

**Report of: Executive Member for Health and Wellbeing**

Meeting of:	Date	Ward(s)
Executive	16 <sup>th</sup> July 2015	ALL

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**APPENDIX A FOR THIS REPORT IS NOT FOR PUBLICATION**
**Subject: Contract award report for Joint Camden and Islington Oral Health Promotion Service**
**1. Synopsis**

- 1.1 This report summarises the outcome of the procurement process in respect of the Joint Camden and Islington Oral Health Promotion Service and seeks approval to award the contracts to the Whittington Health Trust.
- 1.2 The award of the contract is for a period of 3 years for the sum of £985,296 at an average annual value of £328,432 for Islington (plus 2 contract extensions of 1 year each). The aggregate value of the 5-year contract is £1,642,160. The Islington element of the service represents 52% of the total budget.
- 1.3 The contract is to commence on 2<sup>nd</sup> November 2015.

**2. Recommendations**

- 2.1 To approve the award of the contract for oral health promotion service to the Whittington Health Trust commencing on 2<sup>nd</sup> November 2015 for a period of up to five years.
- 2.2 To note the contents of Exempt Appendix A.

### 3. Background

3.1 The aim of the procurement is to provide an oral health promotion service in Camden and Islington to improve oral health and address health inequalities. This tender exercise was undertaken to address high level of need identified locally. An oral health needs assessment and review of the oral health promotion services in Islington and Camden, undertaken in 2013, confirmed that both boroughs continue to have a higher prevalence and severity of dental decay in young children, when compared with neighbouring boroughs and the England average. Local health intelligence also identified significant oral health needs in older people and other vulnerable groups. The existing oral health promotion contracts in Islington and Camden end on 31 October 2015 (the Islington Community Based Fluoride Varnish Programme ends on 31<sup>st</sup> March 2016). The procurement provided an opportunity to review the service provision and to improve effectiveness and value of these services.

3.2 The overarching strategic outcomes are:

- Reduction in prevalence of tooth decay in children (Public Health Outcome Framework indicator) and adults
- Reduction in oral health inequalities
- Increased access to the NHS dental services in children and adults
- Increased oral health quality of life

3.3 The service will deliver the following outcomes to improve oral health in the local population:

- To maximise appropriate delivery of fluoride to children, children with additional needs and vulnerable adults (including people with mental health problems, learning disabilities, substance misuse problems, people with long term conditions, older people and their carers)
- To integrate oral health promotion with general health promotion through innovative working and developing strong partnerships
- To develop oral health promotion capacity across communities, partner agencies and local dental services
- To engage with local community on assessing oral health needs, priorities and actions
- To evaluate and monitor oral health promotion activity and provide feedback on progress to key stakeholders.

3.4 The service will build on a successful approach that has been developed in Islington over recent years. This includes oral health promotion targeting families through children's centres, work in schools, colleges and with vulnerable older populations including in care homes. Alongside this the service will deliver a fluoride varnish programme in primary schools and children centres.

The service model will take a life-course approach, delivering evidence-based interventions to the following at-risk groups: children and young people, including those with disabilities, and vulnerable adults such as people with mental health problems, learning disabilities, substance misuse problems, people with long term conditions, older people and their carers. The contract will commence on 2<sup>nd</sup> November 2015.

This procurement was undertaken in collaboration with Camden Council as a lead. Specific performance indicators have been developed to measure the achievement of these

outcomes. Bidders were invited to make proposals against these indicators which were assessed as part of the tender process.

### 3.5 The procurement model:

The procurement process was a one stage tender process leading to the award of a single contract. An advert was placed on Compete to enable organisations to submit a tender.

Tender evaluation was divided into two main criteria; Selection Criteria, that tested organisational capacity and experience and Award Criteria that examined how a tenderer proposes to deliver the service. Tenderers had to pass all Selection Criteria to be considered.

All organisations invited to tender were required to submit an application form which included method statement questions addressing each of the Quality Criteria and pricing schedule. Invitation to Tenders was assessed as most economically advantages against the following criteria:

#### Quality Criteria - 60%

- Implementation of the Service (project implementation plan, risk log and staffing action plan) - 9%
- Service Model - 23%
- Performance Management and Service Evaluation - 14%
- Proposed Workforce Management – 5%
- Presentation - 9%

#### Cost - 40%

The tender evaluation panel assessing the bids consisted of Managers from Public Health and Older People and Learning Disabilities Joint Commissioning and a service user for the presentation part of the evaluation.

