

Governing Body meeting (held in public)

DATE: 24 March 2016

Title	Permission to commence the re-procurement process for two services: a) An Integrated Advocacy Service and b) Improved Access to Psychological Therapies Service
This paper is for Decision	
Recommended action for the Governing Body	<p>That the Governing Body:</p> <p>Approve the request of the Integrated Commissioning Team to commence the procurement process for two contracts:</p> <ul style="list-style-type: none"> a) an Integrated Advocacy Service and b) Improved Access to Psychological Therapies Service <p>Note the contents of this report.</p>
Potential areas for Conflicts of interest	None noted.
Executive summary	<p>NHS Bexley CCG commissions Independent Mental Health Advocacy (IMHA) from MIND in Bexley for the adult population (aged 18+) under an NHS Standard Contract.</p> <p>The CCG also commissions Improved Access to Psychological Therapies (IAPT) from MIND in Bexley</p> <p>At the NHS Bexley Finance Sub-Committee meeting of 13 October 2015, the Committee approved a twelve month extension to the above contracts to allow re-procurement to take place during FY 2016/2017.</p> <ol style="list-style-type: none"> 1. Integrated Advocacy Service: As part of Integrated Commissioning between NHS Bexley Clinical Commissioning Group (CCG) and London Borough of Bexley (LBB), it is intended to combine the current LBB grant for Care Act (2014) Advocacy currently made to Advocacy for All, (A4A), with the CCG duty to provide IMHA to deliver an <u>Integrated Advocacy Service</u> on behalf of both organisations. 2. Our existing IAPT service (from MIND in Bexley) also requires re-

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	<p>procurement.</p> <p>Each of the above will be procured separately.</p> <p>This paper seeks permission from the Governing Body to commence procurement of these services which will be undertaken in line with EU and CCG's tender processes via our internal procurement department.</p>	
<p>How does this paper support the CCGs objectives?</p>	<p>Patients:</p>	<p>Both services are a duty required of CCG's and Local Authorities – the services provided support some of the most vulnerable individuals within Bexley</p>
	<p>People:</p>	<p>This paper reinforces the work undertaken by the Integrated Commissioning Team, working across health and social care boundaries to deliver an effective integrated service.</p>
	<p>Pounds:</p>	<p>Commissioning an integrated service for advocacy makes best use of resources and offers both organisations the potential to realise efficiencies through this procurement. IAPT services offer value for money through intervention at an early stage.</p>
	<p>Process:</p>	<p>Commissioning an integrated advocacy service meets the needs of both the CCG and LBB and reduces workload within both organisations with no conflict of interests.</p>
<p>What are the Organisational implications</p>	<p>Key risks</p>	<p>The risk of not undertaking this process may leave the CCG open to challenge for not following EU procurement and contracting regulations. The CCG will minimise this risk by commencing this procurement as soon as GB approval has been given and will reduce any inherent risks related to procurement through drawing upon previous experience to conduct a robust process.</p> <p>Incorporating the Care Act Advocacy Service brings this 'grant arrangement' under formal contractual requirements thus reducing risk of underperformance and poor quality provision.</p>
	<p>Equality</p>	<p>The tender evaluation processes will require bidders to meet equity of access and promote equality and non- discrimination within their service provision.</p>
	<p>Financial</p>	<p>The procurement processes will indicate a capped contract value.</p> <p>This offers assurance of costs within current budgetary limits for the CCG and LBB and may offer some potential for efficiencies through enabling potential providers to present a budget beneath the</p>

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		contract value cap.
	Data	The procurement process will be managed in a secure electronic environment in line with the NHS, CCG and LBB guidelines for the management and security of information.
	Legal issues	The re-procurement will be conducted in accordance with the Public Contracts Regulations 2015, and the National Health Service (Procurement, Patient Choice and Competition) (No. 2) Regulations 2013.
	NHS constitution	None.
Engagement	Consultation with stakeholders and engagement with patients will be incorporated as part of the procurement process.	
Audit trail	As this procurement will be carried out via the Delta e-Procurement on-line portal, a full audit trail of records relating to the procurement process will automatically maintained electronically.	
Comms plan	A communications plan has been identified within the process and will engage with the CCG communications team and that of LBB as part of the process.	
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Date	1 March 2016	

