

Wolverhampton CCG Governing Body

Date of Meeting: 9th February 2015
Agenda Item No: 20

TITLE OF REPORT	Commissioning Support Update – January 2016
PURPOSE OF REPORT:	To provide the Governing Body with a final report of the activities of the Birmingham, Solihull and Black Country Commissioning Support Services Procurement Project Board as this has now been replaced by a Mobilisation Board.
KEY POINTS:	<ul style="list-style-type: none"> • The key tasks of the Birmingham, Solihull and Black Country Commissioning Support Services Procurement Project Board have been completed in that following the conduct of the procurement exercise against the Lead Provider Framework (LPF), contracts have been awarded to Midlands and Lancashire CSU and Arden and GEM CSU. • The project is now at contract mobilisation stage and a Mobilisation Board has been established. • A Risk Register, identifying key risks and mitigating actions, has been monitored and mitigating actions taken. • Lead commissioner and contract management arrangements for the respective contracts have been agreed.
RECOMMENDATION TO THE GOVERNING BODY:	To note the completion of work of the Project Board and the establishment of a Mobilisation Board to oversee the implementation of the new contracts.
COMMITTEE ACTION REQUIRED:	Assurance
REPORT WRITTEN BY:	Alan Turrell, Programme Director, Contracting, Procurement and QIPP, Walsall CCG & Paul Deeley-Brewer, Head of Quality Assurance, Walsall CCG & Mike Hastings, Associate director of Operations, Wolverhampton CCG
REPORT PRESENTED BY:	

REPORT SIGNED OFF BY:	Commissioning Support Services Procurement Project Board	
The CCG has a duty to promote the NHS Constitution. Please indicate which principles of the NHS Constitution this report supports		
The NHS provides a comprehensive service available to all		✓
Access to NHS services is based on clinical need, not an individual's ability to pay		✓
The NHS aspires to the highest standards of excellence and professionalism		✓
The NHS aspires to put patients at the heart of everything it does		✓
The NHS works across organizational boundaries and in partnership with other organisations in the interest of patients, local communities and the wider population		✓
The NHS is committed to providing best value for taxpayers' money and the most effective, fair and sustainable use of finite resources		✓
The NHS is accountable to the public, communities and patients that it serves.		✓
Positive general duties - Equality Act 2010 The CCG is committed to fulfilling its duty under the Equality Act 2010 and to ensure its commissioned services are non-discriminatory. This report is intended to support delivery of our duty to have a continuing positive impact on equality and diversity The CCG will work with providers, communities of interest and service users to ensure that any issues relating to equality of service within this report have been identified and addressed		
Please indicate if there have been any equality of service issues identified in this report		No

Final Report from the Birmingham, Solihull and Black Country Commissioning Support Services Procurement Project Board – January 2016

1. INTRODUCTION

This report reflects on the overall achievements of the Project Board and advises on its recent activities, in particular the award of contracts following the procurement exercise conducted against the Lead Provider Framework and the establishment of a Mobilisation Board to oversee contract implementation.

2. OVERVIEW OF THE WORK OF THE BOARD

The Board has been in place since October 2013 and consists of representatives of the seven CCGs within Birmingham, Solihull and the Black Country and has been chaired by Diane Reeves, Accountable Officer for Birmingham South Central CCG.

The representative on the Board for Wolverhampton CCG is Mike Hastings, Associate Director of Operations.

The Board has met regularly since its inception and as shown in **Appendix 1** has completed the key tasks that it was established to undertake. Key achievements include:

- Ensuring a co-ordinated approach between the seven Birmingham, Solihull, and Black Country CCGs to the management and procurement of commissioning support services.
- Establishing a two-way dialogue with NHS England at an early stage and throughout the life of the Board to ensure that its activities were consistent with national policy and, in turn, to influence national policy.
- Acting as a single forum for two-way communication with the prime provider of commissioning support services, now Midlands and Lancashire CSU.
- Developing a revised model Service Level Agreement and revised pricing structure used by all seven CCGs for the renegotiation and extension of commissioning support services from Midlands and Lancashire CSU for the period 1st October 2014 to 31st March 2016, when the existing arrangements expire.
- Confirming the commissioning intentions of each CCG and agreeing revised service specifications for each service.
- Working with NHS England to conduct the procurement process against the Lead Provider Framework including developing ITT documentation, agreeing the division of services into lots and the level of collaboration, and devising a co-ordinated tender evaluation process.
- Conducting the tender evaluation process and agreeing the award of contracts in accordance with the originally agreed timetable.
- Communicating the activities of the Board to the Governing Bodies of participating CCGs through regular update reports.

