

Committee: Health and Wellbeing Board

Date: 24 November 2015

Wards: All

Subject: Community Services Procurement

Lead officer: Adam Doyle, Chief Officer

Lead member:

Contact officer: David Freeman, Director of Commissioning and Planning

Recommendations:

A. To note progress and plan

1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY

The purpose of this report is to advise the Health and Wellbeing Board on the progress made regarding the procurement of Community Health Services.

2. BACKGROUND

The Royal Marsden NHS Foundation Trust is the current provider of community service to the Boroughs of Merton and Sutton. The contract was originally entered into by Sutton and Merton Primary Care Trust in April 2011 for a contract term of 3 years with an option to extend for a further 2 years. The option to extend by two years was exercised and the contract will now expire at the end of March 2016. A full competitive procurement has been undertaken in order to identify and appoint a preferred partner for the provision of community services post March 2016.

This is a major procurement and presents an opportunity to realise a step change in the quality of community services in Merton. This will be a joint procurement by the CCG and the local authority.

It was agreed that the wider community services would be procured as one lot and that musculoskeletal services would be procured as a separate lot.

3 DETAILS

The evaluation and moderation of the community services bids was completed in August and the final procurement report was approved at the project board, LBM Cabinet, Finance Committee and CCG Governing Body during September. The bidders were notified of the outcome on 25 September and the contract award standstill period of ten calendar days ended at midnight on 5 October. The decision of the CCG and LBM to award a contract to Central London Community Health NHS Trust for Lot 1, and the decision of the CCG to award a contract to Connect Physical Health Limited for Lot 2, was announced publicly on 6 October.

The procurement phase is now complete and the mobilisation period for the new contracts will begin. A PID for the mobilisation phase has been developed and includes the proposed governance arrangements, which were agreed in principle by the procurement project board at its final meeting on 9 September. The board has been reconstituted as the Mobilisation Steering Group including membership from LB Merton and will sign off the PID virtually prior to its first formal meeting in November. The group will report to the proposed CCG Clinical Services Transformation Board.

A project team is in place including part-time senior project management support from the Senior Commissioning Manager for Integration and Older People. The CSU is providing support on finalising the contract.

Initial meetings with both providers were held in October and covered contract clarifications and the timetable for contract signature, mobilisation and communication plans, and governance arrangements. The intention is to be in a position to sign off final versions of the mobilisation and communication plans at the first meeting of the Mobilisation Steering Group in mid November. Heads of terms agreements have been signed, with the aim to achieve formal contract signature ideally before Christmas.

The project is currently on schedule to meet all agreed major milestones.

4 ALTERNATIVE OPTIONS

- 4.1. None

5 CONSULTATION UNDERTAKEN OR PROPOSED

- 5.1. Patient engagement throughout the process resulted in the outcomes, objectives, specifications, procurement documentation and evaluation being shaped by the views and experiences of patients and the public. Engagement included dedicated events, outreach discussions with a number of voluntary and community groups, and patient representation on working groups and the evaluation panel.

6 TIMETABLE

- 6.1. The new contracts are currently being mobilised with a start date of 1 April 2016.

7 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

- 7.1. The financial impact of the procumbent has been modelled and both commissioning organisations are confident that new service will enable improved patient outcomes.

8 LEGAL AND STATUTORY IMPLICATIONS

- 8.1. The CCG and Local Authority have procured the new services in line with the required legal framework.

9 HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

- 9.1. None of specific note.

10 CRIME AND DISORDER IMPLICATIONS

- 10.1. Not applicable.

11 RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

11.1. Being managed as part of the mobilisation.

12 APPENDICES – THE FOLLOWING DOCUMENTS ARE TO BE PUBLISHED WITH THIS REPORT AND FORM PART OF THE REPORT

13 BACKGROUND PAPERS

13.1. Community Services Project Initiation Document – September 2014

This page is intentionally left blank