

Part 1 Open to the Public	ITEM NO.
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REPORT OF
ASSISTANT MAYOR FOR HEALTH & WELLBEING

TO
PROCUREMENT BOARD
ON
WEDNESDAY 17th FEBRUARY 2015

Approve the Award of Public Health contract for the Sexual and Reproductive Health Service Salford and Bolton.

RECOMMENDATION:

That Procurement Board is asked to approve:

- (1) in exercise of the powers contained within the City Council Constitution, award of the contract for the Sexual and Reproductive Health Service for Salford and Bolton to Bolton NHS Foundation Trust.

Detail required		
Title/Description of Contracted Service/Supply/Project	Sexual and Reproductive Health Service	
Name of Successful Contractor	Bolton NHS Foundation Trust	
Supplier Registration Number	654913421	
Type of organisation	NHS Trust	
Status of Organisation	Non-SME	
Contract Value	£3,350,000 (£1,750,000 from Salford £1,600,000 from Bolton)	Per Annum (estimated average)
Contract Duration	36 months	
Contract Start Date	01/07/2016	
Contract End Date	30/06/2019	
Optional Extension Period 1	12 months	
Optional Extension Period 2	12 months	
Who will approve each Extension Period?	Procurement Board (extension > £100k)	
Contact Officer (Name & number)	Siobhan Farmer	
Lead Service Group	Community, Health & Social Care Public Health	
How the contract was procured?	Tender (Open)	
Framework Details (where applicable) (Procurement Body, Framework Reference & Title, Start/End Dates, Hyperlink, etc.)	N/A	
Funding Source	Grant	

EXECUTIVE SUMMARY:

The purpose of this report is to seek approval from the Procurement Board for the award of a contract tendered for the provision of sexual and reproductive health services.

This contract award is part of the City Council's public health commissioning intentions and also contributes towards the City Council budget challenge.

This report seeks Procurement Board approval to award the contract to Bolton NHS Foundation Trust.

BACKGROUND DOCUMENTS:

Assistant Mayor Health and Wellbeing: 4th February 2016

Procurement Board Paper (19th August 2015) *Approval for an Exception to Contractual Standing Orders to award a three month contract extension to Salford Royal Foundation Trust and Brook Young People's Advisory Service.*

This paper received approval from the Procurement Board for an exception to CSOs for the existing sexual health services for three months up to the end of the June 2016.

Procurement Board Paper (24th June 2015):

Paragraph 3.5 from: *Approval for an Extension of Framework for Salford Public Health Services Procurement Framework for the period 1st December 2015 to 30th November 2016*

"Sexual Health Services currently forms part of a wider GM service review and therefore a collaborative procurement exercise will be undertaken with other AGMA Authorities. If this collaboration is decided then the Salford Framework may not be considered the best method to engage with the wider market. However, procurement outside the Framework would not prevent existing framework organisations or consortia from bidding for the contracts".

KEY DECISION:

Yes. Total contract Value exceeds £350,000.

KEY COUNCIL POLICIES: The City Mayors Employment Charter, Procurement Strategy,

EQUALITY IMPACT ASSESSMENT AND IMPLICATIONS: Equality and Diversity are taken into account during the tendering process. A Community Impact Assessment has been completed and found no disproportionate negative impact on any protected groups.

ASSESSMENT OF RISK:

Medium

SOURCE OF FUNDING: Funding will be within the public health ring fenced budget.

LEGAL IMPLICATIONS Submitted by: Tony Hatton, Principal Solicitor, tel. 219 6323

When commissioning contracts for the procurement of goods, services or the execution of works the Council as a 'contracting authority' must comply with the provisions of the Public Contracts Regulations 2015 as well as its own Contractual Standing Orders (CSO's), Financial Regulations and the duties of Best and Social Value. In addition, the Regulations require that contracting authorities treat candidates equally and in a non-discriminatory way and act in a transparent manner, failing which the award of a contract may be subject to legal challenge.

Also under the CSO's, in order to secure value for money, the Council may enter into collaborative procurement arrangements with other local authorities, government departments, public bodies or public service purchasing consortium. Any contracts entered into through collaboration with other local authorities or other public bodies, where a competitive process has been followed that complies with the contract procedure rules of the leading organisation, here Salford City Council in any event, will be deemed to comply with the Council's contract procedure rules.

The procurement procedure undertaken in this matter is robust, and the appointment of the provider for this service follows an open tender process which is outlined within the body of the report, and which is compliant with the requirements of CSO's and public procurement legislation.

The award of the contract will commit the Council to a three year arrangement with the option to extend for two further periods of 12 months each. Legal Services will advise and assist in the drafting of any contractual documentation in due course upon receipt of instructions.

FINANCIAL IMPLICATIONS Submitted by: Stephen Thynne, Finance Officer, Tel: 0161 778 0244

This report requests approval to award the contract for the Sexual and Reproductive Health Service to Bolton NHS Foundation Trust. The contract is for 3 years from 1st July 2016, has an annual value of £1,750K and is funded from public health grant. Future grant allocations have not yet been confirmed and the award of this contract should allow for potential changes in public health grant funding to be managed effectively.

