

CABINET

19 September 2017

Title: Procurement of Integrated Healthy Child Programme	
Report of the Cabinet Member for Social Care and Health Integration	
Open Report	For Decision
Wards Affected: All	Key Decision: Yes
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Accountable Divisional Director: Matthew Cole, Director of Public Health	
Accountable Director: Anne Bristow, Strategic Director for Service Development and Improvement	
Summary: <p>The 0-19 Healthy Child Programme (HCP) is the national Department of Health universal programme for improving the health and well-being of children and young people. The majority of the programme is commissioned locally by local authorities with some elements being mandatory. Guidance to support local authorities in designing their specifications was released by the Department of Health in January 2016.</p> <p>The service is currently delivered as two separate programmes (0-5 and 5-19 HCP). The 0-5 years' element was commissioned by NHS England until 1st October 2015, when responsibility moved to the Council. The service offers Health Visiting services (universal and targeted services)</p> <p>The 5-19 years' element has been commissioned by the Council since 1st April 2013. The service offers school aged children a schedule of health and development reviews, screening tests, 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>Both services are currently provided by North East London NHS Foundation Trust (NELFT) and the contracts are due to expire on 30th August 2018.</p> <p>The transfer of commissioning responsibilities for both services 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. 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</p>	

supportive interventions implemented. It will also provide an opportunity to develop effective partnerships with local services advocating and delivering change to support improvements in services for children's health and wellbeing.

Recommendation(s)

The Cabinet is recommended to:

- (i) Agree that the Council proceeds with the procurement of a new Integrated 0-19 Healthy Child Programme commencing 1 September 2018, in accordance with the strategy set out in the report; and
- (ii) Delegate authority to the Strategic Director for Service Development and Integration, in consultation with the Cabinet Member for Social Care and Health Integration, the Chief Operating Officer and the Director of Law and Governance, to award and enter into the contract and any subsequent extensions with the successful bidder in accordance with the strategy set out in the report.

Reason(s)

The procurement exercise will ensure compliance with the Council's Contract Rules and EU Legislation and ensure continued provision of early intervention and prevention universal programme for improving the health and well-being of children in the borough beyond the contract end date of 31st August 2018.

1. Introduction and Background

- 1.1 The Healthy Child Programme¹ (HCP) is an evidenced-based early intervention and prevention universal programme for improving the health and well-being of children and young people. The majority of the programme is commissioned locally by local authorities with some elements being mandatory public health programme for children and families.
- 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 HCP 5-19 contract is currently provided by North East London NHS Foundation Trust (NELFT). The contract commenced on 1st September 2016 for duration of 13 months and has been extended until 31st August 2018.

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https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/167998/Health_Child_Programme.pdf.

- 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. The service also currently provided by NELFT) is due to expire on 31st August 2018.
- 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, 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 wellbeing.
- 1.8 A commissioning process is currently in progress to develop a new model for Barking & Dagenham. The process was initiated through a stakeholder workshop to agree priorities and identify core service elements. The service design stage is being taken forward through a number of project workstreams looking at key development areas such as integrated structure, access and pathways, innovation and outcomes and performance. There will be further stakeholder involvement in the agreement of a final design specification which will be completed by the end of September 2017.

2. Proposed Procurement Strategy

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

The core service requirements of the 0-19 Healthy Child Programme are:

- To provide a single, coherent 'offer' for families and deliver safe and effective family and young person-centered services.
- To provide prevention through a progressive universal approach, delivering targeted interventions, to those most in need and delivering full population coverage of the Healthy Child Programme (HCP)
- Delivering the universal assessments:
 - Antenatal check – at around 28 weeks pregnant
 - New baby check – at 10 -14 days
 - 6 – 8 weeks – Maternal mood review
 - 9 – 12 months development review
 - 2 – 2 ½ years development review
 - National Child Measurement Programme (NCMP)
 - Looked After Children Health Reviews

- Undertake vision and hearing screening and provide referral for health conditions
- To build community and family capacity so that families are better able to help themselves.
- To support parents, promoting good parenting skills.
- To improve early years' outcomes through targeting perinatal mental health, secure attachment, nutrition and exercise, language and communication and school readiness.
- To provide effective information and advice to support self-help and other resources that promote physical, social, emotional and mental health and wellbeing in children, young people and families, both in the community and in universal service settings.
- To improve school attendance and engagement with learning from early childhood onwards - by working in partnership with families, communities, schools, early years providers and other services to ensure children are ready for school, have excellent attendance and engage with learning.
- To provide a leadership role for health policies and programs in schools, promote a healthy school environment and Provide direct care to students & lead the provision of health services in schools including advice and guidance in areas such as sexual health and drugs and alcohol.
- To increased emotional wellbeing and resilience amongst children and young people - by raising awareness of mental health and its links to physical wellbeing, specifically targeting those at risk and providing early intervention and onward referral as appropriate.
- To help improve lifestyles and provide support to families, children and young people on areas such as healthy weight and oral health
- To help young people prepare for adulthood

