

Senior Management Team 4th July 2013

Procuring a local Wheelchair Service

Background

The Wheelchair Service, currently located at the Josian Centre, Empress Road, Southampton, provides the clinical assessment and provision of wheelchairs to Southampton clients over 2 ½ years of age who have a condition affecting their mobility. Once provision of service is established, the Wheelchair Service will continue to support and reassess the clients' and maintain the equipment provided.

Referrals are made in to the service primarily by primary care clinician's and General Practitioners although some are made by secondary care clinician's.

The current provider of Wheelchair Services for Southampton city is Solent NHS Trust however the provider has given twelve months' notice to Southampton City CCG and the other CCG's for whom it is also the provider, of its intention to cease providing the service on 31st March 2014. This decision necessitates a re-procurement of the Wheelchair Service and discussions have taken place with neighbouring CCG's to investigate the feasibility of a collaborative procurement.

NHS Southampton City CCG, NHS Portsmouth CCG, NHS Fareham and Gosport CCG, NHS South Eastern Hampshire CCG, West Hampshire CCG and NHS England, Specialised Commissioning have all expressed a desire for a single collaborative procurement. NHS Portsmouth CCG has expressed a desire to take a leading role in the procurement and the organisation of the working group.

Offering a contract length of 5 years with the option to extend for 2 years is recommended by the Project Group with a view to generating interest from prospective providers as well as negating the necessity for a re-procurement 18 – 24 months into a 3 year contract.

A number of options regarding the structure of the contract are available namely one large contract with separate partnership arrangements for all parties, one large contract with one named lead CCG or separate CCG contracts with NHS England listed as an Associate to each contract.

Benefits

The principal benefits relate to:

- Provider engagement:
 - Greater interest in one large tender, particularly at a time when there are an unprecedented number (18) of similar services out to tender across the UK.
- Service economies of scale:
 - Single overhead costs;
 - Bulk supply economies;
 - Aligned service specification;
 - Aligned equipment/wheelchair catalogue;
 - Shared bespoke/non-contract wheelchair opportunities;
 - Single referral route.

- Procurement savings:
 - Single tender:
 - Cost;
 - Time.
 - Single evaluation panel;
 - Shared experience and expertise.
- Public perception regarding collaborative, joined up NHS working;
- Financial control and stability of price.

Primary Objectives

To enter into a collaborative procurement for a single Wheelchair Service with one Provider:

- Agree the contract length:
 - It is recommended that a 5 year contract with an option to extend for 2 years is entered in to:
 - Increased provider investment;
 - Stabilised local services;
 - Reduced procurement time.
- Agree the contract structure:
 - One large contract with separate partners and leads;
 - One large partnership contract but with one overall lead;
 - Separate contracts with NHS England an associate to each contract.
- Engage in discussion and consultation with all parties interested in engaging in a collaborative procurement to agree:
 - an identical and aligned service specification by agreement;
 - an identical and aligned equipment/wheelchair catalogue by agreement;
 - jointly prepare a restricted tender;
 - agree PQQ detail;
 - agree ITT detail.
- Evaluation panel members
- Commission/procure a service to deliver that service

Secondary Objectives

- Consult with clinicians and patients to identify how the Wheelchair Service is received currently, how it should be received in the future and the level of support that should be provided to patients;
- Undertake a procurement that identifies the most appropriate provider for the provision of a Wheelchair Service, with consideration given to value for money
- Following the procurement, mobilise the preferred bidder to implement the Wheelchair Service with a start date of 1st April 2014;
- Support the preferred bidder to start receiving referrals for new patients through the agreed pathway;
- Review and/or develop an appropriate reporting suite demonstrating the on-going quality of Wheelchair Service provision and ensuring performance data is robust and provided within agreed timescales.

