

NHS SOMERSET
PROCUREMENT OF AN INTEGRATED COMMUNITY BASED PAEDIATRIC
THERAPY SERVICE FOR CHILDREN AND YOUNG PEOPLE IN SOMERSET

1 INTRODUCTION

1.1 This paper sets out the results of a recent joint tendering process with Somerset County Council to commission an integrated community based paediatric therapy service for children and young people in Somerset. The paper sets out the background and results of the financial and service evaluation undertaken by the Tender Evaluation Panel along with the final recommendations for consideration by the Board of NHS Somerset.

1.2 The value of the contract is set within a financial envelope of £2.2 million to £2.5 million.

2 BACKGROUND

2.1 A review of paediatric therapy services commissioned by NHS Somerset was undertaken between April and September 2007 with a final report being published in December 2007.

2.2 The existing service providers were fully involved in the review process. These organisations are as follows:

- Taunton & Somerset NHS Foundation Trust
- Yeovil District Hospital NHS Foundation Trust
- Somerset Community Health
- Royal United Hospital Bath NHS Trust

2.3 The review included a comprehensive data collection exercise encompassing meetings with service managers and key stakeholders, user focus groups, questionnaires and stakeholder workshops. User feedback played a critical part in the review with the key messages from children and parents informing the final report and recommendations.

2.4 Key findings from the review were as follows:

- to improve access to services and reduce waiting times
- to achieve equitable paediatric service provision across Somerset
- to promote early intervention and prevention as part of the core service model
- to develop an integrated approach across NHS Somerset and the Local Authority
- to review the location of current services with a view to offering patients access to services closer to home
- to develop an integrated community based service model for paediatric therapy in Somerset

- 2.5 To support and encourage a whole system approach to the development of paediatric therapy services across Somerset. A clear recommendation from the review was to move to an integrated community based model of paediatric therapy services including occupational therapy, physiotherapy and speech and language therapy.
- 2.6 NHS Somerset Professional Executive Committee supported the recommendation to develop a service for children, young people and their families who require intervention from paediatric therapy services that will:
- bring about whole system change
 - deliver improved services and health outcomes for children, young people and their families, and
 - ensure an integrated approach across the Somerset health community
- 2.7 An integrated therapy service model is consistent with the aims established in the White Paper Our Health, Our Care, Our Say and has the following advantages:
- contribute to improving health and reducing inequalities
 - ensure robust governance and economic viability
 - embed continuous quality improvement
 - promote collaboration and partnership
 - is patient focused
 - advance service redesign and innovation
 - is consistent with increasing plurality and extending choice
 - can be supported by a sustainable workforce
- 2.8 NHS Somerset has worked in partnership with Somerset County Council Children and Young Peoples' Directorate, who commission some additional paediatric therapy within educational settings, to develop a service specification with a view to jointly commissioning a community based Paediatric Therapy Service for children and young people aged 0-19 with physical, occupational and speech and language difficulties that will:
- deliver improved services and health outcomes for children, young people and their families
 - ensure an integrated approach across the Somerset health and social care, school and education community
 - support and empower parents and carers to manage the care of their child and remain the 'expert' in their child's care, accessing timely support, intervention, advice and information when required

- 2.9 The service specification includes:
- paediatric speech and language therapy
 - paediatric occupational therapy
 - paediatric physiotherapy
- 2.10 The benefits of providing an integrated community paediatric therapy service are as follows:
- improved access to services with waiting times within agreed targets
 - reduction in duplication, and provision of services which are responsive to the needs of the individual child and family/carers, with joint working where appropriate to achieve enhanced outcomes
 - effective use of staff skills and expertise across the county supporting a consistent high level of service delivery available to all children and young people in Somerset
 - flexibility to support unpredicted demand
 - compliance with the National Service Framework for Children and Young People standard on children with disability, and Aiming High for Disabled Children
- 2.11 NHS Somerset took the decision to adopt a competitive tender process in order to be able to clearly demonstrate fairness and transparency, without danger of being legally challenged on process or in terms of discrimination. In addition, an open process encourages competition to enable NHS Somerset to secure the best service provision for patients and demonstrate value for money.
- 2.12 The procurement process adopted has complied with European Directive 2004/18/EC, the UK Regulations which implement the Directive and the European Commission Treaty.
- 2.13 The procurement process has also taken account of the following national and local guidance:
- Standing Orders and Standing Financial Instructions of NHS Somerset
 - procurement guidance from the Office of Government Commerce
 - National Association of Primary Care Guidance Notes on European Procurement Directives (2006)
 - NHS Purchasing and Supply Agency procurement guide Alternative Provider Medical Services (August 2005)
- 2.14 The procurement process has been led by Director of Secondary Care Development

