

Appendix 3 – Procurement strategy

Procurement Route to Market

Westminster City Council (WCC) is the lead authority procuring the service who will run an Open tender exercise via capitalEsourcing. A Contract Opportunity Notice will be published on Find a Tender (FTS), Contracts Finder and on capitalEsourcing. Following the procurement, WCC will award two single borough contracts to the successful supplier; one for RBKC and the second for WCC. This will allow each borough to maintain their own sovereign contract.

Selection and Award Criteria:

It is recommended that the tender be evaluated using a weighting split of 50% price and 50% quality. This will reinforce that we are seeking both quality and competitive pricing models for this important service given the critical nature of the service, and the fact that the service delivers to children and babies. Through the transformation work we are procuring an innovative and integrated service, and it is important that we see how the successful provider has demonstrated their intentions around providing a quality service through the new practice model.

Tender submissions will be evaluated based upon the combined Qualification, Technical and Commercial envelopes and awarded according to the most economically advantageous tender.

The Qualification Envelope will use the Selection Questionnaire (SQ) template in line with Public Contracts Regulations 2015.

Tenderers will be asked to confirm they have an average annual turnover in the last three years in excess of £30 million. The Turnover Threshold has been set at a level that ensures that the contracts will not excessively dominate the existing business of any winning bidder and has been set at five times the current annual contract value. Tenderers can demonstrate that they satisfy this minimum standard by meeting or exceeding the Turnover Threshold, and meeting or exceeding the other standard financial ratio thresholds in the Financial Risk Assessment.

Technical Evaluation Criteria:

The technical envelope will have a 50% weighting applied. It will be made up of the following evaluation criteria/questions.

TECHNICAL ENVELOPE	100%
Appropriate and modern assessment of development	10%
Flexible services that adapts to level of need	10%
Integration plans	10%
Workforce development	10%
Measuring outcomes	10%
Supporting one system antenatal to postnatal	5%
Promoting a vaccinated community	5%
Supporting our vulnerable community through new whole family targeted offer	10%
Encouraging peer support through group contacts and working with our communities and VCS partners	8%
Early support for families with SEND	5%
Social Value	7%

Data protection and management	5%
Implementation Plan	5%

Social value will be included as part of the technical evaluation criteria with a weighting of 5% applied. The service specification will outline the obligations of Public Sector organisations under the Public Services (Social Value) Act 2012 (SVA) when considering how the proposed procurement might improve the economic, social and environmental well-being.

Detail will be provided on the relevant priority areas and will be adapted for this the bi-borough procurement approach.

Commercial Evaluation Criteria:

Commercial Envelope:

As part of the transformation workstream we carried out an activity-based costing exercise with the current health visiting provider. Through this exercise we will publish a pricing range of £32,000,000 to £36,000,000 as part of the tender for the full seven-year contract. This is based on the fact we expect there to be significant economies of scale through the creation of an integrated team and removing duplication in the targeted support offer.

In addition, tenderers will be provided with a detailed pricing schedule in order to provide their full pricing breakdown which will be on open-book principles which will enable initial negotiation and in-depth monitoring of the costs of the service during the contracts' operation.

Tenderers will be evaluated based on their seven-year total contract price. The tenderer with the lowest total contract price will automatically be awarded 50% in the Commercial Envelope. Thereafter each other tenderer is compared against the lowest priced tenderer in accordance with the following formula: $(A \div B) \times C = X$.

Where:

A = the lowest submitted price of all Tenders

B = the total price submitted by the Tenderer

C = the maximum percentage score i.e. 50%

X = the score for Price

Procurement Timetable

Stage	Responsible	Date(s)
<u>Internal Governance</u>		
Procurement Strategy report (CGRB) – obtain recommendation to proceed to approval	Procurement / Integrated Commissioning	4 th May 2021
Executive Director approval obtained	Procurement / Integrated Commissioning	10 th May 2021

Cabinet Member and Lead Member approvals completed by	Procurement / Integrated Commissioning	7 th July 2021
<u>Sourcing stage</u>		
Publish Notices	Procurement	21 st July 2021
Deadline for supplier clarifications	Procurement	1 st August 2021
Tender submission return	Procurement	21 st August 2021
Evaluation period	Public Health	22 nd – 30 th August 2021
Moderation date	Procurement / Integrated Commissioning	1 st September 2021
<u>Internal Governance</u>		
Contract award report (CGRB) – obtain recommendation to proceed to approval	Procurement / Integrated Commissioning	15 th September 2021
Executive Director approval obtained	Procurement / Integrated Commissioning	20 th September 2021
Cabinet Member approval (WCC) completed by	Integrated Commissioning	Mid November 2021
Lead Member approval (RBKC) completed by	Integrated Commissioning	Mid November 2021
<u>Contract Award & mobilisation</u>		
Standstill – issue letters to tenderers	Procurement	End November 2021
Finalise contract terms / contract signing	Procurement	Mid December 2021
Mobilisation	Integrated Commissioning	December - March 2022
Contract commences / Go live	Integrated Commissioning	1 st April 2022