Governing Body Request to Re-procure Service Contracts
2nd March 2016

1 Executive Summary

- 1.1 NHS Bexley CCG commissions both Independent Mental Health Advocacy (IMHA) and Improved Access to Psychological Therapies (IAPT) from MIND in Bexley for the adult population (aged 18+) both of the existing contracts are due to expire on 31st March 2017.
- 1.2 This paper requests approval from the Governing Body to commence the re-procurement of these contracts (each contract will be procured separately). They will be procured using the EU restricted procedure.
- 1.3 For both of these contracts it is suggested that we advertise the contract on the basis of a 3 year contract with the option to extend for a period up to 2 years, subject to satisfactory delivery (performance and quality) and finances.
- 1.4 The contract values are: IMHA CCG £138k, plus LBB of £22,340. IAPT £1,028k (CCG funded). These values are based on the 15/16 contract values and will be subject to change based on tariff inflators in 2016/17.

2 IMHA Services & Care Advocacy

- 2.1 Independent Mental Health Advocacy (IMHA) was introduced under the Mental Health Act (2007).
- 2.2 From April 2009 there has been a legal duty (of Commissioners of mental health services) to provide Independent Mental Health Advocates for all eligible people.
- 2.3 An IMHA is an independent advocate who is specially trained to work within the framework of the Mental Health Act (1983) to support people to understand their rights under the Act and participate in decisions about their care and treatment. Mind in Bexley are the current provider.
- 2.4 In 2014/15, Mind in Bexley has provided 268 IMHA contacts delivered to Bexley patients in a forensic hospital setting, 337 contacts in a (MH) hospital setting and 139 to non-sectioned patients.
- 2.5 To the end of Quarter 3 2015/16, the service has provided 186 IMHA contacts delivered to Bexley patients in a forensic hospital setting, 180 contacts in a (MH) hospital setting and 137 to non-sectioned patients.
- 2.6 The current agreement is a joint agreement for Bexley, Bromley, Greenwich and Lewisham CCGs. NHS Bexley CCG was lead commissioner on behalf of the CCG's for the contract with MIND in Bexley for the provision of IMHA services. It was agreed at the outset of the contract that for any future commissioning the "lead role" would need to be passed onto one of those CCGs. Unfortunately none of the CCGs has offered to become the lead commissioner, therefore Bexley will be procuring the services for Bexley only. Our assessment is that we can still ensure value for money by procuring the smaller service on our own and achieving localisation.

- 2.7 The requirement for the provision of advocacy under the Care Act (2014) was introduced in April 2015.
- 2.8 The duty to provide advocacy applies from the point of first contact with the local authority and at any subsequent stage of an assessment, planning, care review, safeguarding enquiry or safeguarding adult review.
- 2.9 If it appears to the (Commissioners) authority that a person has care and support needs, then a judgement must be made as to whether that person has substantial difficulty in being involved and if there is an appropriate individual to support them.
- 2.10 An independent advocate must be appointed to support and represent the person for the purpose of assisting their involvement if these two conditions are met.
- 2.11 Currently London Borough of Bexley (LBB) have provided a twelve month grant to A4A to provide this service. The grant ends on 31 March 2017.
- 2.12 Commissioning this service together with the IMHA service uses resources efficiently, falls appropriately under the scope of the Integrated Commissioning Team and offers prospective providers a wider range of service provision against which they can bid, thus making this contract more attractive to potential providers.
- 2.13 The current spend for both services in 2015/16 is IMHA CCG £138k, plus Advocacy LBB of £22,340.