3 STAKEHOLDER ENGAGEMENT

3.1 NHS Somerset has been proactive in working to identify and engage with a wide range of stakeholders through both the service review and procurement process. Key objectives were:

- to ensure the new service design reflected the needs of children young people and their families
- to involve service users in the selection of the new provider

Engagement with Parents and Children

3.2 User consultation was undertaken as part of the service review process. Somerset Impact, a voluntary organisation funded through Somerset County Council and NHS Somerset, lead the user feedback exercise on behalf of the NHS Somerset.

3.3 Somerset Impact used questionnaires and focus groups to understand the views and experiences of children with disability and their families across Somerset and the report informed the outcome of the review and the final recommendations.

3.4 To further support the development of the service specification, NHS Somerset chose to link with Somerset Activity and Sports Partnership (SASP) to provide an activity day for 16 disabled children at Castle School on 29 July 2008. During the day, staff from NHS Somerset held discussions with children with disabilities and their parents and carers about the things that are important to them when receiving paediatric therapy services.

3.5 Key learning from the parents' comments at this event influenced the service model outlined in the service specification as follows:

- systems and processes need to be simplified and made easier for parents to understand
- children need to be seen sooner – shorter waiting times are really important for children and their families
- where at all possible a therapist should work with a child and maintain a consistent therapeutic relationship
- where appropriate one stop shops should be considered, with joint assessment /appointments where possible
- where core skills can be used to provide required interventions, then it may be more appropriate for a child to be seen by the most appropriate professional rather than bringing in another professional
- generic assistants could play a key role in supporting children, young people and families and providing continuity in treatment.
- need to establish good communication systems within the integrated teams
- need to provide improved information for parents and families

- need to establish clinical leads within the integrated teams to ensure the appropriate expertise is available to support the needs of children with more complex needs
- need to ensure that protocols and policies are applied equally across the service
- need to develop improved follow up support and advice, so that parents do not feel isolated and vulnerable

3.6 Key learning from children’s comments influenced the service model outlined in the service specification as follows:

- need to ensure the environment in which children are assessed and treated is a place they feel comfortable
- children want to be listened to – they know what they really want to be able to achieve, but sometimes feel that no-one is listening to them
- need to give children time to get to know the therapist who is treating them, and not rush them too much at the beginning

Wider Stakeholder Engagement

3.7 The Somerset Service Specification for a multidisciplinary community paediatric therapy service was also developed with the support of a wide range of local advisors and external inputs. This included:

- managers and team members from existing paediatric therapy provider teams across Somerset
- paediatricians
- Professional Executive Committee clinical representatives
- external experts

3.8 Integrated service models under development elsewhere in the United Kingdom were considered and site visits were undertaken in the South East Region.

4 OVERVIEW OF THE PROCUREMENT PROCESS

4.1 The key stages of the procurement process timetable were as follows:

Meetings/Events/Deadlines	Date
Issue advert to OJEU, national and local press for publication week beginning 20 October 2008	20 October 2008
Advert, Memorandum of Information and Pre-Qualifying Questionnaire published on website	24 October 2008
Deadline for expressions of interest	24 November 2008
Deadline for receipt of completed PQQs	12 December 2008.
PCT evaluation of PQQs completed and shortlist selected	16 January 2009
Issue invitation to Tender documentation to short listed bidders	23 January 2009

Meetings/Events/Deadlines	Date
Bidders compile their bids in the required format and submit them by the due date	17 April 2009
Paediatric Therapy Tender Evaluation Panel first consolidation event	29 April 2009
Panel Preparation Day	5 May 2009
Bidder interviews	20 May 2009
Paediatric Therapy Tender Evaluation Panel final consolidation event	21 May 2009
Paediatric Therapy Procurement Team recommendation to NHS Somerset Board for consideration	8 July 2009 15 July 2009

