

## **CABINET**

**4 APRIL 2017**

### **GATEWAY 3 CONTRACT AWARD: MEDWAY YOUNG PERSONS' WELLBEING SERVICE**

Portfolio Holder: Councillor Andrew Mackness, Children's Services (Lead Member)

Report from: Ian Sutherland, Director of Children and Adults Services

Author(s): Graham Tanner, Programme Lead, Children's 0-25 Targeted Services  
Sandra Asiedu, Category Manager, Children and Adults Social Care

#### **SUMMARY**

This report seeks permission for the award of an NHS contract, to which the Council is an Associate Commissioner and co-funder, to the supplier as highlighted within Section 3.2 of the Exempt Appendix.

Following consideration by the Procurement Board on 11 May 2016, the Cabinet approved the commencement of this requirement at Gateway 1 on 25 October 2016.

In addition, NHS Medway Clinical Commissioning Group (CCG) Governing Body approved the commencement of this requirement on 28 September 2016. The CCG Governing Body is due to consider the award of this NHS contract on 29 March 2017.

This Gateway 3 Report has been approved for submission to the Cabinet after review and discussion by the Children and Adults Directorate Management Team and the Portfolio Holder for Children's Services (Lead Member) on 9 March 2017 and the Procurement Board on 15 March 2017.

#### **1. BACKGROUND INFORMATION**

##### **1.1 Budget & Policy Framework**

1.1.1 The Medway Council Plan 2016/17 to 2020/21 includes the target that children and young people have the best start in life in Medway, including

the commitment to work with partners to ensure the most vulnerable children and young people are safe.

- 1.1.2 The Joint Health and Wellbeing Strategy for Medway 2012-2017 sets out five strategic themes, including working together to give every child a good start (theme 1) and improving physical and mental health and wellbeing (theme 4).
- 1.1.3 Priorities in relation to the health and wellbeing of children and young people are set out in the Medway Improvement Plan, Early Help Strategy, the Looked After Children Strategy (2015/18) and Medway Clinical Commissioning Group Commissioning Strategy and Operational Plans (2016/17 and 2017/18).
- 1.1.4 Currently the combined annual direct expenditure on Medway CAMHS services by Medway Clinical Commissioning Group (CCG) and Medway Council is in the region of £1.7 million. This figure does not include Council and School expenditure on 'universal services' in schools; current Public Health education and promotion programmes; Medway CCG expenditure on the Looked After Children nursing service; peri-natal mental health provision; and other specialist services. The CCG has also agreed considerable interim investment for Tier 2 and Looked After Children (LAC) through additional Local Transformation Plan (LTP) monies from NHS England.
- 1.1.5 Based on increased Local Transformation Plan (LTP) investment from NHS England (NHSE) and the inclusion of other ancillary services (e.g. substance misuse), the financial envelope for the Medway Young Person's Wellbeing Service was set at £2.5 million per annum.

## **1.2 Background Information**

- 1.2.1 Existing Child and Adolescent Mental Health Services (CAMHS) are commissioned and provided as follows:
  - Services at Tier 1 of the National Strategic Framework for CAMHS are provided primarily through school and education settings and their commissioned services in line with an agreed Outcomes Framework
  - Tier 2 services are provided by Medway Council, including integrated clinical and management functions provided by Sussex Partnership NHS Foundation Trust
  - Additional Tier 2 psychology support for LAC is commissioned through Oakfield Psychology
  - Services at Tier 3 are provided by Sussex Partnership NHS Foundation Trust (SPFT) as part of a joint contract with the seven Kent CCGs and Kent County Council. SPFT also provide a bespoke 'Children in Care' service specifically for looked after children funded by Medway Council. Both services are commissioned jointly by NHS Medway CCG and the Council
  - Services at Tier 4 are commissioned by NHS England and co-ordinated by the South London and Maudsley NHS Foundation Trust (SLAM)