3.6 Two organisations submitted tenders A further two organisations that expressed an interest, but did not submit a tender, stated that they could not achieve service outcomes within the proposed budget (annual proposed budget for the service was £700,000 across both boroughs and £362,500 per year for Islington Council).

3.7 The procurement has resulted in the outcome shown in the attached appendix A.

3.8 The Whittington Health Trust scored higher in both quality and price criteria.

3.9 Budgets and savings are summarised in the attached appendix A.

## 4. Proposed Decision

4.1 Based on the results of the tender, the tender evaluation panel recommends the award of contract to the Whittington Health Trust.

## 5. Implications

### 5.1 Financial Implications

Islington Council receives a ring-fenced Public Health grant from the Department of Health to fund the cost of its Public Health service. The total funding for 2015/16 is £25.429m.

The Council is entering into this contract with Camden Council collaboratively in order to provide oral health promotion services.

The Islington element of this contract is £328,117 per annum, this will result in a total contract value over the 3 year life of £985,296 and £1,642,160 with extensions. The result of this procurement is a saving of 22% on Islington's current annual contribution.

The Council's Public Health expenditure must be contained entirely within the grant funded cash limit indicated above. If any additional pressures are incurred management actions will need to be identified to cover this.

Payment of London Living Wage is a requirement of the contract and will not result in any additional costs.

Any TUPE cost implications that may arise from this tender will have to be met by existing resources outlined above.

To avoid a potential future financial pressure for the Council, any future contracts should have a termination clause which allows them to end if they become unaffordable.

### 5.2 Legal Implications

The council has a duty to improve public health under the Health and Social Care Act 2012, section 12. The council must take such steps as it considers appropriate for improving the health of the people in its area including providing services or facilities designed to promote healthy living (whether by helping individuals to address behaviour that is detrimental to health or in any other way) as well as providing services or facilities for the prevention, diagnosis or treatment of illness (National Health Service Act 2006, section 2B, as amended by Health and Social Care Act 2012, section 12 and Regulation 2013/351 made under the National Health Service Act 2006, section 6C). The council may enter into contracts with providers of such services under section 1 of the Local Government (Contracts) Act 1997.

This contract was procured under the Public Contracts Regulations 2006 (the Regulations). The threshold for application of the Regulations is £173,934. The value the proposed contract is above this threshold. These services fall within Part B of the Regulations. Although Part B services do not need to strictly comply with the provisions of the Regulations, there is a requirement under EU rules for part B services to comply with the principles of equal treatment, non discrimination and fair competition. The council's Procurement Rules require contracts over the value of £100,000 to be subject to competitive tender. In compliance with the principles underpinning the Regulations and the council's Procurement Rules a competitive tendering procedure with advertisement has been used.

Bids were subject to evaluation in accordance with the tender evaluation model and Whittington Health Trust gained the highest evaluation score and may therefore be awarded the contract.

In deciding whether to award the contract to the recommended service providers the Executive should be satisfied as to the competence of the suppliers to provide the services and that the tender prices represent value for money for the Council. In considering the recommendations in this report members must take into account the information contained in the exempt appendix to the report.

### 5.3 Environment Impact Assessment

The Environment Impact Assessment was completed on 1<sup>st</sup> October 2014. There are no Environmental Implications in the proposed procurement. The main areas of environmental impact of the contract would be the travel of outreach workers, who should be encouraged to travel by foot or public transport where possible, and the energy performance of the buildings from which services are delivered.

### 5.4 Equalities Impact Assessment

The Council must, in carrying out its functions, have due regard to the need to eliminate unlawful discrimination and harassment and to promote equality of opportunity in relation to disability, race and gender and the need to take steps to take account of disabilities, even where that involves treating the disabled more favourably than others (section 49A Disability Discrimination Act 1995; section 71 Race Relations Act 1976; section 76A Sex Discrimination Act 1975).

A Resident Impact Assessment (RIA) was completed on 8th December 2014.

The RIA identified that there would be no differential impacts. This decision was made because this proposed procurement would have no disproportionate impact on any of the equality groups accessing the services.

## 6 Conclusion and recommendations

- 6.1 To approve the award of the contract for oral health promotion service to the Whittington Health Trust.

### Final report clearance:

Signed by:



Executive Member for Health and Wellbeing

Date: 29<sup>th</sup> June 2015

### Report

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