4.2 A total of four expressions of interest were received and following the completion of the pre-qualification stage, three potential bidders were invited to submit responses to the Invitation to Tender documentation:

- Somerset Community Health
- Somerset Partnership NHS Foundation Trust
- Yeovil District Hospital NHS Foundation Trust

4.3 NHS Somerset received no expressions of interest from private or third sector organisations.

4.4 On 17 April 2009, NHS Somerset received tender documents from:

- Somerset Community Health
- Somerset Partnership NHS Foundation Trust
- Yeovil District Hospital NHS Foundation Trust

5 TENDER EVALUATION PROCESS

Tender Evaluation Criteria

5.1 The evaluation criteria for the Invitation to Tender were designed to allow the selection of the bid that represents the most advantageous offer judged on price, quality, delivery performance, risk and overall cost effectiveness.

5.2 The contract is to be awarded to the bidder that achieves the highest score based on the following key areas:

- detailed evaluation – including:
 - * core service components
 - * contract and governance management
 - * mobilisation of the service and full service delivery
- financial evaluation

5.3 The evaluation criteria were weighted as set out below:

	Weight
Finance	25%
Detailed evaluation	75%
Total	100%

5.4 In addition, the level of risk was considered by the tender evaluation panel with the level of risk, graded high, medium or low, measured on the basis of information set out in the Tender, and through the presentation and interviews in the following areas:

- financial
- mobilisation
- service delivery

5.5 The evaluation of tenders was undertaken by the Paediatric Therapy Tender Evaluation Panel, which included representatives from NHS Somerset, Somerset County Council and the chairs of the external expert and parent panels, taking into account the advice and input from the following three procurement interview panels:

- executive management interview panel
- external expert interview panel
- user/parent/carer interview panel

5.6 All panel members signed a declaration of conflict of interest/confidentiality letter, and a Non-Executive Director from NHS Somerset was present throughout each part of the evaluation process. This provided assurance that due process was being followed at all times.

5.7 The evaluation process included a presentation and interview with each bidder to allow the evaluation to achieve a more rounded assessment of tenders.

5.8 The Tender Evaluation Panel considered all the different elements for the evaluation in order to make a recommendation to the Board.

6 OUTCOME OF DETAILED EVALUATION

6.1 The summary of scores for the detailed evaluation including panel interviews is provided in Table 1 below.

Table 1: Table of final score without finance evaluation

Detailed Evaluation including Panel Interviews	Score	Weighted Score		
	Maximum Weighted Score	Somerset Partnership NHS Foundation Trust	Somerset Community Health	Yeovil District Hospital NHS Foundation Trust
TOTAL	260	139.7	193.3	146.5

6.2 In considering the detailed evaluation scores for the bidders, the evaluation panel and interview panels made the following key comments:

Somerset Partnership NHS Foundation Trust

6.3 Somerset Partnership NHS Foundation Trust presented an interesting model in terms of links with mental health services including child and adolescent mental health services (CAMHS).

6.4 Somerset Partnership NHS Foundation Trust recognised the need for specialist countywide functions within the team and addressed this by identifying a Countywide Team Manager Clinical Lead in addition to Team Managers/ Clinical Leads West and East.

6.5 The tender demonstrated a focus on supporting the needs of individuals including the support required by parents and families and a strong value base was evident with a clear intent to develop a ‘team around the child’. The Tender Evaluation Panel considered that there was a focus on the existing knowledge base from delivering the CAMHS service, but limited knowledge of paediatric therapies and evidence of consideration to the differing needs and challenges of this service.

6.6 The Tender Evaluation Panel were concerned about the lack of detail relating to the model and considered that the tender did not provide sufficient assurance regarding mobilisation.

Somerset Community Health

6.7 Somerset Community Health presented a comprehensive tender document and their presentation was well prepared. The Tender Evaluation Panel considered that the service model was well researched with reference to other service models across the UK. There was evidence of significant engagement with service users and other stakeholder organisations in the development of their model, and the bid demonstrated good knowledge of community based children and young people’s services. There was evidence of plans already being developed to support mobilisation.