- Young Person's Substance Misuse services are provided by Open Road.
- 1.2.2 There are also a range of other specialist support services, including post abuse, post sexual abuse and harmful sexualised behaviours which are commissioned through a range of providers, often under spot-purchase arrangements.
- 1.2.3 The existing service delivery model and the complexity of the contractual arrangements have contributed to poor performance, particularly in relation to access and waiting times. Much of this can be attributed to the fragmented nature of the wider system and pathway, a historical lack of appropriately skilled resource at Tiers 1 and 2 and resultant escalation of cases to specialist CAMHS support at Tier 3 leading to long waits for assessment and treatment. Medway has also found it challenging to performance manage local concerns under the joint Tier 3 contract, amidst the competing needs and priorities of Kent County Council and other Kent CCG partners.
- 1.2.4 Concerns have been expressed across the Medway system about the ability of a Kent wide service to meet the needs of Medway children and young people. These concerns have been articulated by the CCG, Children and Young People's Overview and Scrutiny, Medway Children's Safeguarding Board, Health and Wellbeing Board and Medway External Improvement Board (attended by the DfE and independently chaired).
- 1.2.5 The Government's publication of 'Future In Mind' in early 2015, together with the requirement for all CCGs to develop Local Transformation Plans for children and young people's emotional and mental health services, afforded Medway an excellent opportunity to set out what an integrated Medway service offer could look like across the full continuum of support for children and young people's emotional health and well being. Within that continuum of support, schools, academies and other universal and targeted front-line services would have a more clearly defined role in supporting children and young people with emerging emotional wellbeing issues, together with the training to support that. The following key principles would apply to the new service:
- Commissioned services to be provided in the context of the whole continuum of support, requiring potential providers to set out how they will develop strong links throughout the continuum
  - The service provider will support early intervention services through joint working and in-reach, thus improving access to support; mutual understanding; and communication between specialist mental health practitioners and schools and GPs
  - Primary mental health workers will be more accessible and better integrated with schools and community based services, to create a more seamless escalation from early intervention services, where necessary
  - The inclusion of additional services in the delivery model, specifically: substance misuse support; post abuse support, support dedicated to harmful sexualised behaviours and participation in multi disciplinary neurodevelopmental assessment and parental support. This will enable a

holistic approach where children and young people have multiple needs and reduce duplication

- A whole family approach, whereby we proactively seek to resolve any issues in a child or young person's environment that are impacting on their emotional wellbeing; offer support to parents; and provide dedicated support to parents whose children have neurodevelopmental conditions
- Effective IT support for the Single Point of Access; and the provision of information throughout the system about the support that is available
- An option for self-referral and a quick response through online, telephone and drop-in support
- Greater emphasis on - and dedicated support for - fostered, looked after and adopted children.

1.2.6 In November 2015, following consultation with Medway's Health and Wellbeing Board, Medway CCG and Cabinet endorsed the Local Transformation Plan and the proposal to pursue a separate Medway Young Person's Wellbeing Service, following the expiry of the joint contract with Kent. This joint contract has latterly been extended to 31 August 2017, to accommodate both Kent and Medway procurement timelines and facilitate a smooth transition.

1.2.7 A Draft Service Model was formally consulted on between April and July 2016 and the results of this consultation and proposed changes to the Draft Service Model were reported to Health and Wellbeing Board (13 September 2016) and Children and Young People's Overview and Scrutiny Committee (6 October 2016).

### **1.3 Funding/Engagement from External Sources**

1.3.1 The contract will be jointly funded by NHS Medway CCG and Medway Council under the terms of a Collaboration Agreement.

1.3.2 The budget includes external funding from NHS England through 'Future in Mind' Local Transformation Plan monies.

## **2. PROCUREMENT PROCESS**

### **2.1 Procurement Process Undertaken**

2.1.1 The Restricted procedure in accordance with Public Contracts Regulations 2015 was used for this tender process. The procurement exercise was also undertaken in line with the Council's Contract Procedure Rules. The Restricted procedure is a two-staged procedure comprising of a Selection stage and a Tender stage. The opportunity was advertised on Contracts Finder on 9 November 2016 followed by the publication of an OJEU contract notice on 10 November 2016.

2.1.2 The Selection Questionnaire was advertised on the Kent Business Portal on 11 November, 2016 for a period of 30 days with documents electronically available and accessible for interested suppliers. Although there were 45 expressions of interest from a range of providers only four providers responded to the invitation by the submission deadline.

## 2.2 Contract Award Criteria

2.2.1 The award of the Medway Young Persons' Wellbeing Service contract is based on the Most Economically Advantageous Tender identified on the basis of the best Quality/Price combination. The assessment ratio is 70% Quality and 30% Price.

