

**HEALTH AND WELLBEING BOARD**  
**PROCUREMENT STRATEGY REPORT**

**8 March 2016**

<b>Title:</b> Contract – Procurement of Healthy Child Programme 5-19 (School Nursing and National Child Measurement Programme)	
<b>Report of the Cabinet Member for Adult Social Care and Health</b>	
<b>Open Report</b>	<b>For Decision</b>
<b>Wards Affected:</b> All	<b>Key Decision:</b> Yes
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<b>Accountable Divisional Director:</b> Matthew Cole	
<b>Accountable Director:</b> Anne Bristow, Strategic Director Service Development and Improvement and Deputy Chief Executive	
<b>Summary:</b>	
<p>Responsibility for the commissioning of the Healthy Child Programme 5-19 (School Nursing and National Child Measurement Programme Services) was transferred to the Council on 1 April 2013. The service offers school aged children a schedule of health and development reviews, screening tests, immunisations and health promotion, as well as tailored support for children and families. The National Child Measurement Programme (NCMP) is a mandated public health programme for the Council.</p> <p>The Healthy Child Programme (HCP) 5-19 contract is currently provided by North East London NHS Foundation Trust (NELFT). The contract commenced on 1 April 2013 for a duration of 17 months with a further 19 months extension agreed by the Health and Wellbeing Board on the 29 July 2014. A 6 months contract award to NELFT was approved by the Board on 26 January 2016 from 1 April until 30 September 2016 to maintain service continuity while a new service is being procured. The service contract will expire on 30 September 2016 with no option for extension.</p> <p>The commissioning of HCP 0-5 (Health Visiting and Family Nurse Partnership Programme) services transferred from NHS England and became the responsibility of the Council in October 2015. This gives the Council the opportunity to join up the commissioning of the 0-5 and 5-19 HCPs as a fully integrated 0-19 HCP. A service review currently being undertaken will make recommendations with options appraisal for the integration of the 0-5 and 5-19 HCPs. These will feed into a more detailed procurement strategy to be presented to the Board at a later date.</p>	

The integration of the 0–19 HCP is expected to deliver both financial and operational efficiencies to the Council, a more streamlined service and better outcomes for children, young people and families. It will allow the introduction of a new service delivery model for specialist Community Public Health Nursing Service to be more focused on improving health and wellbeing outcome, and provides an opportunity for a joined up approach and improved seamless pathway for children, young people and families where health and wellbeing issues are assessed, identified and when necessary supportive interventions implemented. It will provide an opportunity to develop effective partnerships with local services advocating and delivering change to support improvements in services for children’s health and well being.

This report seeks approval for the Council to proceed with the procurement of a contract for the provision of the HCP 5-19 service, via an open tender process. The new service contract will be awarded to the successful provider from 1 October 2016 until 30 September 2017 with the option for the Council to extend the contract for a further one year period.

### **Recommendation(s)**

It is recommended that the Board gives:

- (i) Approval for the Council to proceed with the procurement of a contract for the provision of the Healthy Child Programme 5-19, via an open tender process, in accordance with the strategy set out in this report; and
- (ii) Delegated Authority to the Strategic Director Service Development and Improvement and Deputy Chief Executive, in consultation with the Director of Public Health, Corporate Director of Children’s Services, Strategic Director Finance and Investment, and the Director of Law and Governance, to award the contract to the successful bidder in accordance with the strategy set out in this report

### **Reason(s)**

- To comply with the Council’s Contract Rules and EU Legislation and ensure continued service provision beyond contract end date of 30 September 2016
- To align the end date of the contract with the 0-5 HCP, in order for the Council to procure both services together.

## **1. Introduction and Background**

- 1.1 The Healthy Child Programme<sup>1</sup> (HCP) is an evidenced-based early intervention and prevention public health programme for children and families. It sets out the recommended framework of services for children and young people aged 0 -19 years (including during pregnancy) to promote optimal health and wellbeing, prevent ill health and provide early intervention when required.
- 1.2 Effective implementation of the programme improves a range of public health outcomes including improved sexual health, reduced numbers of teenage pregnancies, healthy diet and exercise, improved educational outcomes, smoking prevention and cessation, substance misuse prevention, and awareness and improved emotional health and wellbeing.
- 1.3 Responsibility for the commissioning of HCP 5-19 (School Nursing and NCMP) service was transferred to the Council on 1 April 2013. The service delivered by School Nurses, offers school aged children a schedule of health and development reviews, screening tests, immunisations and health promotion, as well as tailored support for children and families. NCMP is a mandated public health programme for the Council.
- 1.4 The Healthy Child Programme (HCP) 5-19 contract is currently provided by North East London NHS Foundation Trust (NELFT). The contract commenced on 1 April 2013 for duration of 17 months with a further 19 months extension agreed by the Health and Wellbeing Board on the 29 July 2014. A 6 months contract award to NELFT was approved by the Board on 26 January 2016 from 1 April until 30 September 2016 to maintain service continuity while a new service is being procured. The service contract will expire on 30 September 2016 with no option for extension.