6.8 The model was based largely on an existing integrated locality service model and demonstrated limited new innovation. However there was a

strong focus on early intervention and a rigorous approach to clinical quality.

Yeovil District Hospital NHS Foundation Trust

- 6.9 Yeovil District Hospital NHS Foundation Trust offered limited detail relating to their proposed service model within the tender documentation but the presentation offered a more detailed description of the service model, demonstrating real enthusiasm. The proposed service model outlined some innovative ideas and there was evidence that some research had been done into service models across the UK.
- 6.10 The Tender Evaluation Panel considered that the bid demonstrated limited experience and knowledge of delivering community based services and there was limited evidence of consultation with stakeholders and families about the model, although there were plans in place to do so.
- 6.11 The presentation style was strong and creative with confident leadership demonstrated. There was a clear emphasis on pre-referral activity, integrated working, and child and family centred approach. The Tender Evaluation Panel considered that the clinical quality framework was not clearly articulated; however there was good evidence of awareness and management of risk.

7 OUTCOME OF FINANCIAL EVALUATION

- 7.1 A financial evaluation was undertaken on each organisation, which submitted an Invitation to Tender document.
- 7.2 The offer financial schedules were evaluated and scored in line with allocated weightings and considering the following:
- does the offer value fall within the proposed funding envelope of between £2.2 million and £2.5 million?
 - has the offer been presented in the required format?
 - extent to which the offer demonstrates comprehensive and full inclusion of all anticipated service costs
- 7.3 Based on analysis of costs over the contract period, the lowest cost bid was submitted by Somerset Partnership NHS Foundation Trust, followed by Somerset Community Health and then Yeovil and District Hospital NHS Foundation Trust.
- 7.4 Key elements of the difference in costs between the three bidders related to differing staffing models, consideration given to pay protection, and differing premises solutions.
- 7.5 Table two below shows the final financial evaluation scores:

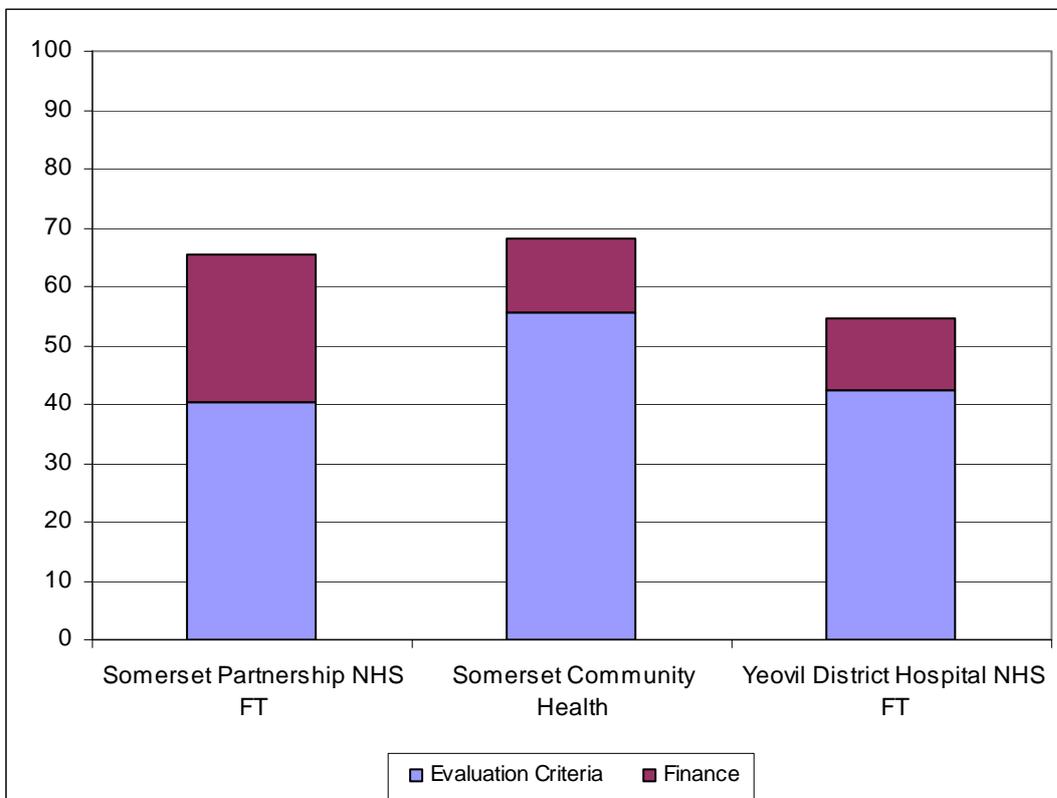
Table 2: Financial evaluation scores

	Criteria	Maximum Weighted Score	Somerset Partnership NHS Foundation Trust	Somerset Community Health	Yeovil District Hospital NHS Foundation Trust
	TOTAL	12	12	6	6

