

## CABINET PROCUREMENT & INSOURCING COMMITTEE

### CONTRACT AWARD REPORT

<b>Title of Report</b>	School Based Health Service for City and Hackney - Contract Award
<b>Key Decision No.</b>	AHI S248
<b>CPIC Meeting Date</b>	4 March 2024
<b>Classification</b>	Open (with Exempt Appendices) By Virtue of Paragraph(s) 3. Part 1 of schedule 12A of the Local Government Act 1972, appendices 1-4 are exempt because they contain information relating to the financial or business affairs of any particular person (including the authority holding the information) and it is considered that the public interest in maintaining the exemption outweighs the public interest in disclosing the information
<b>Ward(s) Affected</b>	All Wards
<b>Cabinet Member</b>	Councillor Anntoinette Bramble, Deputy Mayor and Cabinet Member for Education, Young People and Children's Social Care  Councillor Christopher Kennedy, Cabinet Member for Health, Adult Social Care, Voluntary sector and Culture
<b>Key Decision</b>	Yes  Significant in terms of its effects on communities living or working in an area comprising two or more wards.
<b>Group Director</b>	Helen Woodland, Group Director for Adults, Health and Integration
<b>Contract value, <u>both</u> Inclusive of VAT and Exclusive of VAT (for the duration of the contract including extensions)</b>	£7,300,000 (exclusive of VAT) £8,760,000 (inclusive of VAT)

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<b>Contract duration</b>	3yrs +1yr +1yr

## **1. Cabinet Member's Introduction**

- 1.1. The importance of giving every child the best start was highlighted in Sir Michael Marmot's seminal review as one of the most effective strategies to reduce health inequalities across the life course (Fair Society, Healthy Lives, Marmot et al. 2010). The foundations for virtually every aspect of human development, including physical, intellectual and emotional health and wellbeing, are established in early childhood.
- 1.2. The Healthy Child Programme (HCP) is a national, evidence-based programme available to all children. It aims to ensure that every child gets a good start to lay the foundation of a healthy life. School nurses lead the 5-19 element of the programme and support school-age children in achieving the best possible health outcomes. This service redesign, competitive tender and contract award aims to bring City and Hackney's School-Based Health Service (SBHS) in line with the most up-to-date guidelines.
- 1.3. The service model for the SBHS has been updated to respond to changing local needs, as identified through extensive consultation with local partners and the Joint Strategic Needs Assessment. Since the service was last procured, the need for safeguarding support has increased, as have unhealthy weight levels. There has been a reduction in vaccine coverage, increased emotional wellbeing needs and a higher number of children absent from school. Further, the service has had to respond to a planned increase in school places in mainstream settings and special schools for children with more complex needs.
- 1.4. Recommissioning the City and Hackney SBHS will ensure that Hackney Council and the Corporation of London continue to meet their legal duty to commission public health services for school-age children and ensure the health needs of children are met by the most appropriate practitioner. The Service has been redesigned so that it has more capacity to protect and improve the health of all school-age children attending state-maintained schools while also allowing for those who require additional support to be identified early. As leaders of the HCP, school nurses are enabled to use their clinical skills and judgement to identify children in need of early help

and work collaboratively with system partners across health, education and social care to ensure the right support is delivered.

- 1.5. In summary, through recommissioning the SBHS, we are enabling school nurses to carry out the full scope of their role. Through promoting healthy lifestyles, keeping children safe, supporting children with additional needs and helping children and young people to make transitions, school nurses are essential to ensuring children and young people in City and Hackney have the best start in life and narrowing inequalities in health outcomes across local communities.

## **2. Group Director's Introduction**

- 2.1. Since 2014, Local Authorities have been responsible for commissioning public health services for school-age children, including school nursing. The SBHS is led by Specialist Community Public Health Nurses (SCPHN) who lead on the 5-19 elements of the evidence-based Healthy Child Programme (HCP). School nurses and their teams are central in identifying children's needs, signposting them to appropriate services, promoting health and delivering targeted, evidence-based interventions.
- 2.2. Awarding this contract ensures the council and Corporation can deliver the nationally mandated National Child Weight Measurement Programme (NCMP). It will support schools and governing bodies in meeting the legal duty under the Children and Families Act 2014 to ensure that the needs of pupils with medical conditions attending state-maintained schools are well supported.
- 2.3. The SBHS, as part of a wider, multidisciplinary network, will aim to improve health and well-being outcomes for young people, with a focus on prevention and the wider determinants of health working collaboratively with partners in health, education, social care, and the voluntary sector. The Integrated Care Board is an important partner for ensuring that pupils with medical conditions can attend school full-time and is responsible for funding the clinical support needs of children with special education needs and disabilities (SEND).
- 2.4. The service redesign has been informed through extensive consultation and assessment of needs to align with the current context and configuration of systems for child health and wellbeing. The redesigned service has a renewed focus on prevention. As clinical leaders, school nurses provide a vital link between school, home and the community, and as leaders of the HCP, deliver evidence-based interventions at the individual, school and neighbourhood level to positively influence behaviour, and to keep children safe.