PROCUREMENT IMPLICATIONS: Submitted by: Colette Hilton, Category Manager, Tel: 0161 686 6242

The tender process to advertise and award this contract has been undertaken in accordance with Contractual Standing Orders and procurement rules.

The contract involved the integration of two services, the specialist adult and young people's sexual health services and the adoption of a sub-Greater Manchester procurement strategy. The combining of the two services and co-commissioning of the sexual health with Bolton Council will support the Council's budget challenges with an anticipated saving of approximately £220,000.

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Details of the opportunity were widely advertised in OJEU and the North West Procurement Portal 'The Chest' in October 2015. The tender process involved use of the 'Open' procurement procedure and realised a total of two submissions by the closing date, 4th December 2015.

A robust evaluation was undertaken by a multi agency panel as detailed within the report. Bids were evaluated ensuring they reflected the service outlined within the specification and supported the delivery outcomes required by commissioners, this was supplemented by a clarification process through presentation and interview.

Social Value was considered a throughout the tender exercise to ensure it will be embedded within delivery of the service.

Overall the panel considered the service offered by Bolton NHS Foundation Trust to be an effective and efficient use of resources and supported commissioners' expectations for the future development of the service.

HR IMPLICATIONS Submitted by Vanessa Brockbank, HR Business Partner, Tel: 0161 686 6267

There are no SCC staff currently involved in the service therefore there are no staffing implications

OTHER DIRECTORATES CONSULTED:

CONTACT OFFICER: Siobhan Farmer TEL. NO. 0161 607 6938

WARD(S) TO WHICH REPORT RELATE(S): All Wards

Approve the Award of Public Health contract for Sexual and Reproductive Health Services.

DETAILS:

1. Introduction

- 1.1. Following the Health and Social Care Act 2012, the Local Authority adopted a mandated responsibility for the commissioning of some of the sexual health services for our residents. These services are commissioned at a local level to meet the needs of the local population, including:
- sexually transmitted infections (STI) testing and treatment including Chlamydia screening and HIV testing;
 - comprehensive sexual health services including most contraceptive services and all prescribing costs, but excluding GP additionally-provided contraception;
 - specialist services, including young people's sexual health, teenage pregnancy services, outreach, HIV prevention, sexual health promotion, services in schools, college and pharmacies.
- 1.2. The existing Sexual Health Services in Salford are due to come to an end in June 2016. Therefore this re-tendering of Salford's Sexual Health Services has taken place to ensure a continued provision of sexual health services for Salford's residents.

2. Background

- 2.1. As part of the budget challenge faced by Salford City Council, a commitment to reduce the sexual health budget by £500,000 from the 2014/15 baseline by April 2016 has been made as part of its review and redesign.
- 2.2. To achieve the new budget total, it is proposed that the specialist adult and young people's sexual health services be integrated and a sub-Greater Manchester procurement strategy be adopted; Salford aspires to co-commission a single, all age, sexual health service with Bolton Council. It is anticipated combining these services and procuring with Bolton will deliver a saving of approximately £220,000 from the combined contract value. We believe these proposals will:
- Deliver efficiencies and closer integration of services across the two areas as we recognise that patients already choose services from each other's areas;
 - Provide services that have a shared standard and quality for testing, treatment and care;
 - Facilitate patient flow across the areas (and in Greater Manchester) as we recognise the need for the services to be open access for all regardless of area of residency.
- 2.3. The remaining savings to be achieved from the sexual health budget will be found from monies set aside to pay for Salford residents attending sexual health services out of area, re-tendering a GM Chlamydia screening support service and reductions in some sexual health testing and support services.

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- 2.4. The contract for approval within this paper builds on activity which was previously undertaken as part of two contracts, listed below:
- Salford Royal NHS Foundation Trust – Adult Sexual Health Service
 - Brook Young People’s Advisory Service – Young People’s Sexual Health Service.
- 2.5. Bolton Council, as a prerequisite of their partnership, requested that the procurement exercise was carried out as an open tender. Although Salford would have preferred to procure this using the Salford Public Health Services Framework (thereby reducing the procurement process and the number of potential tender submissions), the advantages of collaborating with Bolton Council in this tender outweighed the benefits of using the framework.
- 2.6. This was to give their existing providers an opportunity to bid, as they are not an approved provider on the framework. In June 2015, Salford City Council’s Procurement Board approved the procurement of Public Health services outside of the Framework in a case such as this; “if services are to be commissioned collaboratively with other GM Authorities, and the arrangement does not provide sufficient scope across the market to support their procurement.”
- 2.7. The initial contract end date for the services will be 30th June 2019 with an option to extend on a “1 + 1” basis for up to a further two years. Salford will contribute £1,750,000 per annum to this contract, and Bolton Council will contribute £1,600,000 per annum. The difference in investment from the two local authorities is because Salford is commissioning a specialist young persons sexual health service within this tender, whereas Bolton service will purely be an adult provision. Furthermore this difference in investment is also due to differing levels of need for sexual health services which results in different levels of attendances at these services. A review of historical activity levels formed part of the service design to understand the need to be met in the two areas and therefore the investment required.