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

5-year (3+1+1) Integrated 0-19 HCP 1st September 2018- 31st August 2023 - Estimated £30,000,000 (this represents the proposed funding of the core Health Visiting & School Nursing element of the service minus a 5% anticipated saving. Other services may be integrated into the service as a result of the commissioning process which will affect the overall contract value)

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

5 years (3 years initially with the provision to extend for a further 2 year period on an annual basis at the sole discretion of the Council) from 1st September 2018 to 31st August 2023.

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, Contracts Finder and the Council's procurement portal (Bravo).

2.5 Recommended procurement procedure and reasons for the recommendation.

The procurement will be undertaken using the competitive procedure with negotiation process under the Public Contract Regulations 2015. This approach will allow the councils to work with interested parties to design the service. This approach is more flexible and allows for more tailored and innovative specifications and solutions to be developed against an overall service model, key outcomes and performance indicators developed by commissioners.

There are several advantages to this, the negotiating the delivery of the specification with potential bidders will allow bidders to draw on their experience and knowledge to ensure that a bespoke solution is created for Barking and Dagenham. Many bidders will have experience of delivering such services elsewhere and will be well placed to work with commissioners to design a high-quality service model.

The procurement timetable is as follow;

Activities/ Tasks	Date
Issue PIN for Expression of Interests	October 2017
Market Engagement Event	October 2017 (date tbc)
Prepare Tender Documents (Conditions, Specification, ITT, TUPE etc)	By mid-October 2017
Issue contract notice /ITT (Allow min 6 weeks for tender document to be returned)	By 31 st October 2017
Deadline for clarifications	30 th November 2017
Return Tenders	15 th December 2017
Tender Evaluation	18 th December 2017-31 st January 2018
Negotiation	1 st – 28 th February 2018
Final Tender Return	29 th March 2018
Final Tender Evaluation	2 nd -27 th April 2018
Prepare contract award report and get approval	30 th April -25 th May 2018
Provisional Award (notify successful/ unsuccessful Tenderer's)	29 th May 2018
Standstill Period	30 th May – 10 th June 2018
Final Award	11 th June 2018
Service Mobilisation including potential TUPE transfers	11 th June -31 st August 2018
Contract commencement	1 st September 2018

2.6 The contract delivery methodology and documentation to be adopted.

The Public Health Services Contract is the form of contract to be used. The contract will have 3-month no-fault notice allowing notice to be given by the Council for early 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

Service performance will be monitored through a series of Key Performance Indicators (KPIs) as detailed in the service specification that includes quantitative and qualitative data, service user feedback and activity on outstanding action plans reviewed at quarterly meetings. A number of KPIs are set nationally by the Department of Health (DoH) and these are in line with the PHOF, others are set locally to reflect local priorities as determined by the needs assessment.

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.

It is proposed that a Quality/Price split of 60/40 is used in the assessment of tenders. For this service, there is a clear need to drive major innovation in quality of services. The quality assessment being broken down into: service model – namely, creating change, access, managing complex partnerships and clinical pathways, and delivering health outcomes; clinical governance and quality assurance; social value, including training and research.

The scope of the contract will be published beforehand including the minimum requirements, award criteria and their weightings, and this will not be changed during the negotiation process. The whole process will be fully documented.

The first stage is advertisement and the conduction of an initial tender stage. After the evaluation of initial tenders, a decision will be made whether to award the contract to one of the bidders based on the outcome of the evaluations, or to negotiate on an equal treatment basis with the bidders who meet the criteria after evaluation.

If the decision is to conclude the negotiations all the bidders will be informed and a common deadline to submit any new or revised tenders will be set. Negotiation dialogue would only be to improve the bids, and not be on the fundamentals of the service. At the end of this process (which may include a best and final offers stage), the contract will be awarded to the supplier with the most economically advantageous tender using the award criteria in the procurement documents.