### 3. **Recommendation**

- 3.1. **That the Cabinet Procurement & Insourcing Committee agrees an award of the City and Hackney School Based Health Service contract to Provider A for a period of up to five years (3+1+1) from the 1st of September 2024. The total value of the contract will be a maximum of £7,300,000 (an average of £1,460,000 per year).**

### 4. **Related Decisions**

- 4.1. The [Business Case Report](#) for this procurement was approved by HPB on 10th October 2023.

### 5. **Reason(s) For Decision / Options Appraisal**

- 5.1. The SBHS is available to all children and young people aged 5-19 attending state-maintained settings in Hackney and the City of London. There are currently 58 state-maintained primary schools, 16 state-maintained secondary schools, three special schools, a state-maintained 'pupil referral unit', and one alternative provision-free school. There is currently one state-maintained primary school in the City of London.
- 5.2. The SBHS was last procured in 2018. Since then, there has been a steady decline in the number of SCPHN-trained nurses, and consequently, numbers have reduced significantly. Additionally, a high proportion of nurses are nearing or close to retirement age. Alongside this decrease in the specialist workforce, there has been an increase in the demand for school nursing services, such as safeguarding services and support for CYP with SEND. A range of factors drive this increase in demand, including the COVID-19 pandemic, a sustained period of austerity, and the current cost of living crisis.
- 5.3. The number of children requiring school places in the borough and the City of London is reducing. However, the number of children attending school with potentially complex health needs is increasing. This is due to the implementation of a phased expansion of school places for children with SEND. The current service specification includes a dedicated specialist nursing service for CYP in special schools and a requirement for public health-trained nurses to support CYP's holistic and clinical needs, with SEND attending all state-maintained schools. This approach is problematic as it is inflexible to the changing needs of the children and young people within each school (which may increase or decrease over time), and it does not account for schools opening or closing. Additionally, there are concerns that children with complex health needs in special schools do not receive support from the appropriate health professional and through appropriate commissioning arrangements.

- 5.4. Government guidelines for the HCP were updated in 2021. The service was redesigned to align with the most up-to-date guidelines and to be responsive to the population's health needs and the changing context described. The redesign also aims to redistribute the resources of the SBHS to enable focus on delivering universal and targeted interventions that seek to improve health and reduce health inequalities for all school-age children in maintained settings.
- 5.5. The redesign of the SBHS also aims to improve communication and collaboration between the service, parents, school personnel and school-age children. Digitising elements of service delivery and streamlining processes will increase contact and provide additional opportunities for preventative and health-promoting interventions, enabling public health nurses to identify needs early and influence behaviour change. The changes to be introduced with the new service design will also aim to reduce the burden on schools when sharing or receiving information, improve efficiency, and reduce risk.
- 5.6. Finally, the redesigned SBHS will be configured at the neighbourhood level, aligning the SBHS with the recently procured Enhanced Health Visiting Service and improving the handover between services. Health Visitors are responsible for leading the 0-5 element of the HCP. Alignment at the neighbourhood level will also seek to improve the interface between school nursing and primary care.

## 6. **Alternative Options (Considered and Rejected)**

### 6.1. **Option 1: Do Nothing.**

6.1.1. The current contract ends on 31 August 2024. Under the terms of the Health and Social Care Act 2012, upper-tier local authorities are responsible for improving the health of their local population. Local authorities are also mandated to deliver the surveillance elements of the National Child Weight Measurement Programme (NCMP).

6.1.2. While the termination of the service would provide savings to the Council, not procuring an SBHS would mean the local authorities would fail in the legal duty under the Children and Families Act 2014 to support schools to ensure they look after children with medical conditions. Overall, this option would put the health of children and young people in Hackney and the City of London at risk and would likely result in a widening of health inequalities for the 5-19 population.

### 6.2. **Option 2: Reprocare the service based on the current service model.**

6.2.1. The current service model is unsustainable due to changes since the service was procured in 2018; this includes increased demand for safeguarding, an expansion of school places in Hackney for children with SEND, and an overall reduction in the availability of qualified public health nurses.

6.2.2. The commissioning guidelines are clear that responsibility for the funding of health services for children with the most complex needs should be NHS funded. Reprocurring the service on the current model is likely to result in SCPHN nurses continuing to deliver nursing services outside of the scope of the HCP and reduce the capacity of the service to focus on other important aspects of public health nursing, such as working preventatively and in partnership to address health inequalities for all children aged 5-19.

6.2.3. Redesigning the model also requires that the systems and processes for delivery are reviewed and modernised to reduce risk and optimise service delivery whilst improving patient safety.

### 6.3. **Option 3: Recommission a new School-Based Health Service based on a new service model and specification and maintain the current budget for the service.**

6.3.1. The guidelines for procuring the 0-19 HCP were updated in 2021. Therefore, the new service model and specification have been updated to reflect the renewed commissioning guidance. The revised model will also provide opportunities for innovation and digitisation of service elements to derive efficiencies and increase safety.

- 6.3.2. The new service model and specification ensure that the health needs of children with complex medical conditions are met by the appropriate health professional and that the commissioning arrangements align with recommended guidelines.
- 6.3.3. The revised model will position the SBHS as leaders of the HCP and ensure a greater emphasis on health promotion and preventative activities to support the health of all children, taking a proportionate universalism approach across the social gradient to reduce health inequalities.
- 6.3.4. The new service model will continue to support the local authorities and local schools to meet statutory duties through improved delivery systems, including 'supporting children at school with medical needs' and the 'NCMP'.
- 6.4. **Option 4: Insourcing the School-Based Health Service based on a new service model and specification and maintain the current budget for the service.**
  - 6.4.1. As described in the insourcing/outsourcing options appraisal (Exempt Appendix 4) attached to the HPB business case for this service, there are several reasons why the decision to insource was rejected.
  - 6.4.2. The SBHS is a clinical service led by special community public health nurses. The nurses are registered with the Nursing and Midwifery Council and must fulfil the legal and professional requirements for registration and validation. The service provider must have the policies and procedures in place to ensure adherence to clinical standards and appropriate and effective clinical supervision of staff. A health provider has the structures in place to ensure that services are delivered per clinical standards and that the workforce is supervised appropriately in line with the NMC code of practice. Establishing a similar management structure in the local authority for a nurse-led clinical service will likely incur additional costs from within the existing budget, resulting in reduced funding to deliver frontline nursing services in schools.
  - 6.4.3. Insourcing the service will also require investment in a suitable 'patient record system' or 'database', such as Rio for case management and related software, and systems to deliver service elements such as the National Child Weight Measurement Programme. The costs associated with a patient record system alone were shared in the business case and relate to both the startup and ongoing costs incurred for service and maintenance.

- 6.4.4. The small number of boroughs that have insourced their school nursing service have reported a high dependency on bank staff, which are more expensive. Insourcing the service could, therefore, mean that the local authority would incur additional costs associated with a high dependency on bank staff. There is currently a national shortage of qualified SCPHN nurses in the country, impacting the recruitment and retention of qualified nurses. Competition for the nursing workforce in London is high, with boroughs competing for the same pool of qualified registered nursing staff. SCPHN nurses are predominantly employed in the NHS and receive their salaries, including pension and benefits, through Agenda for Change (AfC). Qualified nurses have a choice of providers to work for in London; additional incentives, such as higher wages, encourage staff to move away from the terms and conditions afforded by AfC, including continuous service. In addition, the local authority must meet the incremental uplift for AfC when a service is insourced.
- 6.4.5. There are also risks directly related to insourcing the service, including the impact that insourcing will have on the delivery of statutory aspects of the service, such as the surveillance element of the NCMP, an annual process commencing at the start of the school year. Elements of the SBHS structure, including the multi-agency safeguarding hub (MASH), will continue to be located within the structures of the local health provider. Insourcing the service is likely to disrupt safeguarding, which relies on effective collaboration and handover between a wide range of partners in health and social care, including the Health Visitors delivering the 0-5 element of the HCP.
- 6.4.6. As described in the insourcing/outsourcing options appraisal, aspects of the service are already insourced. Public Health, via a service level agreement funds Young Hackney to deliver the Health and Wellbeing service. This service aims to support schools in meeting statutory duties to deliver Relationship and Sex Education (RSE) education alongside Personal Social Health and Economic (PSHE) education in schools. Supporting schools with the delivery of health education is a key requirement of the HCP. Young Hackney youth services were considered to have the more appropriate personnel to relate to children, particularly teenagers, to deliver training and education on health and wellbeing, with the school nurses focused on delivering clinical services. The new contract will strengthen the relationship between school nurses and Young Hackney.
- 6.4.7. Any procurement must factor in the lead times required to explore the evidence of safe and effective models of insourced services, including identifying suitable resources, management structures and systems to enable the delivery of an in-house school-based health service in the future.