3. The Procurement Process

- 3.1. An open tender exercise was undertaken with expressions of interest invited through the Official Journal of the European Union and advertised on The Chest on 14th October 2015.
- 3.2. The tender exercise was managed through ‘The Chest’ portal with all the relevant documentation uploaded on to the system for organisations to access. The documentation included the service specification and qualification questionnaire for completion and submission by tenderers.
- 3.3. Tenderers were permitted to seek clarification of the specification and the questions asked of them through The Chest ahead of submitting their bids in 4th December 2015.
- 3.4. Salford City Council received a total of two bids for the tender which were evaluated by a panel consisting of sexual health commissioners and public health consultants from Salford City Council and Bolton Council along with consultants with backgrounds in sexual and reproductive health and genitourinary medicine.

- 3.5. It was recognised that tenderers should also be able to demonstrate their understanding of HIV treatment and care (commissioned separately by NHS England) and the relationship to the HIV testing elements within the tendered service.
- 3.6. As a result an additional element was included at the capacity and capability assessment stage and was evaluated separately by an NHS England Commissioner and sexual and reproductive health and genitourinary medicine consultants. Organisations unable to demonstrate their competencies in this area would not progress through the tender process.

4. Evaluation

- 4.1. All submissions were evaluated to determine the most economically advantageous tender under the criteria of quality and price (70% quality and 30% price respectively). The tendered price was evaluated taking into the consideration the staffing model and total number of contract/service delivery hours offered, based a tender ceiling price.
- 4.2. The evaluation was divided into 3 stages:
 - i. capacity & capability assessment;
 - ii. quality & price; and
 - iii. presentation & interview
- 4.3. On completion of the stage 1 assessment, one organisation failed to demonstrate their capacity & capability to deliver the service and not taken forward.
- 4.4. Successful contractor: Bolton NHS Foundation Trust
- 4.5. Evaluation Scores:

	% Weight Score
Quality	56.5%
Price	29.9%
Total	82%

- 4.6. The quality of the bid in terms of the service model and delivery was exceptionally strong. The delivery model was well developed and robust offering a planned and structured approach.
- 4.7. Bolton NHS Foundation Trust (BFT) have proposed they will deliver a ‘Lead Provider’ Model service with Salford Royal Foundation Trust (SRFT) being a consortia member. The service will be overseen through joint governance arrangements to be agreed between the two Trusts.
- 4.8. In the tender it was proposed that the existing Salford Sexual Health team will transfer under the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE) to BFT and retain existing links into SRFT services. BFT have also proposed similar arrangements with the existing staff from Brook Young People’s service, however this discussion has not yet progressed due to perceived procurement and confidentiality issues during the tender process.
- 4.9. BFT and SRFT will maintain existing premises and will also scope additional bespoke testing and clinical areas in cooperation with Salford City Council. BFT and SRFT will

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also work towards a joint Electronic Paper Record system that can operate across all sites that will allow patient records to be accessed across the two areas.

- 4.10. During the interview stage the organisation provide a comprehensive overview of the delivery model demonstrating a proactive approach to further developing the service. There was commitment to working with commissioners and building on lessons learnt to develop a service that supported services user needs, including the use of technology to access the service.
- 4.11. The contract duration is for three years, commencing 1st July 2016. There is also a potential extension of the contract for up to two years, which may be utilised subject to performance, funding and further Procurement Board approval.

5. Social Value

- 5.1. The tender process had a strong focus on a social value approach to the delivery of future services; social value had a weighting of 10% of the overall score tender submission score. Bolton NHS Foundation Trust demonstrated a good understanding of social value and provided practical examples of how they have and will provide this for Salford. Examples of these outcomes include:
 - 5.2. Being key part of the communities' drive to reduce teenage pregnancy and its social consequences of worklessness deprivation and reduced life expectation of the child.
 - 5.3. Helping educate refugee doctors, enabling them to better support the refugee communities and ultimately gain their UK licences.
 - Reduce carbon emissions by offering multiple venues with good transport links to reduce driving times and make public transport easy
 - Improving overall economic productivity and educational attainment by offering convenient clinic times to avoid the need for time off work or education
 - Support people onto their first step on the road to full time employment through: - An intern supporting a young person with learning disabilities to gain a longer work experience - Apprenticeships within the service
 - The WoW (Working on Waste) campaign and recruitment of a Waste and Environment Manager has increased recycling from 71% to 92% and aim to be 0% waste to landfill in the next 2 years

6. Contract Monitoring

- 6.1. Salford City Council and Bolton Council will attend and manage all contract monitoring meetings and be apprised of service developments on a regular basis.

7. Conclusion

- 7.1. It is proposed that the Procurement Board approve the award for the Sexual and Reproductive Health Services contract to Bolton NHS Foundation Trust. The quality of the bid in terms of the service model and delivery was exceptionally strong. The delivery model was well developed and robust, offering a planned and structured approach. The collaboration of the existing services in Salford and Bolton should also minimise any disruption of service during transition and allow staff and services already familiar with the population to deliver comprehensive sexual and reproductive health services.