Risks

- Financial
The SCCCG 2012/13 planned budget for the Wheelchair Service was £556,697 with the actual spend £988,361 an overspend against plan of 77.5% (the provider is currently undertaking a rebasing exercise). Planned activity for 2012/13 was 2851, actual activity 5487, an over performance of 92.4% against plan.

£320,580.14 (59.4% of the budget) has been removed from the 2013/14 SCCC G budget and transferred to NHS England, Specialised Commissioning. Thus the SCCC G 2013/14 Wheelchair Service budget is £219,169.40.

Data for the current fiscal year is not yet available from the provider, as such assumptions have been made regarding the planned and actual spend and activity.

- Operational

It is currently unclear which operational elements of the Wheelchair Service have been included within the Specialist Commissioning specification, therefore a project is currently underway (undertaken by NHS England) to determine the detail of these service elements. It is essential that these elements are identified as quickly as possible to enable the SCCC G service specification to meet the requirements of the service.

- Resource

A working group has been established with representation from each CCG interested in a collaborative procurement. Portsmouth CCG have currently taken a lead role in setting up working meetings, taking notes and leading a large proportion of the necessary tasks.

It should be noted however, that in order to achieve the timescales required for a restricted procurement exercise, a great deal of time will be required by the Project Lead to fulfil the relevant tasks.

- Stakeholder consultation

SCCC G has recently engaged in consultation with Users through the utilisation of a questionnaire circulated by Portsmouth CCG but added to by SCCC G, responses are currently limited. The SCCC G Project lead also intends to consult with User Forums and Third Sector organisations as widely as is possible during the limited timescales available.

- Tender timescales

In order to enter in to a restricted procurement exercise, the following timescales are estimated:

Tender Timescales (estimated by Solent Supplies):

Milestone	Action	Stakeholders	Timescale (by)
1	Initial OJEU advert inviting providers to comment on proposals	Project Managers Providers	22 July 2013
2	Joint pathway and service specification developed and agreed	Project Managers Commissioners Providers Patients	July 2013
3	Tendering process	Project Managers	July -
3a	OJEU (and others) advert asking for Expressions of Interest	NHS Procurement Commissioners	December 2013
3b	PQQ and MOI		
3c	Short listing		
3d	ITT and evaluation/confirmation of outcome		
4	Contract award and Mobilisation	Project Managers Commissioners Preferred Bidder	January – March 2014
5	Service Commencement	Preferred Bidder	1 st April 2014

Recommendations

SCCCG Senior Management Team is asked to give its approval for:

- single collaborative procurement between NHS Southampton City CCG, NHS Portsmouth CCG, NHS Fareham and Gosport CCG, NHS South Eastern Hampshire CCG, West Hampshire CCG and NHS England, Specialised Commissioning;
- NHS Portsmouth CCG acting as the lead for the scoping and procurement phases;
- contract length of 5 years with the option to extend for 2 years;
- a separate SCCC G contract with NHS England listed as an Associate to the contract.

Summary

A single collaborative Wheelchair Service procurement including NHS Southampton City CCG, NHS Portsmouth CCG, NHS Fareham and Gosport CCG, NHS South Eastern Hampshire CCG, West Hampshire CCG and NHS England, Specialised Commissioning would reduce tendering costs in terms of resource and time as well as taking advantage of the experience and expertise of all the CCG's.

Utilising the resource of NHS Portsmouth CCG to act as lead in the scoping and procurement of the service would greatly assist the workload of the SCCC G Project lead.

Opting for a 5 year contract with the option to extend for a further 2 years would stimulate a great deal of interest in the market place, particularly for a large multi-commissioner service therefore ensuring that a competitive value for money procurement exercise is undertaken.

Entering in to a contractual arrangement with one large service provided by one organisation but retaining a separate SCCC G contract would enable SCCC G to maintain an independent

approach whilst benefitting from the collaborative arrangements with neighbouring CCG organisations

Richard Nicholson
Interim Senior Commissioning Manager – Long Term Conditions
2 July 2013