These activities have ensure that overall the Project Plan agreed by the Board has been delivered on time and the Birmingham, Solihull, and Black Country group of CCGs, as one of the first and largest groups to award contracts under the LPF, are seen as leaders in this field with much of the approach used being as a model for other CCGs nationally.

During the life of the Board key administrative and project management support has been provided by Walsall and Sandwell and West Birmingham CCGs.

3. **KEY ACTIVITIES SINCE PREVIOUS REPORT (OCTOBER 2015)**

Since the previous report issued to participating CCGs in October, the Board has met in October, November and December with key activities as follows:

3.1 Tender Evaluation and Contract Award

Following the agreement of the tender evaluation criteria and process all participating CCGs fully contributed to the evaluation of tenders resulting in the recommendation of the award of business being agreed by the Board at its meeting of 20th November 2015. Tender Evaluation Reports were provided for each lot with the recommended award of business approved by each CCG Board resulting in the notification of the proposed award of business being issued to each bidder. As no formal legal challenges were received during the standstill period, the contract awards have now been confirmed as summarised in **Table 1**.

Table 1 - Summary of Contract Award

Lot no/name	Participating CCGs	Previous Provider	Providers submitting bids	Successful Provider	Contract Value over 4 years	Contractual Arrangement
Lot 1 – End to End Services	<ul style="list-style-type: none"> • <i>Birmingham Cross City</i> • <i>Birmingham South Central</i> • <i>Dudley</i> • <i>Sandwell and West Birmingham</i> • <i>Solihull</i> • <i>Walsall</i> • <i>Wolverhampton</i> 	Midlands and Lancashire CSU	<ul style="list-style-type: none"> • Arden and GEM CSU • Midlands and Lancashire CSU • Optum Health 	Arden and GEM CSU	£18,829,019	Individual contracts for each CCG.
Lot 1 – Business Intelligence	<ul style="list-style-type: none"> • <i>Birmingham Cross City</i> • <i>Birmingham South Central</i> • <i>Dudley</i> • <i>Sandwell and West Birmingham</i> • <i>Solihull</i> • <i>Walsall</i> • <i>Wolverhampton</i> 	Midlands and Lancashire CSU	<ul style="list-style-type: none"> • Arden and GEM CSU • Capita • Midlands and Lancashire CSU • Optum Health 	Midlands and Lancashire CSU	£11,568,737 (including DSCRO service)	Single contract
Lot 1 – GP and CCG IT	<ul style="list-style-type: none"> • <i>Birmingham Cross City</i> • <i>Birmingham South Central</i> • <i>Sandwell and West Birmingham</i> • <i>Solihull</i> 	Midlands and Lancashire CSU	<ul style="list-style-type: none"> • Arden and GEM CSU • Midlands and Lancashire CSU 	Midlands and Lancashire CSU	£ 12,286,042	Single Contract
Lot 2a – Medicines Management and Optimisation	<ul style="list-style-type: none"> • <i>Birmingham Cross City</i> • <i>Birmingham South Central</i> • <i>Sandwell and West Birmingham</i> • <i>Solihull</i> • <i>Wolverhampton</i> 	Midlands and Lancashire CSU	<ul style="list-style-type: none"> • Arden and GEM CSU • Midlands and Lancashire CSU 	Midlands and Lancashire CSU	£ 2,288,726	Individual contracts for each CCG.
Lot 2b - Individual	<ul style="list-style-type: none"> • <i>Birmingham Cross City</i> 	Midlands and Lancashire	<ul style="list-style-type: none"> • Arden and GEM CSU 	Arden and GEM CSU	£ 11,930,327	Individual contracts for

Funding Requests and Continuing Health Care	<ul style="list-style-type: none"> • <i>Birmingham South Central</i> • <i>Dudley</i> • <i>Sandwell and West Birmingham</i> • <i>Solihull</i> • <i>Walsall</i> • <i>Wolverhampton</i> 	CSU	<ul style="list-style-type: none"> • Midlands and Lancashire CSU 			each CCG.
---	--	-----	---	--	--	-----------

3.2 Risk Register

The Board has developed a Risk Register identifying the key risks associated with the procurement process and the consequences of the contract award together with the mitigating actions as set out in **Appendix 2**.

It should be noted that many risks have now been closed. Where applicable, outstanding risks will be carried forward to an updated Risk Register which will be developed by the Mobilisation Board.

