**MERTON CLINICAL COMMISSIONING GROUP
PRIMARY CARE COMMISSIONING COMMITTEE**

**Date of Meeting:** 27th July 2017

**Agenda No:** 6

**Title of Document:**
Rowans Surgery Procurement Contract Award

**Purpose of Report:**
Ratification

**Report Author:**
Nora Simon NHS England - Sponsored by William Cunningham-Davis

**Lead Director:**
Andrew McMylor, Director Primary Care Transformation W&M LDU

**Contact Details**
Nora.simon@nhs.net

**Executive Summary:**
This paper provides the Committee with the background information on the current position of the Rowans Surgery APMS contract award. It follows a number of previous updates made to the Committee on the procurement process and contract award. This paper advises the Committee that the preferred bidder for the contract has now withdrawn from the offer; and as such provides details of the process followed to ensure service continuity is maintained.

**Key sections for particular note (paragraph/page), areas of concern etc:**
The Committee are asked to note in particular the details in Section 3 in respect of the solutions that have been implemented by the CCG and NHSE.

**Recommendation(s):**
The Committee are asked to ratify the Chair’s Action in respect of offering the APMS contract to the first Reserved Bidder.

**Committees which have previously discussed/agreed the report:**
N/A

**Financial Implications:**
As advised non delivery of £70k QIPP as caretaking contract has needed to be extended.

**Implications for CCG Governing Body:**
N/A

**How has the Patient voice been considered in development of this paper:**
N/A

**Other Implications: (including patient and public involvement/Legal/Governance/Risk/Diversity/ Staffing)**
None
<table>
<thead>
<tr>
<th><strong>Equality Assessment:</strong></th>
<th>N/A</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Information Privacy Issues:</strong></td>
<td>N/A</td>
</tr>
<tr>
<td><strong>Communication Plan: (including any implications under the Freedom of Information Act or NHS Constitution)</strong></td>
<td>N/A</td>
</tr>
</tbody>
</table>
1. Background to the Procurement & further context

This paper provides the Primary Care Commissioning Committee (PCCC) with information on the current position of the Rowans Surgery Alternative Provider Medical Services (APMS) contract award; following a number of previous discussions which detailed the London-wide procurement process. On the 27th April 2017 the PCCC approved the APMS Contract Award for the Rowans Surgery to the preferred bidder. Three providers bid for the service as part of the T5 process and the highest scoring bidder was awarded the contract.

Following contract award NHS England and Merton CCG have engaged with the preferred bidder to discuss mobilisation, the service requirements and answer any additional questions they had. The provider expressed concerns about the contract finances, infection control compliance, workforce, the lack of CQC visit and the progress on the new premises.

After further discussions and a visit to the Rowans Surgery the preferred bidder felt further assurances and financial support was needed to ensure contract viability. NHS England and Merton CCG have duly answered all their questions but did not agree to any further financial support as the London APMS contract is designed in a way that it is viable for a list size of 6000 patients or above. Transitional or supplementary support would only be considered and offered when the procured list is less than 6000.

Whilst the Commissioners were willing to enter into further discussions the preferred bidder did not engage further and informed us about their withdrawal of the APMS contract.

2. What are the implications?

The withdrawal of the preferred bidder has left the CCG in a vulnerable position. The London APMS procurement process has provisions in place for occasions when the preferred bidder is deselected. As part of the contract award process the CCG were asked to agree that in the event of the preferred bidder being deselected the contract will be offered to the first reserved bidder.
3. What solutions have the CCG & NHS England put in place?

As an interim solution, and to ensure service continuity, a three month contract extension until the 30th September has been agreed with the current caretaking provider. This will ensure a longer and safer handover period for the patients at the practice and for both provider organisations.

The details of the process to offer the contract to the first reserve bidder were included in the Contract Award Documentation which was ratified at the PCCC on the 27th April 2017.

The Committee should note the following process was outlined:

In the event of the Preferred Bidder being de-selected, the Authority reserves the right to re-engage with the Bidder ranked next overall in the scoring of Bidder responses, provided their bid is compliant in all respects. This Bidder will be notified of their standing as the “Reserve Bidder” at the commencement of the Standstill period, and will be invited to keep their offer open for acceptance for the remainder of the period specified in this document. Appointment as Reserve Bidder must be accepted without qualification or amendment of the terms and conditions specified in the ITT, and the Bidders response to the ITT (including any clarifications). Appointment as Reserve Bidder does not affect the statutory rights of the Bidder during the Standstill period. (H85035 – Rowans Surgery Contract Award Report).

Following the preferred bidder’s withdrawal NHS England had a meeting with the 1st reserved bidder to establish if they are still interested in taking the contract. They were made aware of the other concerns the preferred bidder had about workforce, infection control compliance, new premises and lack of CQC visit. The Commissioners provided further clarifications on these concerns and appropriate documentation was shared with the partners so they could make an informed decision. They subsequently confirmed they would be interested in providing primary care services for the patients of the Rowans Surgery.

It is important to note that all 3 bids received for the Rowans Surgery Contract were good (2 exceptional: the preferred bidder and the 1st reserved bidder; and the 3rd one was good) and appointable. The Commissioners are confident the 1st reserved bidder will be able to deliver high quality primary care services to the patients of the Rowans Surgery. From their bid it appears, they have and in-depth knowledge the area, understand the patient demographics and challenges as they are located less than a mile from the Rowans Surgery and have similar cohort of patients.

Due to the urgency of the matter the CCG have received Chair’s Action to agree to offer the contract to the 1st reserved bidder.

4. What are the next steps?

Following Chair’s action the contract award letter was issued and the mobilisation period has started. This includes an initial mobilisation meeting with the new provider, which was arranged for 19th July 2017, and preparation of the APMS contract. Once the Chair’s action has been ratified by the PCC stakeholders and patients will be informed and full mobilisation process will commence (handover meetings, TUPE process etc. there are a number of actions for the incoming and outgoing provider and commissioners).
5. Conclusion

The Primary Care Commissioning Committee are asked to ratify the Chair’s action in respect of offered the APMS contract to the first Reserved Bidder.