7.6 Table 3 below shows the final score including the financial evaluation scores:

Table 3: Table and Graph of final score including financial evaluation scores, expressed as percentage of maximum scores

	Maximum	Somerset Partnership NHS FT	Somerset Community Health	Yeovil District Hospital NHS FT
Evaluation Criteria	75.0%	40.3%	55.7%	42.2%
Finance	25.0%	25.0%	12.5%	12.5%
Total		65.3%	68.2%	54.7%



8 CONSIDERATION OF RISK

8.1 After assessing the individual bids a risk assessment on the outcome was undertaken with consideration being given to the following potential risk areas:

- financial
- mobilisation
- service delivery

Financial

8.2 *Yeovil District Hospital NHS Foundation Trust* was above budget.

8.3 *Somerset Community Health's* offer price was submitted within budget, but incorrectly assumed an anticipated additional income stream outside of the funding made available to honour pay protection costs.

8.4 *Somerset Partnership NHS Foundation Trust's* offer price was below budget and offered assurance that pay protection was included although issues were identified relating to transitional costs and equipment.

Mobilisation

8.5 *Somerset Partnership NHS Foundation Trust* was considered a **high risk**. There were significant areas of risk relating to mobilisation and there was insufficient assurance that the service could mobilise within the required time frame.

8.6 *Somerset Community Health* was considered a **low risk**. There was evidence that a significant level of stakeholder engagement had already taken place including the majority of the staff who are currently providing paediatric therapy services.

8.7 *Yeovil District Hospital NHS Foundation Trust* was considered a **medium risk**. They were considered a higher risk on mobilisation and a low risk on the clinical aspects of implementation.

Service Delivery

8.8 *Somerset Partnership NHS Foundation Trust* was considered a **high risk**. They demonstrated a limited knowledge of paediatric therapy services and limited research underpinning their service model.

8.9 *Somerset Community Health* was considered a **low risk**, with evidence of considerable detail around implementation of the service model and prior engagement with staff.

8.10 *Yeovil District Hospital NHS Foundation Trust* was considered a **medium risk**, with limited evidence of engagement with local networks, but demonstrating good understanding of service requirements.

9 SUMMARY OF CONCLUSIONS

9.1 The evaluation criteria for the Tender were designed to allow the selection of the bid that represents best value for money rather than lowest price alone. Best value for money was defined as that which is judged to offer the optimum combination of service delivery and performance as detailed in the Invitation to Tender, the bid offer within affordability limit, and the risk profile.

9.2 Against this profile the overall scoring position was as follows:

<i>Somerset Community Health</i>	1
<i>Somerset Partnership NHS Foundation Trust</i>	2
<i>Yeovil District Hospital NHS Foundation Trust</i>	3

9.3 The overall risk ranking (1 being the lowest risk) was:

<i>Somerset Community Health</i>	1
<i>Yeovil District Hospital NHS Foundation Trust</i>	2
<i>Somerset Partnership NHS Foundation Trust</i>	3

10 FINAL RECOMMENDATION

10.1 Following the tendering exercise undertaken in accordance with standing orders, it is the recommendation of the Tender Evaluation Panel that Somerset Community Health is nominated as the preferred provider for the Somerset Integrated Community Based Paediatric Therapy Service, subject to post tender clarification.

10.2 The recommendation to nominate Somerset Community Health as the preferred bidder is based on their ability to meet all the core components of the service, deliver the standards of service quality expected, involve stakeholders and service users, and mobilise and provide an effective service for children and young people in Somerset.