### **Service Re-configuration**

- 1.5 The commissioning of HCP 0-5 (Health Visiting and Family Nurse Partnership Programmes) service transferred from NHS England and became the responsibility of the Council in October 2015. Health Visitors and Family Nurses lead the implementation of the service in partnership with other health and social care colleagues.
- 1.6 The transfer of the commissioning responsibilities provides the Local Authority the opportunity to join up the commissioning of the 0-5 and 5-19 HCPs as a fully integrated 0-19 HCP.
- 1.7 The integration of the 0–19 HCP is expected to deliver both financial and operational efficiencies to the Council, a more streamlined service and better outcomes for children, young people and families. It will allow the introduction of a new commissioned service delivery model for specialist Community Public Health Nursing Service to be more focused on improving health and wellbeing outcome,

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[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/167998/Health\\_Child\\_Programme.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/167998/Health_Child_Programme.pdf).

and provides an opportunity for a joined up approach and improved seamless pathway for children, young people and families where health and wellbeing issues are assessed, identified and when necessary supportive interventions implemented. It will provide an opportunity to develop effective partnerships with local services advocating and delivering change to support improvements in services for children's health and well being.

- 1.8 A 0-19 project steering group was established in October 2015 to steer the transformation process over the next 12 months and devise a market development strategy that describes the approach the Council will adopt in the analysis and management of the early years health and care system in the borough. The work of this group is still on-going and the recommendations with an options appraisal which considers the various options for integration will feed into a more detailed procurement strategy to be presented to the board at a later date.
- 1.9 While the service review and remodelling is being carried out, the Council needs to ensure continuous service provision of the healthy Child Programme 5-19 service to local children and families. In addition, NCMP is a mandated public health programme for the Council. It has, therefore, been agreed that the Council will proceed with the procurement of a contract for the provision of the HCP 5-19 service via an open tender process.
- 1.10 The new service contract will be awarded to the successful provider from 1 October 2016 until 30 September 2017 with the option for the Council to extend the contract for a further one year period. This will provide the flexibility to tie in with the 0-5 HCP and procure as an integrated 0-19 HCP.

## 2. Proposed Procurement Strategy

### 2.1 Outline specification of the works, goods or services being procured.

The core elements delivered by the Healthy Child Programme 5-19 are;

Universal	Progressive/ Universal Plus and Partnership Plus	Enhanced elements
Three universal health reviews	Participation in Common Assessment Framework process where related to direct case load	Health absenteeism support
National child measurement programme, including parental feedback	Participation in Targeted Mental Health in Schools (TaMHS) process where related to direct case load	Tier 2 child weight management
Support for schools to develop health related policies, e.g. pupil medicine management	Participation in safeguarding and child protection procedures where related to direct case load	Additional drop-in school based sessions beyond universal provision
Regular access for children, young	Tier 1 child weight management advice and	Additional input to school curriculum/assembly health

people and educational professionals to professional health advice and support in school and community youth settings.	signposting	related sessions beyond universal provision
Access, for secondary school children, to sexual and reproductive health advice and guidance and, where school SRE policies allow, access to condoms where appropriate	Support to school in signposting and accessing SEN related health services	
Access, for secondary school children, to Level One smoking cessation advice and support where needed.	Support and signposting to services for specific groups of vulnerable young people: <ul style="list-style-type: none"> <li>• Young carers</li> <li>• Children living with chronic diseases e.g. sickle cell disease, diabetes</li> <li>• Lesbian, gay, bisexual and trans identifying youth</li> <li>• Young mothers in education</li> <li>• Youth offenders in education</li> </ul>	
	Signposting of support for vulnerable parents	

**2.2 Estimated Contract Value, including the value of any uplift or extension period.**

Based on current spend, the indicative cost of the service will be £2,400,000 (£1,200,000 per annum). The cost of this service will be met from the Public Health Grant.

**2.3 Duration of the contract, including any options for extension.**

Two years (1 year with the option to extend for a further 1 year period).