## 2.3 Evaluation Criteria

### Selection Stage

2.3.1 The selection questionnaire required providers to self certify that there were no grounds for exclusion, that they were financially sound and that they meet the minimum industry standards which for this service was CQC registration and associated standards. A pass for each section was required for progression to the Tender stage.

2.3.2 Additionally, applicants had to achieve a minimum score of 3 for each of the scored questions in order to make it through to the tender stage. This meant a score of 3 for applicants' responses to organisational capability and service delivery questions in Section E & K.

### Tender Stage

2.3.3 The quality aspect of the tender was assessed through evaluation of responses to method statements and presentations. The minimum criterion was an average score of 3 for each of the quality sections including presentations. The input of key stakeholders was captured through presentations to a group of young people and representatives of the Medway Parent & Carers Forum.

2.3.4 Allocated weightings for each of the quality sections are detailed in the table below.

Section	Number of subsections	Allocated weighting	Minimum total score per section	Minimum weighting to be successful
<b>Section 1</b> Service Model and Delivery Plans	15	30%	45	18%
<b>Section 2</b> Quality, Clinical Governance and Safety	5	5%	15	3%
<b>Section 3</b> Operational and Contract Management	6	10%	18	6%
<b>Section 4</b> Evidencing Performance and Outcomes	4	10%	12	6%

<b>Section 5</b> Information Management and Technology	1	5%	3	3%
<b>Section 6</b> Service Mobilisation and Transition	3	5%	9	3%
<b>TOTAL</b>	<b>34</b>	<b>65%</b>	<b>102</b>	<b>39%</b>
<b>Section 7 - Provider Presentations</b>				
Presentation 1 (Young Persons' Panel)		2.5%	3	1.5%
Presentation 2 (Parent/Carer Panel)		2.5%	3	1.5%
<b>TOTAL</b>		<b>5%</b>	<b>6</b>	<b>3%</b>

### 3. BUSINESS CASE

#### 3.1 Delivery of Procurement Project Outputs / Outcomes

The following procurement outcomes/outputs identified as important at Gateway 1 to the delivery of this procurement requirement have been appraised in the table below to demonstrate how the recommended procurement contract award will deliver said outcomes/outputs.

Outputs / Outcomes	How will success be measured?	Who will measure success of outputs/ outcomes	When will success be measured?
<p><b>1.</b> Children, young people and families receive information as and when they need it and in the best way(s) for the child /young person. This means the child or young person can make informed decisions/choices at all stages of their life and feel listened to and valued throughout the process.</p>	<p>Number and % of CYP who state that:</p> <ul style="list-style-type: none"> <li>- they were satisfied with the information provided by the service,</li> <li>- have been able to actively participate in the assessment, care planning and treatment process and</li> <li>- were able to communicate what was important to them that will support positive change</li> </ul>	<p>Questionnaire: CHI-ESQ Friends and Family Test 6-monthly Report</p>	<p>After first 6 months of service launch and quarterly thereafter.</p>
<p><b>2.</b> Children and young people are supported to feel confident and to develop their own dreams</p>	<p>Number and % of CYP who state:</p> <ul style="list-style-type: none"> <li>- their confidence has increased to develop</li> </ul>	<p>Questionnaire: Self-efficacy/resilience measurement Report</p>	<p>After first 6 months of service launch and quarterly thereafter.</p>

and goals	their own dreams and goals.		
<b>3.</b> Children and young people consistently see the same team of people who work with them and get to know them	<p>Number and % of CYP who report:</p> <ul style="list-style-type: none"> <li>- being able to build a trusting relationship with the clinical team working around them.</li> </ul>	Patient Questionnaire Performance Report: Key worker & % change	After first 6 months of service launch and quarterly thereafter.
<b>4.</b> Children, young people and their parent carers experience a timely, integrated, person centred approach to assessment, care planning and treatment in line with specified standards.	<p>Number and % of CYP having to wait longer than the specified standard:</p> <ul style="list-style-type: none"> <li>- for assessment</li> <li>- for treatment</li> </ul>	Questionnaire Monthly Performance Report	After first 6 months of service launch and quarterly thereafter.
<b>5.</b> Children and young people are able to use self-help tools and resources to improve their emotional resilience and confidence.	<p>Number and % of CYP:</p> <ul style="list-style-type: none"> <li>- using self-help tools and resources to improve their emotional resilience</li> <li>- who state that they have an increased level of confidence to participate in meaningful activities following support from the service</li> </ul>	Patient / Family Questionnaire Performance Report: Step-up and re-referred rates	After first 6 months of service launch and quarterly thereafter.