**PAEDIATRIC THERAPY PROCUREMENT
TENDER WEIGHTING AND EVALUATION CRITERIA**

BIDDER:

No	Criteria	YES	NO	Comment	
A	PRELIMINARY COMPLIANCE REVIEW				
1	All questions answered				
2	Response in requested format				
3	Delivered by deadline				
		Ranking 0-4			
B	COST EFFECTIVENESS (Evaluated from Offer Schedule Part 2)				
a	<i>Cost</i>				
C	DETAILED EVALUATION (Evaluated from Offer Schedule Part 1 by Paediatric Therapy Procurement Panel)				
		Weight- ing	Score 0-4	Total	Assessment Stage
1	<i>CORE SERVICE COMPONENTS: Overall evidence of the commitment and ability to develop an effective paediatric therapy service in accordance with the service specification</i>				
a	<i>Effective multidisciplinary service model</i>	3			Tender / Presentation
b	<i>Effective referral management system including a single point of access</i>	3			Tender
c	<i>Effective model of early intervention and prevention</i>	3			Tender
d	<i>Effective in-reach service to acute trusts</i>	1			Tender
e	<i>Effective long term support where appropriate following discharge from service</i>	2			Tender
f	<i>Effective clinical quality framework</i>	2			Tender
g	<i>Provision of equitable service with waits of no longer than 4 weeks</i>	2			Tender
h	<i>Integrated partnership approach working effectively across organisational boundaries</i>	3			Tender
i	<i>Involvement of children and parents in the development of services, ensuring they are provided with appropriate choice, information and support</i>	2			Tender
j	<i>Staffing structure and workforce plans</i>	2			Tender
k	<i>Clinical support and leadership</i>	1			Tender
l	<i>Infection prevention and control</i>	1			Tender
m	<i>Privacy, dignity and respect and maintenance of confidentiality</i>	1			Tender
n	<i>Premises solution: Consideration of accommodation needs of teams and venues for assessment and treatment</i>	2			Tender

o	<i>Plans for establishing effective Information Management and Technology solutions and for compliance with medical records requirements</i>	2			Tender
p	<i>Environmental sustainability plans</i>	1			Tender
q	<i>Sensitivity to diversity of local communities</i>	2			Tender
r	<i>Consideration to recommendations of national guidance including Bercow Report, Aiming High for Disabled Children and National Service Framework for Children and Young People</i>	2			Tender
	<i>Overall evidence of the commitment and ability to develop an effective integrated community based paediatric therapy service in accordance with the service specification</i> SUB TOTAL				
2	CONTRACT MANAGEMENT AND GOVERNANCE				
a	Assurance that IM&T systems will effectively compile information to support evaluation of service outcomes	1			Tender
b	Clinical Governance and Quality Assurance Frameworks	2			Tender
c	Risk management and contingency plans	2			Tender
d	Equality and diversity plans	1			Tender
e	Consideration of publicity and promotion of service	1			Tender
f	Assurance that policies and procedures will be in place	1			Tender
	<i>Overall evidence that contract management and governance arrangements will be in place in accordance with the service specification</i> SUB TOTAL				
3	MOBILISATION OF THE SERVICE AND FULL SERVICE DELIVERY				
a	Plans for mobilisation of service	2			Tender
b	Approach to management of change	3			Tender
c	Knowledge and experience of TUPE	1			Tender
d	Efficient and effective use of resources	2			Tender
e	Making a difference to the experience and outcomes of children, young people and their families	3			Tender
f	Added value to service users, commissioners and the wider health and social care community	2			Tender
	<i>Overall evidence that the service provider has considered and has effective plans in place to support the mobilisation of the service</i> SUB TOTAL				
D	PANEL INTERVIEWS				
a	Executive panel	3			Interview
b	External expert panel	3			Interview
c	Parent / carer panel	3			Interview
	<i>Scores reflecting the outcomes of the panel interviews</i>				

	SUB TOTAL				
	Maximum Possible Score			260	
	TOTAL				

A proposal that scores 0 (zero) in any single section may be disqualified from the competition as this will be viewed as a fundamental flaw in the proposed Tender.

KEY SCORE OUT OF 4

- 0= inadequate/unacceptable
- 1= compliant with shortcomings
- 2= satisfactory
- 3= superior/very good
- 4= exceptional

Score confirmed by:

Date:
