROVIDER PRESENTATION AND INTERVIEW

Only representatives of City Health Care Partnership CIC were invited to attend for the Presentation/Interview Meeting on 14 November 2018. 10% of the scores available were allocated to this element.

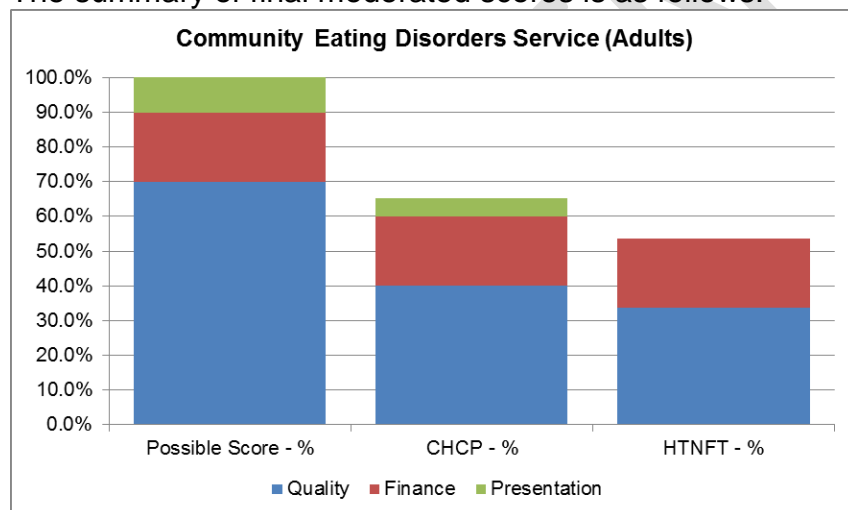
The session took the following format:

- Overview of the proposed service model (not scored);
- Response to five scenarios posed by the commissioners including Q&A.

City Health Care Partnership CIC scored 5.2% of the possible 10% score available.

13. TENDER ASSESSMENT AND SCORES

The summary of final moderated scores is as follows:



The full moderated scores for each element of the tender evaluation are presented at **Appendix B** and a breakdown of the consensus scores for each of the individual questions for the 'Quality' and 'Presentation' elements of the tender evaluation are included at **Appendix C**.

Following the Presentation and Interview with City Health Care Partnership CIC the evaluation panel agreed that it would recommend the contract award.

As presented in **Appendix C**, City Health Care Partnership CIC's responses to a number of questions were scored below 3 of 'Acceptable', this included eight scores of 2 'Minor Reservations' and one score on 1 'Serious Reservations'. The reservations expressed and agreed by the evaluation panel have been clearly recorded and will be shared with the provider at the first mobilisation meeting. These issues will be a key feature of mobilisation, documented within the agreed contract and subsequently closely monitored as the service becomes operational.

Humber Teaching NHS Foundation Trust will receive full written feedback on their tender submission including the relative characteristics and advantages of the successful bid.

14. STANDSTILL PERIOD

The Standstill period of 10 calendar days will be observed for the Community Eating Disorders Service (Adults) following contract award.

15. SERVICE MOBILISATION

The mobilisation period will commence following the end of the Standstill period and will be led by the Preferred Provider.

The CCG will ensure that any areas requiring further development are incorporated into the contract through their inclusion in the Service Development and Improvement Plan, both initially and over the life of the contract.

CCG representatives will work collaboratively with City Health Care Partnership CIC throughout the mobilisation and implementation phase.

16. RECOMMENDATIONS

It is recommended that the Board approves the award of the Community Eating Disorders Service (Adults) contract to the preferred provider - City Health Care Partnership CIC.

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Appendix A

Community Eating Disorders Service (Adult) Procurement - Evaluation/Scoring Criteria

Criteria used for Service Delivery; Service Quality Assurance; Workforce; IM&T; Presentation

Assessment	Score	Interpretation
Excellent	5	Exceeds the requirement. Exceptional demonstration by the Potential Provider of the understanding and skills required to provide the services. Response identifies factors that will offer potential added value, with evidence to support the response.
Good	4	Satisfies the requirement with minor additional benefits. Above average demonstration by the Potential Provider of the understanding and skills required to provide the services. Response identifies factors that will offer potential added value, with evidence to support the response.
Acceptable	3	Satisfies the requirement. Demonstration by the Potential Provider of the understanding and skills required to provide the services, with evidence to support the response.
Minor Reservations	2	Satisfies the requirement with minor reservations. Some minor reservations of the Potential Provider understanding and skills required to provide the services, with little or no evidence to support the response.
Serious Reservations	1	Satisfies the requirement with major reservations. Considerable reservations of the Potential Provider understanding and skills required to provide the services, with little or no evidence to support the response.
Unacceptable	0	Does not meet the requirement. Does not comply and/or insufficient information provided to demonstrate that the Potential Provider has the understanding and skills required to provide the services, with little or no evidence to support the response.