**2.4. Is the contract subject to the (EU) Public Contracts Regulations 2015? If yes and the contract is for services, is it subject to the light touch regime?**

Yes, the service being procured falls within the description of services covered by the Light Touch Regime under the Public Contracts Regulations 2015. Because the estimated value of the contract is higher than the set threshold (currently EUR 750,000), it needs to be opened up to competition and be advertised in the Official Journal of the European Union (OJEU) as required by the Regulations

**2.5. Recommended procurement procedure and reasons for the recommendation.**

The recommended procurement route is a competitive open tender procedure; the tender opportunity will be advertised on the OJEU, Contracts Finder and the Council's website. The process will widen the competition and ensure the Council gets best value for money for this service.

**Reasons**

To comply with the Council's Contract Rules and EU Legislation and ensure continued service provision beyond the end date of the interim contract, which is 30<sup>th</sup> September 2016.

**2.6. The contract delivery methodology and documentation to be adopted.**

The contract will be provided by one provider and the Public Health Services Contract 2015 with LBBB amendments is the form of contract to be used. The contract will have a break clause allowing notice to be given by either party for termination. This allows increased flexibility should a significant change in service provision be required.

A range of services will be delivered by a specialist workforce of healthcare professionals working with children, young people and their families in local schools and community settings on both a group and individual basis to support children and young people to remain healthy and to ensure that their health needs are met.

Services are to be provided to Barking and Dagenham residents only; the service specification will highlight respective service eligibility criteria

The procurement timetable is as follows:

<b>Activities/ Tasks</b>	<b>Date</b>
Issue PIN for Expression of Interests	2 February 2016
Prepare Tender Documents (Conditions, Specification, ITT, TUPE etc)	By 25 March 2016
Issue contract notice /ITT	31 March 2016
Deadline for clarifications	28 April 2016

Return Tenders	5 May 2016
Tender Evaluation	9-20 May 2016
Prepare award report/ get approval	23 May - 3 June 2016
Provisional Award (notify successful/ unsuccessful Tenderer's)	6 June 2016
Standstill Period	7-17 June 2016
Final award	20 June 2016
Mobilisation including potential TUPE transfers	21 June - 30 September 2016
Contract commencement	1 October 2016

**2.7. Outcomes, savings and efficiencies expected as a consequence of awarding the proposed contract.**

Effective implementation of the service improves a range of public health outcomes including improved sexual health, reduced numbers of teenage pregnancies, healthy diet and exercise, improved educational outcomes, smoking prevention and cessation, alcohol and substance use prevention and awareness and improved emotional health and wellbeing.

In the longer term, the benefit of aligning the procurement of both services into an integrated 0-19 service is expected to deliver both financial and operational efficiencies, a more streamlined service and better outcomes for children, young people and families.

**2.8. Criteria against which the tenderers are to be selected and contract is to be awarded.**

The Contract will be awarded on the basis of the most economically advantageous tender with a split of 70% price and 30% quality. Price will be assessed based on contract prices based on current volume provided by providers and quality will be assessed according to provider's responses to the method statement questions.

**2.9. How the procurement will address and implement the Council's Social Value policies.**

The Council's social value responsibilities are taken through its vision: One borough; One community; London's growth opportunity. The procurement of the service will seek to achieve health and well-being outcomes for children and young people and provide additional value to the local community including schools.

The Council will work with the provider to seek to identify local opportunities for apprenticeships, training and recruitment for Barking and Dagenham residents.

### **3. Options Appraisal**

#### **Option 1: Do Nothing**

This option is not viable because the Council is required to deliver statutory duties for children, young people and families through the Healthy Child Programme 5-19 service. In addition, NCMP which is an element of the programme is a mandated public health programme for the Local Authority. If the service ceases, access to health and social services for children, young people and families in the borough would be lost, and this would have a detrimental impact on their health, social and educational outcomes. There is also a reputational and financial risk to the authority by the potential failure to perform its statutory duty to deliver public health services for children 5-19 years.

#### **Option 2: Undertake a competitive process to procure an Integrated 0-19 Healthy Child Programme and award a full contract (3-4 years)**

This option was considered but rejected at this time due to the delay with the completion of the service reviews. Also, the Council has a two-year contract from 1 October 2015 with an option to extend for up to 12 months for the Healthy Child 0-5 programme; therefore the new 5-19 contract will be awarded to align the end date of the two contracts, in order for the Council to procure both services together.

#### **Option 3: Undertake a competitive process and award the contract for a short period (preferred option)**

##### **Advantage:**

1. Ensure service continuity after current contract end date
2. Allow completion of the review of early year's services and development of an integrated model that ensure the service best meets the needs of children, young people and families in the borough.
3. The Council is able to fulfil its legal obligation to its residents
4. The Council will comply with the Public Contracts Regulations 2015

### **4. Waiver**

N/A

### **5 Equalities and other Customer Impact**

The award of the contract will provide a model of service delivery to all children and young people (including vulnerable) and their families in Barking and Dagenham through a community and universal offer. This service supports the work of the public health team in challenging some of the inequalities in health outcomes for children and young people and their families in Barking and Dagenham through joint working with schools, teachers, and communities to improve health.



## 6. Other Considerations and Implications

### 6.1 Risk and Risk Management

Risk	Likelihood	Impact	Risk Category	Mitigation
Delay to/ failed procurement process	Medium	Medium	Medium	Set and follow a realistic timetable. Council to negotiate new contract with current provider
TUPE prevents providers from tendering for service	Medium	Medium	Medium	Gather TUPE information early in project; get expert advice from legal services. Make information clear in ITT documents. Negotiate new contract with current provider as contingency plan for no tenders received
No tender received, leading to increased service cost by current provider	Medium	High	High	Clear service budget identified and negotiated with current provider
Contract award decision challenged by unsuccessful provider(s)	Low	Low	Low	Procure contract in line with Council's contract rules and ensure OJEU process followed. Liaise with legal and corporate procurement departments at all stages and ensure documentation is kept.
Provider fail to meet contractual obligations	Low	High	Medium	Clear set of outcomes set out in service specification and agreed with provider. Robust and regular performance monitoring procedures, performance indicators and consequences of failure to meet them set out in service contract.

## 6.2 **TUPE, other staffing and trade union implications.**

Eligible staff currently employed in the service will, in the event of change in service provision, transfer their employment to the new provider under the Transfer of Undertakings (Protection of Employment) Regulations 2014.

## 6.3 **Safeguarding Children**

The provision of this service would improve the wellbeing of children in the borough and reduce inequalities. The Council would ensure that the provider has in place the necessary safeguarding protocols, in line with Council Policy and applies the Frazier Guidelines and Gillick Competency where a young person is under 16.

## 6.4 **Health Issues**

The proposal is in line with the outcomes and priorities of the joint Health and Wellbeing Strategy. The award of the contract should further enhance the quality and access of services, as well as user and patient experiences. The proposal will have a positive effect on our local community.

## 6.5 **Crime and Disorder Issues**

N/A

## 6.6 **Property / Asset Issues**

N/A

## 7. **Corporate Procurement**

Implications completed by: Adebimpe Winjobi, Category Manager

7.1 The service being procured falls within the description of services covered by the Light Touch Regime under the Public Contracts Regulations 2015. As the estimated value of the contract is higher than the set threshold (currently EUR 750,000), it needs to be opened up to competition and be advertised in the Official Journal of the European Union (OJEU) as required by the Regulations.

7.2 In keeping with the EU procurement principles, it is imperative that the contract is tendered in a competitive way and that the process undertaken is transparent, non-discriminatory and ensures the equal treatment of bidders. The proposed procurement route to tender this service via EU Open Procedure will widen the competition, as market research demonstrates that there are not many providers currently able to provide this service. This procurement route will provide best competition to get best value for money for the Council and will be compliant with the Council's Contract Rules and EU Regulations.

7.3 Corporate procurement will provide the required support to public health throughout the entire process.

## **8. Financial Implications**

Implications completed by: Richard Tyler, Interim Group Manager, Finance

- 8.1 The contract for the provision of this service is £1.2m per annum and the Public Health Grant has allocated an annual budget of £1.2m to fund this.
- 8.2 There are no additional cost pressures expected to the Council in addition to the agreed contract value.

## **9. Legal Implications**

Implications completed by: Daniel Toohey (Principal Corporate Solicitor, Law and Governance)

- 9.1 This report is seeking approval to procure a contract for the provision of the Healthy Child Programme for children aged 5 to 19. The nature of this contract falls within the description of the Social, Health and Education services under the Light Touch Regime (LTR).
- 9.2 As the estimated value of this contract is above the LTR threshold (currently EUR750,000) it is not exempt from an EU wide tender exercise. Nevertheless, it qualifies for a less stringent procurement process in accordance with the Light Touch Rules provided for under the Public Contracts Regulations 2015 (PCR 2015). It must also comply with a number of mandatory requirements including OJEU advertising, compliance with Treaty principles of transparency and equal treatment, and a procurement process in conformance with the information provided in the OJEU advert.
- 9.3 This report sets out the procurement strategy for this service contract and states that it will be advertised in the OJEU in accordance with the PCR 2015. The report also gives details of the procurement procedure, evaluation criteria, award criteria and the timetable for the procurement exercise. All the above show evidence of a fair tender exercise, in accordance with the PCR 2015, which must be adhered to in compliance with the PCR 2015.
- 9.4 The Law and Governance Team is available to provide assistance with the drafting and execution of the contract for this service.