## 7. Project Progress

### 7.1. Developments since the Business Case approval

- 7.1.1. An audit of the health, nursing and care needs of children attending three special schools in the borough concluded in October following the approval of the business case for this procurement. The audit findings have been shared with NEL Integrated Care Board colleagues, responsible for commissioning services for children with SEND. The audit has identified children who require nursing care beyond the scope of the HCP and funding of public health services. This does not change the scope of the service outlined in the business case but does identify a need for the NHS to identify additional health resources to support some children in special schools during the school day.

### 7.2. Whole Life Costing/Budgets

The total cost of the service is detailed in the table below.

City and Hackney School Based Health Service					
Year 1	Year 2	Year 3	Year 4	Year 5	Total
£1,398,614	£1,410,664	£1,452,934	£1,496,473	£1,541,315	<b>£7,300,000</b>

- 7.2.1. Hackney Council will recharge the City of London Corporation 3% of the annual value each year (an average of £43,800) to reflect the level of activity delivered in the City.
- 7.2.2. The agreed price includes all service delivery-related costs for the duration of the contract. A detailed breakdown was submitted as part of the bid.

### 7.3. Risk Assessment/Management

Risk	Likelihood	Impact	Overall	Action to avoid/mitigate risk
There is risk of a potential gap / breakdown in the continuity in service provision for children requiring specialist school nursing support in special and mainstream settings due to updated commissioning	Medium ▾	High ▾	High ▾	Public Health are working closely with the Children and Young People's Maternity and Families (CYPMF) Integrated Commissioning Team that holds the responsibility for commissioning Children's Community Nursing Services (CCNT) to mitigate this risk. An audit of the health needs of children and young people in

<p>arrangements in line with 2021 guidance</p>				<p>special schools has now concluded. The audit focused on clinical nursing needs and has identified a small but significant number of children in schools that would benefit from paediatric nursing care frequently, with the majority of children's needs continuing to be met by the SBHS.</p> <p>Public Health will continue to work in partnership with the CYPMF Integrated Commissioning Team, to ensure the holistic health and wellbeing needs of children and young people are met by the appropriate health professional in special schools.</p> <p>Commissioners across the system are committed to ensuring the right support is available for this cohort, and will work to agree new commissioning arrangements if necessary, on review of the outcomes of the audit.</p>
<p>School-age children that are eligible for the service, do not engage with the service</p>	<p>Low ▾</p>	<p>Low ▾</p>	<p>Low ▾</p>	<p>School nursing is a core service that promotes and protects the health of school-age children. It provides the only universal opportunity for a health professional to identify health or safeguarding concerns for this cohort. School nurses offer invaluable support to schools and alternative providers to meet the health and well-being needs of school-age children.</p> <p>To improve school and pupil engagement with the service, the new specification requires a named and dedicated school nurse for each school. During term time the school nurse will spend one day per week in secondary schools and half a day per week in primary schools. Bidders were invited to describe</p>

				<p>how they will create additional opportunities for a regular drop-in with children and young people, such as through the adoption of the 'Chat Health' function or by providing age-specific contact points for engagement with the Service.</p>
<p>Despite the service model changes proposed, there is poor service performance and the provider is unable to deliver against the full scope of the service specification</p>	<p>Medium ▾</p>	<p>High ▾</p>	<p>High ▾</p>	<p>Public health are working with the current provider to identify opportunities to drive efficiencies in the current service model including through digitalising processes, trialling a new safeguarding protocol (so nurses are spending less time in child protection conferences where they are not adding any value), reviewing processes for IHCPs and carrying out an audit of the health needs of CYP in special schools.</p> <p>The specification has been informed by national guidelines, lessons learned from what is not working well currently, and examples of practice that is working well in other London Boroughs. Changes have been made to try and free up nursing time so that a wider scope of service(s) can be delivered.</p> <p>The launch of the service will be managed during the mobilisation and initial delivery stages via having regular meetings to monitor the implementation plans for the service. These initial meetings will be run with engagement from sufficiently senior staff from the provider organisation.</p>

#### 7.4. **Savings**

- 7.4.1. During the development of the service model, there was significant consultation with the 0-19 London-wide Commissioners Group to compare service specifications and discuss ideas for service improvement. The 0-19 group undertook a benchmarking exercise comparing both spending and workforce data for the HCP. Of the 60% of London boroughs that shared data, City and Hackney spend the second highest on school nursing services, with the neighbouring borough of Tower Hamlets spending slightly more.
- 7.4.2. Whilst City and Hackney's spending on school nursing and the wider HCP is among the highest in London, local children aged 5-19 experience high levels of health needs and inequality. Factors including the COVID-19 pandemic, austerity and increasing numbers of children living in poverty have exacerbated health inequalities locally. Further, several health outcomes for school-age children are poor compared to national and regional averages, and are worsening. Examples include high and increasing levels of childhood obesity, declining vaccination coverage and increased levels of poor emotional well-being
- 7.4.3. Additionally, a relatively higher proportion of children live in low-income families compared to the London average. As described by Sir Michael Marmot, 'the greater the deprivation, the greater the need for investment (Marmot et al. 2010). Therefore, the relatively high spend on school-nursing services and the wider HCP is justified.
- 7.4.4. There are several factors that justify increased contractual spending and negate the recommendation for savings against this service, including:
- Increasing needs among school-age children and young people: As described above, outcomes for children and young people in Hackney and the City of London are poor compared to London averages, with children and young people from the most deprived backgrounds having the poorest outcomes. Factors including the COVID-19 pandemic, austerity, the cost of living crisis, and increasing numbers of children living in poverty will further exacerbate health inequalities locally. Therefore, it is essential that school nursing services - which are evidence-based to protect against widening health inequalities - are adequately resourced to meet increasing health needs.

- The proposed specification changes will require more resources. These include requirements for direct contact with children, young people, and their parents/caregivers to identify health needs and influence and support behaviour change. Additionally, the new specification emphasises the traditional school-nursing role to promote healthy behaviours among the school-age population, including relating to sexual health, substance misuse, healthy weight, health literacy, immunisations and screening and emotional health and wellbeing.
- Increasing numbers of children with SEND: The expansion of school places for children with SEND will lead to an increase in the number of children with complex health issues that require support from the SBHS. A significant proportion of children with SEND are unlikely to meet the threshold for services via the children's community nursing team (CCNT). Children in state-maintained settings with SEND that do not meet the threshold will continue to be supported by the SBHS. The Service will be required to develop systems to ensure that the health needs of these children are well supported while they are at school and to work in partnership with the Community Children's Nursing team, who will be responsible for the children whose health needs are most complex.

7.4.5. Therefore, a decision was taken not to reduce the available budget as the factors that justify an increase in contractual spending negate the efficiencies and increased capacity that should be realised through the service model changes.

## 8. **Sustainability Issues and Opportunities, Social Value Benefits**

### 8.1. **Procuring Green**

8.1.1. Provider A has a Green Plan that outlines a long-term commitment to net zero by prioritising sustainable forms of transport and reducing pollution and waste. Provider A is committed to reducing the carbon footprint by 80% by 2032 and achieving net zero by 2040. Provider A achieved a 9.2% carbon reduction in 2021/22, leading to a Planet Mark Milestone Award in recognition of the organisation's carbon footprint and continuous improvement over the last five years.

8.1.2. To incentivise action on environmental matters, Provider A has implemented a 'Green Rewards' programme for employees that rewards staff for behaviours that improve individual and trust-wide sustainability and wellbeing. Green points can be earned under the themes of health and wellbeing, energy, waste, recycling and cycling.

8.1.3. Provider A provides access to e-bikes for staff to aid travel around the City and Hackney. There is a fleet of bikes that support staff to be active, aiding wellbeing and reducing carbon emissions.

- 8.1.4. Provider A also adopts the government's cycle-to-work scheme and supports this by increasing bicycle storage at key locations. Provider A also provides a site bike rental /repair scheme.
- 8.1.5. Provider A reduces waste through several methods, including general environmental awareness training on induction, reducing reliance on disposable gloves and non-reusable plastics, and recycling all possible materials.
- 8.1.6. Provider A advertise donation items or obtain second-hand furniture/equipment to avoid landfill. Since 2019, this initiative has saved 4.6 tonnes of carbon and avoided 2.3 tonnes of waste. Provider A partners with WARP-IT, a site for advertising items for reuse instead of sending them to landfill.
- 8.1.7. Other examples provided were:
- Contracting with 'Bywaters' to remove and process waste at their solar-powered facility, with Euro.
  - 6-compliant and electric vehicles and zero-to-landfill policy.
  - Consolidating consumables deliveries.
  - Using shared vehicles for site visits.
  - Reminders to turn off equipment overnight.
  - Using standby during clinic/operational hours.
  - Closing doors/windows overnight to retain heat.
  - Encouraging staff and schools to participate in community green initiatives, e.g. gardening groups.
  - Energy from 100% renewable sources.

## 8.2. **Procuring For A Better Society**

- 8.2.1. Provider A describes one of its strategic priorities as strengthening local partnerships by supporting the local economy and employment. They also embed social values through procurement, widening access to employment, sustainability, and using land and estates to benefit local communities.
- 8.2.2. Provider A makes a significant contribution to the local economy, employing over 4000 people who spend locally. Many school nurses currently employed are local residents with strong neighbourhood links. Provider A cites multiple training and employment opportunities related to the delivery of the new Schools Based Health Service that bring social benefits to the local population; this includes
- NHS Ambassadors programme for school-age children, providing support and advice at career events.
  - A partnership with Hackney Council to provide internships. The internships will enable young people with special education needs and disabilities to develop skills in the real work environment.

- Promoting work experience opportunities through local partners such as Hackney Community College, Hackney University Technical College and the University of London.
- Funded placements by Health Education England for local students to train as school nurses in apprenticeship programmes.
- Advertising vacancies suitable for apprentices, which include academic qualifications from entry to master's level whilst working and earning. This includes Band 3 opportunities in the SBHS.

8.2.3. Provider A, also in line with Hackney Council's Sustainable Procurement and Insourcing Strategy, includes a social value of 10% when procuring its own goods and services and ensures that performance is monitored during contract terms.

8.2.4. All staff employed by Provider A to deliver this service will be paid the London Living Wage as a minimum.

8.2.5. Provider A's commitment to 'procuring for a better society' will be reviewed quarterly as part of the contract monitoring process. Provider A will be required to update on developments regarding recruitment and retention, staff training and development, and updates on apprenticeship placements.

### 8.3. **Procuring Fair Delivery**

8.3.1. Provider A makes a number of commitments to promoting inclusion in their bid. Some examples were:

- Through the People and Culture forum, Provider A's staff network ensures that all staff receive training on Equality, Diversity and Inclusion (including awareness of the Orthodox Jewish faith). Unconscious bias training for recruiting managers and input into attaining equality objectives; examples include leadership development and reverse mentoring.
- A range of support networks for staff, including support groups for Black and Asian staff, staff with disabilities, as well as LGBT staff.
- Provider A holds events to mark or celebrate differences, such as Black History Month or national events celebrating disabled people, such as PurpleLightUp.
- Provider A's People Plan includes making us an employer of choice, helping those from disadvantaged backgrounds improve their lives, and creating opportunities for disabled people.

### 8.4. **Equality Impact Assessment and Equality Issues**

- 8.4.1. As described in 'Procuring fair delivery', Provider A has several staff initiatives to improve inclusivity and achieve equality for staff based on protected characteristics.
- 8.4.2. The SBHS is a universal service for all children aged 5-19 and is based on the national evidence-based HCP, which seeks to improve health and well-being outcomes for all children aged 5-19 attending maintained schools. Through the provision of universal services, school nurses are able to use their professional skills and judgement to identify needs early and put in place support for individual children whilst also developing interventions aimed at preventing illness and promoting health at the school and neighbourhood level.
- 8.4.3. School nursing teams work collaboratively and in partnership to implement the broader systems of support available where needs are identified. A universal service ensures that all children, including those not in school, receive the support of the SBHS with the intention of reducing overall health inequalities.
- 8.4.4. Children not attending maintained settings will not be eligible for the core services provided by the SBHS, although all children in City and Hackney are safeguarded against harm and neglect. Included in the service is the clinical oversight of SBHS in Charedi Jewish independent schools, ensuring that the services provided to cohorts of children attending most of the independent schools in the borough are subject to the same standards as those children in maintained settings.

## 8.5. **Social Value Benefits**

- 8.5.1. As described above in section 9.2, Provider A can evidence a broad range of social benefits.

## 9. **Tender Evaluation**

- 9.1. A competitive procurement process was completed in line with the Public Contracts Regulations 2015 and in order to maximise the potential for competitive bids, a market engagement event was completed on 17 July 2023. This ensured that potential providers were aware of the opportunity and allowed them to inform the design of the service.
- 9.2. The opportunity to bid was promoted as widely as possible including via adverts on Pro Contract, Find a Tenders Service, London Tenders portal and the Council's own website. The market engagement event held on the 17th of July 2023 was attended by 11 people from four different organisations interested in delivering school nursing/school health services. Four organisations that received an alert through the portal accepted the link. The tender was published on Procontract on 13 October 2023 and closed on 23 November 2023.



- 9.3. Though the tender was widely promoted, only one tender submission was received which is a reflection of the current market conditions. There is a limited pool of potential bidders in this field due to the specialist nature of the public health nursing workforce. The current pressures experienced by NHS Trusts further reduces focus on priorities such as business expansion due to other more immediate challenges for Trusts, such as funding and staff shortages, particularly in nursing. An initial exploration of receptivity to tender identified that the short contract term of 3+1+1 may also have influenced decisions to bid for a service in a market where there is a choice of contracts to bid for alongside a limited number of potential providers.
- 9.4. The tender was carried out in a three-layered process. The first layer consisted of three technical competency questions. For the second layer, bidders were asked to demonstrate they had the skills, knowledge and experience to deliver the service. Layer three was an interview.
- 9.5. The tender evaluation and moderation panel consisted of the following:
- Public Health Commissioning Manager, City and Hackney Public Health (Chair).
  - Senior Procurement and Contracts Officer, City and Hackney Public Health.
  - Public Health Consultant, City and Hackney Public Health.
  - Principal Public Health Specialist, City and Hackney Public Health.
  - Director of Partnerships, Impact and Delivery, NHS NEL ICB.
  - Service Manager, Young Hackney.
  - Strategic Lead for Children and Young People, NHS North East London.
- 9.6. The award criteria and weightings are detailed in the table below:

Criteria	Criteria Weighting	Sub-criteria	Sub-criteria Weighting
<b>QUALITY</b>	<b>65%</b>	Service implementation	7%
		Service delivery	8%
		Quality assurance and improvement	6%
		Supporting pupils in school with medical conditions	8%
		National Child Weight Measurement Programme (NCMP)	6%

		Data reporting and digital and technological solutions	9%
		Safeguarding	7%
		Protecting and promoting health and reducing inequalities	8%
		Clinical oversight of SBHS in Charedi independent schools	6%
<b>SOCIAL VALUE</b>	<b>5%</b>	Social Value	5%
<b>PRICE</b>	<b>30%</b>	-	30%

9.7. One tender submission was received. All available channels were used to publicise this opportunity as widely as possible, including a market engagement event<sup>15</sup> where organisations expressed initial interest and accessed the procurement documents. Feedback will be requested from these organisations as part of a lesson-learning exercise to understand why they chose not to bid for the service.

9.8. Please note that the Business Case for this procurement was initially agreed with a specific question weighted at 10% of evaluation criteria about social value. However, the weighting for the specific social value question included in the final version of the procurement documents was 5%. This change was made in recognition that social value was also a relevant consideration concerning other evaluation questions related to the delivery model of the service and the service's role in supporting pupils in school with medical conditions, thereby reducing health inequalities. When considered together with the specific social value question, the total social value-based weighting of these questions exceeded the expectations of the Sustainable Procurement Strategy in relation to social value assessment.

## 10. Reason for Recommendation

	Quality	Price	Social Value	Total
Provider A (winning bidder)	40.2%	30%	4%	74.2%

10.1. It is recommended that Provider A be awarded the contract. Provider A has extensive experience managing and delivering a SCPHN nurse-led

service for school-age children. The bid was of sufficient quality to provide assurance of Provider A's capacity to meet the objectives and deliver a high-quality service in line with the expectations described in the service specification. Further justification for the award was identified following the interview process and response to clarification questions.

- 10.2. The price submission from Provider A was within the available budget. The breakdown of costs is considered appropriate and realistic, and the proposed service provides good value for money.
- 10.3. Provider A identified several risks associated with service mobilisation and delivery, including financial inflexibility due to budget constraints, alongside possible delays beyond mobilisation with procuring the digital systems for service delivery.
- 10.4. Both mobilisation and implementation of the SBHS, including performance, will be carefully monitored to ensure that the core service objectives are delivered and that school-age children in City and Hackney receive an improved and quality school nursing service.

## 11. **Contract Management Arrangements**

- 11.1. The contract will be managed within the Hackney and City of London Public Health Team, with a named Principal Public Health Specialist under the direction of the Public Health Consultant responsible for children & young people, and with support from the Public Health Commissioning Team.
- 11.2. This contract will be incorporated into the standardised performance management framework used by the Public Health Team. The providers will be required to report performance against the agreed KPIs quarterly and attend regular contract review meetings. The service will be transitioned onto the corporate-wide contract management system as it is rolled out. The specification also requires a strong focus on continuous improvement.
- 11.3. A five-month mobilisation period has been incorporated into the timetable to allow sufficient time for mobilisation in time for the 1st September 2024 contract start date.