Appendix B

Community Eating Disorders Service (Adults) - Moderated / Consensus Score

Section Title	Possible Score	City Health Care Partnership CIC	Humber Teaching NHS Foundation Trust
Potential Provider Information	-	-	-
Grounds for Mandatory Exclusion	Pass / Fail	Pass	Pass
Grounds for Discretionary Exclusion	Pass / Fail	Pass	Pass
Economic and Financial Standing	Pass / Fail	Pass	Fail
Bidding Model - additional information	-	-	-
Modern Slavery Act 2015	Pass / Fail	Pass	Pass
Insurance	Pass / Fail	Pass	Pass
Equality	Pass / Fail	Pass	Pass
Health & Safety	Pass / Fail	Pass	Pass
Service Delivery	40.00%	21.60%	16.00%
Service Quality Assurance	18.00%	10.60%	9.20%
Workforce	6.00%	3.60%	4.50%
Information Management and Technology (IM&T)	6.00%	4.20%	3.90%
Finance	20.00%	20.00%	19.98%
Potential Provider Presentation / Interview Meeting	10.00%	5.20%	-
Legal & Eligibility	Pass / Fail	Pass	Pass
TOTAL	100.0%	65.2%	53.6%

Appendix C

Community Eating Disorders Service (Adults) - Moderated / Consensus Scores - Quality and Presentation Questions

Section Title	Possible Score	City Health Care Partnership CIC		Humber Teaching NHS Foundation Trust	
Service Delivery	40.00%	21.60%		16.00%	
• Service Model	5.00%	2.00%	2 - Minor Reservations	1.00%	1 - Serious Reservations
• Locations	2.00%	1.60%	4 - Good	0.80%	2 - Minor Reservations
• Referral response/Triage	3.00%	1.80%	3 - Acceptable	0.60%	1 - Serious Reservations
• Assessments	5.00%	3.00%	3 - Acceptable	1.00%	1 - Serious Reservations
• Range of services	5.00%	3.00%	3 - Acceptable	3.00%	3 - Acceptable
• Support carers / wider family	2.00%	1.20%	3 - Acceptable	1.20%	3 - Acceptable
• Communication	3.00%	1.80%	3 - Acceptable	1.80%	3 - Acceptable
• Transition	5.00%	3.00%	3 - Acceptable	2.00%	2 - Minor Reservations
• Inpatient	3.00%	1.80%	3 - Acceptable	1.20%	2 - Minor Reservations
• Engagement - hard to reach	2.00%	0.40%	1 - Serious Reservations	0.40%	1 - Serious Reservations
• Implementation	5.00%	2.00%	2 - Minor Reservations	3.00%	3 - Acceptable
Service Quality Assurance	18.00%	10.60%		9.20%	
• Roles & Responsibilities	3.00%	1.20%	2 - Minor Reservations	1.20%	2 - Minor Reservations
• Governance Framework	3.00%	1.80%	3 - Acceptable	1.20%	2 - Minor Reservations
• Safeguarding	3.00%	2.40%	4 - Good	2.40%	4 - Good
• Infection & Prevention	2.00%	0.80%	2 - Minor Reservations	1.60%	4 - Good
• Reporting	2.00%	1.60%	4 - Good	0.40%	1 - Serious Reservations
• Patient Experience - Model	1.00%	0.40%	2 - Minor Reservations	0.40%	2 - Minor Reservations
• Patient Relations & Complaints	1.00%	0.60%	3 - Acceptable	0.60%	3 - Acceptable
• Patient Experience - Learning	1.00%	0.60%	3 - Acceptable	0.60%	3 - Acceptable
• Promote the service	2.00%	1.20%	3 - Acceptable	0.80%	2 - Minor Reservations

Section Title	Possible Score	City Health Care Partnership CIC		Humber Teaching NHS Foundation Trust	
Workforce	6.00%	3.60%		4.50%	
• Workforce policies, processes and practices	1.50%	1.20%	4 - Good	1.20%	4 - Good
• Recruitment	1.50%	0.90%	3 - Acceptable	1.20%	4 - Good
• Professional Registrations	1.50%	0.60%	2 - Minor Reservations	0.90%	3 - Acceptable
• Staff management, capacity and contingency	1.50%	0.90%	3 - Acceptable	1.20%	4 - Good
Information Management and Technology	6.00%	4.20%		3.90%	
• IT Systems	1.50%	1.20%	4 - Good	1.20%	4 - Good
• IT Infrastructure	1.50%	0.90%	3 - Acceptable	0.90%	3 - Acceptable
• IT Security	1.50%	0.90%	3 - Acceptable	0.90%	3 - Acceptable
• IM&T Business Continuity	1.50%	1.20%	4 - Good	0.90%	3 - Acceptable
Presentations	10.00%	5.20%		-	
Clinical Scenario 1	2.00%	1.20%	3 - Acceptable	-	
Clinical Scenario 2	2.00%	1.20%	3 - Acceptable	-	
Clinical Scenario 3	2.00%	1.20%	3 - Acceptable	-	
Transition Scenario	2.00%	0.80%	2 - Minor Reservations	-	
Safeguarding Scenario	2.00%	0.80%	2 - Minor Reservations	-	