3.3 Contract Mobilisation

Following the award of the contracts to Midlands and Lancashire CSU and Arden and GEM CSU, and the completion of the work of the Project Board as set out in section 2 above, a new Mobilisation Board has been established to oversee the successful implementation of the contracts which are due to commence on 1st April 2016.

Guidance on the role of the Mobilisation Board and the responsibilities of its members issued by NHS England have been incorporated into Terms of Reference for the Board and membership will include representatives from each of the providers as well as from all participating CCGs. The first meeting of this Mobilisation Board was held on 22nd January 2016 and regular meetings have been scheduled.

In all cases each CCG has nominated leads for each contract who will be the main point of contact for liaison with the appointed providers.

3.4 Contract Management Arrangements

At its December meeting the Board conducted an option appraisal process to determine contract management responsibilities and the outcome of this was that contracts would be managed as detailed in **Table Two**.

Table Two - Contract Management Arrangements

Service	Lead Commissioner
End to End Services	Individual CCGs
Business Intelligence	BCS CCG with Local Input
Medicines Management and Optimisation	Individual CCGs
Individual Funding Requests and Continuing Health	Individual CCGs

Processes will also be established to ensure that there is overall collaboration between the lead commissioners when managing their respective contracts so that there is a co-ordinated approach to managing the providers.

4. **NATIONAL ISSUES**

The Commissioning Support Services Procurement Project Board Chair is a member of a national group overseeing the development of commissioning support in conjunction with NHS England and provides updates to the Board on issues being discussed in this forum. Key current issues are:

- Procurement exercises against the LPF are being conducted by NHS England on behalf of CCGs throughout the country with the intention that the majority of CCGs have awarded contracts by 1st April 2016.
- Discussions are ongoing regarding the future business model for NHS CSUs.

5. **NEXT STEPS**

Key next steps are as follows:

- For the newly established Mobilisation Board to oversee the implementation of the contracts with a view to them commencing as scheduled on 1st April 2016.
- For the nominated leads within each CCG to liaise with providers to ensure that there is full understanding of the individual needs of each CCG.
- For the Mobilisation Board and the two providers to finalise mobilisation plans that are complimentary.
- For the Mobilisation Board to ensure that there is smooth transfer of those services that have been awarded to a new provider.
- For the Mobilisation Board to develop and monitor a Risk Register.

6. **SUMMARY**

For over two years the seven CCGs in Birmingham, Solihull and the Black Country have worked collaboratively to manage and procure commissioning support services through the Commissioning Support Services Procurement Board. Following the conduct of the procurement exercise against the Lead Provider Framework and the award of contracts, the work of the Board is now complete. However this journey of co-operation will continue through the newly established Mobilisation Board which will oversee the implementation of the new contracts.

This activity has established an approach to co-operation and collaborative commissioning that is not only being used as a blue-print by other CCGs when procuring commissioning support services, but may be a valuable model when moving forward in other areas of commissioning given the broader planning footprint that is now envisaged for the Birmingham, Solihull and Black Country area.

Appendix 1 - Project Progress Report - Progress against Milestones as at 19th January 2016

Reference	Milestones	Owner	Timescale	Status	Previous Status	Comments
1.1 Establish Project Board						
A	Seek representatives from CCGs to be members of Project Board	Alan Turrell	September-13	Completed	Completed	
B	Appoint Chair for Project Board	Alan Turrell	September-13	Completed	Completed	Diane Reeves, Accountable Officer, Birmingham South & Central CCG
C	Inaugural meeting of Project Board to take place	Alan Turrell	October-13	Completed	Completed	Meeting held 4 Oct 13
1.2 Develop and Finalise PID						
A	Develop draft PID for sign-off	Alan Turrell	November-13	Completed	Completed	Draft PID shared at Oct 13 meeting ratified Nov 13
B	Develop Terms of Reference	Alan Turrell	November-13	Completed	Completed	Draft TORs shared at Oct 13 meeting ratified Nov 13
C	Finalise PID following consultation	Alan Turrell	December-13	Completed	Completed	PID updated following Nov-13 meeting
1.3 CCGs to agree services to be provided in-house or between CCGs						
A	Commissioning intentions from CCGs (utilising template provided) shared	All	November-13	Completed	Completed	Complete in-house intentions template (not all trusts had completed in-house template within agreed timescales, however this was superseded by National release of template as detailed below)
B	CCGs to agree services to be provided in-house or between CCGs	All	May-14	Completed	Completed	Utilised Make, Share, Buy guidance released by NHS