## 12. **Key Performance Indicators**

- 12.1. The KPIs are listed in Appendix B below. These will be monitored via the contract management arrangements described above, and will be regularly reviewed with the commissioner and provider.

12.2. **Comments Of the Interim Group Director Of Finance**

12.3. This report seeks approval from the Cabinet Procurement & Insourcing Committee to agree an award of the City and Hackney School Based Health Service contract to Provider A for a period of up to five years (3+1+1) from the 1st of September 2024. The total value of the contract will be a maximum of £7.3m (an average of £1.46m per year). The recommissioning of the City and Hackney School Based Health Service is to help ensure that Hackney Council and the Corporation of London continues to fulfil its legal obligation of providing public health services for school-age children. This action ensures that children's health needs are effectively addressed by the most suitable healthcare practitioners.

12.4. The annual contract value of £1.46m has been factored into the Public Health commissioning plans for the 2024/25 financial year. Consequently, there will be no adverse impact on the Council's budget. The City of London (CoL) has agreed to contribute £43.8k (3% of the contract value) annually towards the cost of the service. Annual contract savings of £25k for the local authority have been identified through the procurement process. The City of London has demonstrated their commitment to the new service by increasing their annual contribution to the annual cost by an additional £22k, as outlined in section 7.2 of this report. The annual contract saving of £25k for Hackney will support further investment in other agreed expenditure areas across the Council, strategically aligning with the overarching Health in All Policies approach.

12.5. While Public Health grant allocations have been announced for 2023/24 and 2024/25, there is uncertainty regarding the ring-fenced grant level beyond this period. This uncertainty represents a potential risk for all future year commissioning plans. To address this, the service will conduct annual reviews of commissioning intentions to ensure sufficient resources are in place to meet service needs. Contingency plans and strategies will need to be developed to mitigate any potential budgetary challenges arising from the uncertain grant levels.

12.6. **VAT Implications On Land & Property Transactions**

12.7. No VAT implications.

12.8. **Comments Of The Acting Director, Legal, Democratic & Electoral Services**

12.9. On 10th October 2023 Hackney Procurement Board agreed a Medium Risk Business Case in respect of a tender process for the City and Hackney School Based Health Service. Paragraph 2.19 of Contract Standing Orders states that all procurements with a risk assessment of "Medium Risk" will be overseen by the Hackney Procurement Board at the

Business Case stage and at Contract Award up to a value of £2m. Cabinet Procurement and Insourcing Committee will determine the award of contracts above £2m. The estimated value of the contract in this Report is above £2m so therefore Cabinet Procurement and Insourcing Committee can agree the recommendations in this Report.

- 12.10. Details of the procurement process undertaken by the Council to award this contract are set out in this Report.

### 13. **Comments Of The Procurement Category Lead**

- 13.1. This proposed contract is valued at £7.3m which is above the UK public procurement threshold for the “light touch” regime for Social and Other Specific Services. The Council’s Contract Standing Orders requires that the award of a contract of this value be approved by Cabinet Procurement and Insourcing Committee.
- 13.2. A competitive tender process was carried out in compliance with Contract Standing Orders and the recommendation is to award to the provider offering the most economically advantageous tender assessed against the publish criteria.
- 13.3. Whilst only one bid was received, it was within the available budget, all relevant quality criteria were satisfied and the evaluation panel was confident that a high quality service would be delivered. It is relevant to note that resources were invested in stimulating the market prior to the procurement as well as advertising the opportunity as widely as possible but there are only a limited number of providers with the relevant skills and capacity to deliver this type of service and current market conditions may have reduced the appetite of potential providers to bid.
- 13.4. Relevant KPI and performance measures are proposed including those aligned to strategic and corporate targets. Requirements with regard to sustainability and social value are also noted including payment of the London Living Wage, opportunities for work experience and apprenticeships, and a commitment to achieving net zero by 2040.

### **Public Appendices**

**Appendix A** - [City and Hackney School-Based Health Service Specification](#)

**Appendix B** - Key Performance Indicators (KPIs) appended to the report

### **Exempt Appendices**

**Exempt Appendix 1** - List of suppliers who accepted the notification

**Exempt Appendix 2** - Suppliers at SQ Stage - selected/deselected

**Exempt Appendix 3** - Breakdown of quality, price and social value scores

**Exempt Appendix 4** - Insourcing / Outsourcing Options Appraisal

Exempt

By Virtue of Paragraph(s) 2 and 3 Part 1 of schedule 12A of the Local Government Act 1972, Appendices 1-4 to the report are exempt because they contain information which is likely to reveal the identity of individual and information relating to the financial or business affairs of any particular person and it is considered that the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

### **Background Documents**

None

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