3 IAPT Services

- 3.1 IAPT services are commissioned from MIND in Bexley to deliver early intervention for a range of mental health conditions such as depression and anxiety. The original contract (from 2013) has recently received approval from the Finance Sub Committee for a 1 year extension until 31st March 2017.
- 3.2 It was created to offer patients a realistic and routine first-line treatment, combined where appropriate with medication which traditionally had been the only treatment available. The programme was first targeted at people of working age but in 2010 was opened to adults of all ages.
- 3.3 To date, MIND in Bexley have developed a range of services outside of the formal pathways to increase achievement towards national targets and have established a range of support networks to deliver maximised value from IAPT.

4 Procurement Process and Contracts (both services as separate procurements)

- 4.1 **Procurement Process:** In both procurements the CCG will use the Restricted Procedure. This process is a two stage process that requires potential providers to submit a pre-qualification questionnaire (PQQ) together with other vital information that will enable Commissioners to immediately identify those providers that do not meet basic standards. Following success at PQQ stages, potential providers are then invited to tender and can be vetted more closely in terms of experience, quality and performance together with their aspirations for service provision. This

process also has the advantage of encouraging those potential providers who are invited to tender (ITT) to invest fully in the process due to success at PQQ stage.

Each contract IMHA and then IAPT is to be procured individually.

The procurements will be carried out in accordance with the Public Contracts Regulations (2015) and the National Health Service (Procurement, Patient Choice and Competition) (No. 2) Regulations (2013).

Separate notices for both services will be placed on the Contracts Finder web site by way of a Tender Notice in March / April 2016.

To ensure that we have a balance of quality, services and costs we will ensure that criteria used to evaluate these are clear on the need to award to the Most Economically Advantageous Offer (MEAO).

- 4.2 **Contracts:** For IMHA we will look to appoint more than 1 provider of services (we will build this flexibility into the contract) to enable further flexibility on support. For IAPT we will be looking for one provider of services to ensure continuity of supply and the necessary levers within the contract to ensure delivery of the NHS Constitutional Standards (Operating Plans). More than one IAPT provider would result in a proliferation of providers, leading to a fragmented patient pathway, higher management costs, and reduced ability to manage the contract and ensure performance.

5 Specification Development & Stakeholder Input

- 5.1 The current service specifications for IMHA and for IAPT were developed by Commissioners and other stakeholders to reflect the service, quality and outcomes required from the Provider.
- 5.2 Both services specifications will be updated to reflect the services required ensuring that quality and performance is explicitly described. Once drafted the service specifications will undergo quality assurance processes through the CCG quality team and Integrated Commissioning Team on behalf of LBB.
- 5.3 It is intended that the service specifications where possible, will be reviewed by service users and mental health Clinicians to ensure that the full requirements have been captured within the specifications from all perspectives. The GP clinical lead will be part of the process of developing and then evaluating the responses.
- 5.4 A full project plan for both procurements has been developed. These include briefing sessions for stakeholders, bidder events for potential providers and opportunities to appraise and update parents and carers during the process.
- 5.5 A copy of the project plans can be found at Appendix A.
- 5.6 The CCG's Privacy Impact Assessment (PIA) template has been used to ensure that the development of the specification takes into consideration the CCG's obligations with regards to Data Protection, consultation, and stakeholder engagement.

6 Key Risks

- 6.1 The main risk is that potential providers may not submit bids for either service. By starting these procurements early we will be able to then take necessary action should providers not come forward (e.g. extend current arrangements, or stimulate the market further).
- 6.2 Offering an Integrated Advocacy Service makes this contract more attractive and there are a number of existing IAPT providers who may wish to consider expanding their areas of operation as well as the incumbent provider themselves.
- 6.3 Commissioners have mitigated this by a bidder's event for both services to promote better engagement with the marketplace. In addition Commissioners have ensured that timescales for the procurement process are generous, thereby minimising the risk of bidders withdrawing due to time pressures.
- 6.4 The second main risk is that of a challenge the procurement processes, even though such challenges may be without substance. This is mitigated by ensuring due process in line with EU procurement regulations will be followed. In line with the CCG's operating practices all decisions surrounding procurements are well documented to ensure that any challenge has a low likelihood of success and can be clearly defended at the first point of notification. The Governing Body will also be asked to approve each award and there is clear documentation within the ratification reports to the Governing Body of the processes and outcomes undertaken.