	<ul style="list-style-type: none"> <li>- who state that they have an increased confidence and ability to make and maintain positive friendships</li> </ul>		
<p><b>6.</b> Children, young people and families have an increased ability to cope with future problems and know where to go to get help if they need it.</p>	<p>Number and % of CYP who state:</p> <ul style="list-style-type: none"> <li>- that through the interventions from the service they have learnt new strategies and techniques to cope with future problems</li> <li>- know where to get help if they need it.</li> </ul>	<p>Questionnaire Report</p>	<p>After first 6 months of service launch and quarterly thereafter.</p>
<p><b>7.</b> Children and young people experience a reduction in their clinical symptoms following prompt access to diagnosis, treatment and a person centred care plan.</p>	<p>Number and % of CYP who:</p> <ul style="list-style-type: none"> <li>- report a reduction in their clinical symptoms following prompt access to diagnosis, treatment and a person centred care plan within the specified standard</li> <li>- report a reduction in distress which had been associated with their emotional</li> </ul>	<p>Questionnaire</p> <p>Self Report from patient</p> <p>Breakdown by Diagnosis and Service (eg. ND, LAC, EDS)</p>	<p>After first 6 months of service launch and quarterly thereafter.</p>

	<p>wellbeing and mental health</p> <ul style="list-style-type: none"> <li>- report they have an improved sense of wellbeing.</li> </ul>		
<p><b>8.</b> Children and young people experience improvements in their emotional wellbeing and mental health using appropriate clinical measures.</p>	<ul style="list-style-type: none"> <li>- Number and % of CYP whose clinical symptoms have reduced as measured by SDQ or other CORC measures.</li> <li>- Reduction in No and % of CYP children re-presenting</li> </ul>	<p>SDQ / HoNOS / ROMS CORC datasets</p>	<p>After first 6 months of service launch and quarterly thereafter.</p>
<p><b>9.</b> There is a reduction in the number of children self-harming</p>	<ul style="list-style-type: none"> <li>- Rates of Self Harm</li> </ul>	<p>Coding from Hospitals</p>	<p>After first 6 months of service launch and quarterly thereafter.</p>
<p><b>10.</b> There is a reduction in the number of children and young people who are admitted to hospital for poor mental health</p>	<ul style="list-style-type: none"> <li>- Number of % CYP admissions</li> <li>- Number and % of children presenting out of hours</li> <li>- Reduction in the number of Admissions to general and acute hospitals</li> </ul>	<p>Admission Data from Hospitals</p> <p>Number of CYP who utilise crisis care to prevent unnecessary A&amp;E and Admissions</p>	<p>After first 6 months of service launch and quarterly thereafter.</p>
<p><b>11.</b> Children and young people in crisis receive rapid access to specialist treatment to stabilise their</p>	<ul style="list-style-type: none"> <li>- Number and % reduction in the number of Tier 4 CAMHS placements</li> </ul>	<p>Tier 4 CAMHS activity data Report</p> <p>Crisis Care Pathway data</p>	<p>After first 6 months of service launch and quarterly thereafter.</p>

symptoms and avoid significant harm to themselves or others.	being required - Number and % increase in the number of CYP in crisis being able to be treated at home and in other appropriate settings as an alternative to in-patient treatment		
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#### 4. RISK MANAGEMENT

##### 4.1 Risk Categorisation

<b>1. Risk Category: Procurement Process</b>	<b>Likelihood: Low</b>	<b>Impact: Medium</b>
<b>Outline Description:</b> Interface with Kent County Council and Kent CCGs in respect of their own planned procurement, particularly in relation to crisis/acute pathways and Looked After Children.		
<b>Plans to Mitigate:</b> Regular dialogue with Kent Commissioners to ensure procurement plans and pathways/protocols are fully aligned.		
<b>2. Risk Category: Mobilisation</b>	<b>Likelihood: Medium</b>	<b>Impact: High</b>
<b>Outline Description:</b> Tight timescales for service mobilisation and transition creating potential service gaps.		
<b>Plans to Mitigate:</b> Close working with Kent commissioners, West Kent CCG (Co-ordinating Commissioner of existing service) and the South East Commissioning Support Unit (Contract manager for the existing service) as well as incumbent and prospective service provider(s) to ensure an effective Exit Strategy and mobilisation/transition plan. Substantial assurances received in bid submission from the successful provider.		
<b>3. Risk Category: Service Delivery / Reputational</b>	<b>Likelihood: Medium</b>	<b>Impact: High</b>
<b>Outline Description:</b> New service provider fails to deliver required improvements.		
<b>Plans to Mitigate:</b> Robust management of the new contract based on the outcomes described in 3.1 above.		