						England.
C	Discuss pricing strategy with CSU	All	March-14	Completed	Completed	Revised pricing strategy discussed with Board and revised pricing agreed with each CCG.
1.4 Establish Service Level Agreement						
A	Agree revised specifications for services	Service Leads	June-14	Completed	At Risk	Existing CSU specifications included in model SLA for agreement by individual CCGs.
B	Nominated leads to be agreed to enable specification development to commence	CFOs	June-14	Completed	Completed	
C	Critical KPIs for each service area to be developed	Service Leads	June-14	Completed	Slippage	Proposed KPIs included with model SLA for agreement by individual CCGs.
D	Negotiate and agree revised SLA	Alan Turrell	September-14	Completed	Slippage	All CCGs have now signed the revised SLA.
E	Decision to be made regarding contract extension 1/10/14 - 31/3/16	Project Board	September-14	Completed	Completed	Individual CCGs agreed end of May 14.
1.5 Determine Future Arrangements - April 2016 onwards						

A	Consider Use of National Framework Agreements (LPF)	Project Board	January-15	Completed	On Target	The board has been kept up to date with the national workstreams and agreed to use the LPF.
B	Commence own procurement (depending on outcome of 1.5 A)	Project Board	February-15	Completed	Completed	Option appraisal has been conducted and the proposed collaborative arrangements have been ratified by each participant CCG.
C	Conduct mini-competition against framework	Project Board	February-15	Completed	Completed	
1.6 Procurement						
A	Conference calls with current leads for SLA development to capture current position	Jenna Reynolds / Peter Skinner	by 15 May 15	Completed	Completed	
B	Matrix sent out to CCGs requesting detail on reporting requirements, volume/ value of procurements etc.	Peter Skinner	by 15 May 15	Completed	Completed	
C	Completion of matrix of intentions to procure by CCGs.	Participating CCGS	22 May 15	Completed	Slippage	Commissioning intentions confirmed and included within ITT documentation.
D	Agreement of supporting information required (e.g. reporting requirements, volume etc)	Project Board	22 May 15	Completed	Slippage	Agreed and included within ITT documentation
E	Discussion of context for procurement (e.g. relationship CCGs are seeking with suppliers, ethos etc.)	Project Board	22 May 15	Completed	Completed	Agreed and included within ITT documentation and covered at Bidder Information Day.

F	Gather TUPE information from current provider (if applicable)	Project Board	22 May 15	Completed	Slippage	TUPE information obtained and included within ITT documentation.
G	Draft specifications produced and circulated to group	Jenna Reynolds	29 May 15	Completed	Slippage	Specifications agreed and included within ITT Documentation.
H	Follow up call to review draft specs	Peter Skinner	w/c 1 June 15	Completed	Completed	Specifications agreed and included within ITT Documentation.
I	Finalise specs	Project Board	19 June 15	Completed	Slippage	Specifications agreed and included within ITT Documentation.
J	All supporting information gathered	Project Board	19 June 15	Completed	Slippage	Relevant supporting information included within ITT documentation
K	Workshop to sign off specs and produce and agree KPIs	Jenna Reynolds / Peter Skinner	19 June 15	Completed	Slippage	Various workshops and conference calls held. Specifications and KPIs finalised and included within ITT documentation.
L	Bidder information pack finalised and sent to suppliers	Project Board	26 June 15	Completed	Slippage	Information pack issued to LPF providers.
M	Deadline for submission of final ITT queries	Project Board	7 October 15	Completed	On Target	All clarification questions have been received and responded to.
N	Supplier Information Day / Meet the CCGs	Project Board / Jenna Reynolds	23 September 15	Completed	On Target	Supplier information day held on Wednesday 23 September.
O	Closing date for ITT	Project	26 October 15	Completed	On Target	Bids submitted on schedule.

		Board				
P	ITT Evaluation	Project Board	20 November 15	Completed	On Target	Evaluators identified
Q	ITT Consensus meeting and supplier interviews	Project Board / Jenna Reynolds	20 November 15	Completed	On Target	Consensus meetings took place 13 November to 17 November inclusive. Supplier interviews held week commencing 9 November.
R	Notification of outcome of call-off ITT	Project Board	27 November 15	Completed	On Target	Proposed award letters issued week ending 27 November 2015
S	Contract award and mobilisation period commences (if applicable)	Project Board	8 December 15	Completed	On Target	Contract Mobilisation Board established.
T	All service mobilised	Project Board	1 April 16	On Target	On Target	To be overseen by Contract Mobilisation Board.