7 Financial Considerations

- 7.1 **IMHA:** The current (2015/16) annual cost of the IMHA service is £138,475 per year. This is the 2015/16 cost and will be updated for 2016/17 inflation. The 2016/17 grant made by LBB for Care Act Advocacy is £22,340. The procurement process for IMHA will advertise a 'capped' (maximum) contract price and this is expected to be no greater than the resources available (based on existing budgets).
- 7.2 **IAPT:** The 2015/16 annual service cost is £1,028,392 per year, this will be subject to the NHS Inflation levels. Here again we will be seeking to secure offers within the budget available.
- 7.3 In both contracts the maximum value available will be published and a "hurdle" criteria used at the start of the evaluation to ensure that offers analysed are within the funds available. Only once this hurdle criteria has been passed will weighted evaluation formula be applied.
- 7.4 If prices are offered that are below the current levels (and post the MEAO analysis) then any efficiency realised will equally benefit the CCG and LBB on a relevant percentage of investment basis except where a notable saving has been made in a specific element of the integrated service.
- 7.5 NHS Bexley CCG as the lead commissioner for the IMHA service will receive invoices from the provider(s) and will then re-charge the element of the Care Act Advocacy service to London Borough of Bexley. Both finance departments have agreed this trading arrangement.

8 Project Structure & Governance

8.1 A project steering group has been formed to oversee the successful delivery of these procurements.

This consists of :-

Gordon J Pownall, Head of Integrated Commissioning (Bexley CCG and LBB)
Tim Collett, Integrated Commissioning Officer (Adults)
Julie Witherall, Assistant Director of Financial Management
Mark Abrahams, Head of Procurement

8.2 Dr Howard Stoate has also agreed to be Clinical Lead.

8.3 The Procurement Panel Officers as above will also seek input and support as needed from CCG colleagues including Communications, Information Governance, Quality and Safety Team and the Patient Experience Team. LBB colleagues will also be consulted throughout the process.

8.4 The Quality and Safety Group for the CCG will be asked to approve the specification and the KPIs.

8.5 HR will also be engaged to directly support this process as TUPE will apply to both services.

8.6 External stakeholder consultation will be secured for review of service specifications and it is intended to directly involve service users in the evaluation process at the ITT stage.

8.7 Oversight and review will be given by Alison Rogers, Assistant Director for Integrated Commissioning and the CCG Mental Health Strategic Programme Group.

9 Timescales

9.1 A project plan has been drafted that will achieve contract awards to the successful bidders in January 2017.

9.2 The contracts are expected to be mobilised as from 1 April 2017.

9.3 An outline of the timetable is included at Appendix A.

10 Recommendation & Approval Sought

10.1 The Governing Body are asked to approve the re-procurement of these contracts (LBB are asked to provide their approval to the advocacy procurement separately).

Gordon J Pownall
Head of Integrated Commissioning

March 2016

Appendix A – Procurement Timetable – IMHA and IAPT services (as separate contracts)

Task	Dates
Governing Body approval to seek tenders	24 March 2016
Issue PQQ	25 March 2016
Deadline for PQQ submissions	29 April 2016
Conclusion of PQQ moderation & evaluation	30 May 2016
Issue ITT documents	13 June 2016
ITT final submission date	22 July 2016
End of ITT stage report produced, agreed by team, to Director to approve	19 September 2016
Governing Body for approval to award the contract	24 November 2016
Contract signatures	January 2017
Mobilisation	January 2017 – March 2017
Service Delivery commences	1 April 2017