## **5. PROCUREMENT BOARD**

- 5.1 The Procurement Board considered this report on 15 March 2017 and supported the recommendation set out in section 7 below.

## **6. SERVICE COMMENTS**

### **6.1 Financial Comments**

- 6.1.1 The procurement requirement and its associated delivery (as per the recommendations at section 7, will be funded from existing revenue budgets.
- 6.1.2 Further detail is contained within Section 2.1 Financial Analysis of the Exempt Appendix.

### **6.2 Legal Comments**

- 6.2.1 The contract for this procurement is based on the standard NHS contract 2017/18 – 2018/19 version and was adapted for this procurement by legal services in consultation with the project team. The procurement is also underpinned by a collaboration agreement with Medway CCG which has been reviewed by legal services.
- 6.2.2 This is a level 4 high-risk category B procurement and therefore the decision to award is for Cabinet. Level 4 (High Risk) Procurement Process are prescribed by the Monitoring Officer, in consultation with the Procurement Board with recommendations for the decision-making associated with the initial Gateway 1 Report and subsequent Gateway 3, 4 & 5 Reports being made to the Cabinet.

### **6.3 TUPE Comments**

- 6.3.1 It has been identified that TUPE will apply to this procurement process where existing services have been re-tendered.
- 6.3.2 The potential number of employees that could be affected by TUPE in the event that the incumbent provider is not successful as part of the procurement tender, were explored with individual providers and included in the procurement process.
- 6.3.3 The outcome of the respective Medway and Kent procurements may have a bearing on this process as it was not possible to fully disaggregate the Tier 3 CAMHS team in advance of the tender. The service is operationally configured to deliver services to Medway and Swale children and young people.
- 6.3.4 Notwithstanding the above, all negotiations will be conducted in accordance with "Transfer of Undertakings (Protection of Employment) Regulations 2006" as amended by the "Collective Redundancies and Transfer of Undertakings (Protection of Employment) (Amendment) Regulations 2014".

## 6.4 Procurement Comments

6.4.1 Mandated information in accordance with Regulation 84 of the Public Contracts Regulations 2015 has been set out within section 5 of the Exempt Appendix.

## 6.5 ICT Comments

6.5.1 The service will be externally hosted and therefore there are no issues for ICT. This is on the basis that there is no integration to Medway's Active directory to provide Single Sign-on and that user accounts are managed by the system provided and are independent of the Medway Council network.

6.5.2 No requirements have been provided to integrate to any existing, or future, applications operated by Medway Council (e.g. Frameworki, Mosaic). Until the requirements for integration are known and can be assessed against capability of each product we cannot provide indication of cost or feasibility.

## 7. RECOMMENDATION

7.1 The Cabinet is requested to approve the award of the contract for the provision of the Medway Young Persons' Wellbeing service to the successful bidder as highlighted within Section 3.2 of the Exempt Appendix.

## 8. SUGGESTED REASONS FOR DECISION

8.1 This is on the basis that the Provider's proposed solution and offer to deliver the service meets the objective criteria set out in the tender documents and represents value for money for Medway Council but also provides an opportunity for positive change to the service delivery model.

## LEAD OFFICER CONTACT

<b>Name</b>	Graham Tanner	<b>Title</b>	Programme Lead – Targeted Services
<b>Department</b>	Children's 0-25 Commissioning	<b>Directorate</b>	Children and Adults
<b>Extension</b>	7845	<b>Email</b>	graham.tanner@medway.gov.uk

## APPENDICES

Exempt Appendix

## BACKGROUND PAPERS

The following documents have been relied upon in the preparation of this report:

<b>Description of Document</b>	<b>Date</b>
GW1 report and decision – Cabinet	25/10/16 <a href="https://democracy.medway.gov.uk/ieListDocuments.aspx?CId=115&amp;MId=3371&amp;Ver=4">https://democracy.medway.gov.uk/ieListDocuments.aspx?CId=115&amp;MId=3371&amp;Ver=4</a>