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

- 3.1 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 0-19 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.
- 3.2 Option 2: Undertake a joint competitive process to procure an Integrated 0-19 Healthy Child Programme with neighbouring boroughs** - The intention is to produce a new service which is specifically tailored to the needs and key concerns of the borough and to deliver this through local integration of services and a multi-disciplinary approach. Due to the very different demographic needs and priorities it would be difficult to achieve this through a single service that is delivered across a number of boroughs, and we would want to avoid a homogenised 'one size fits all' approach. Each borough is also at a different stage in the delivery of these services and current contracts are not aligned, making it difficult to manage a joint procurement process.
- 3.3 Option 3: Undertake a competitive process and the award contracts for separate 0-5 and 5-19 HCP** - This option does not achieve the intended aim of providing these services more effectively and efficiently through reducing the structural boundaries that could impede the seamless delivery of support and hamper good communication and skill sharing.

3.4 **Option 4: Undertake a competitive process and the award the contract for an integrated 0-19 HCP (preferred option)** - This is the option that will best deliver all the key elements of a fully integrated service tailored to the needs of the Borough (as outlined in section 2 above).

4. Equalities and other Customer Impact

4.1 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.

5. Other Considerations and Implications

5.1 **Risk and Risk Management** – The risk assessment summary is set out below:

Risk	Likelihood	Impact	Risk Category	Mitigation
Delay to/ failed procurement process	Medium	Medium	Medium	Set and follow a realistic timetable. Council to negotiate new short-term contract with current provider in case of a delay or failed procurement
Financial risk- bidders' prices higher than available budget	Low	High	High	Service specification to be realistic and have flexibility on requirements from providers. Negotiation procedure is used for this process to allow dialogue with bidders to achieve a cost-effective service for the partnership
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.

5.2 **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.

- 5.3 **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.
- 5.4 **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. Consultation

- 6.1 The proposals within this report were considered and endorsed by the Procurement Board on 17 July 2017.

7. Corporate Procurement

Implications completed by: Adebimpe Winjobi, Senior Procurement & Contracts 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.
- 7.3 The procurement will be undertaken using the competitive procedure with negotiation process under the Public Contract Regulations 2015. This approach will allow the council to work with interested parties to design the service. It is more flexible and allows for more tailored and innovative specifications and solutions to be developed against an overall service model, key outcomes and performance indicators developed by commissioners and 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.
- 7.4 Corporate procurement will provide the required support to commissioners throughout the entire process.

8. Financial Implications

Implications completed by: Katherine Heffernan, Group Manager – Finance

- 8.1 The Public Health Grant currently provides funding for two separate Healthy Child programmes, the Children's 0 to 5 Programme and the Children's 5 to 19 Programme. The 2017-18 budget for these programmes is £5.024m and £1.2m

respectively. The Children's 5 to 19 Programme also includes the mandated National Child Weight Management Programme.

- 8.2 The estimated cost of a 5-year contract (3 years +1 year + 1 year) is £30.0m (£6.0m per annum), which would be a saving of £1.12m in comparison the two separate contracts for the same 5-year period (or £0.224m per annum, excluding any potential additional funding for the one-year extension).
- 8.3 The preferred option of an integrated service would not only generate savings, but would also allow for a more tailored service in the borough and has the potential for improved outcomes for residents.

9. Legal Implications

Implications completed by: Bimpe Onafuwa, Contracts and Procurement Lawyer

- 9.1 On 23 June 2015 Cabinet approved the procurement strategy for the 0 to 5 Healthy Child Programme contract. Likewise, on 8 March 2016 the Health and Wellbeing Board approved the procurement strategy for the 5 to 19 Healthy Child Programme contract. The Board also delegated authority to the relevant Chief Officer to award and execute the contracts, for their term and extension periods.
- 9.2 Consequently, the contracts for both the 0 to 5 and 5 to 19 Healthy Child Programme has been extended in line with the previous approvals given and in accordance with the Council's Contract Rules.
- 9.3 This report is seeking approval to procure a new integrated 0-19 Healthy Child Programme commencing 1st September 2018. The Light Touch Regime (LTR) would be applicable to this procurement as the services fall under the social and other specific contracts described in Schedule 3 of the Public Contracts Regulations (the PCR). In line with this regime, the PCR requires that contracts with a value above the current threshold of £589,148 be opened up to competition and be advertised widely enough for interested bidders to be aware of the procurement. The value of the 0-19 Healthy Child contract is estimated to be above the LTR threshold, and as such it needs to be tendered as required by the PCR.
- 9.4 Procurement of this contract has to show equality in the treatment of bidders, transparency, as well as fairness in order to be compliant with the principles of the PCR and the Council's Contract Rules. The proposed timetable, advertising media and evaluation criteria noted in the procurement strategy are indications of a compliant exercise.
- 9.5 The Law and Governance Team are available to provide legal advice during this tender process.

Public Background Papers Used in the Preparation of the Report: None

List of appendices: None