Welcome to the Public Service Mutuals Conference 2016
AM 1-
Winning the Procurement and Bidding Battle
Patrick Burns
Prospects
Winning the Procurement and Bid battle

A brief guide to the procurement landscape

6 July 2016
Key parts of the jigsaw

- EU procurement rules
- Internal guidelines
- Social Value
- Best Value
- NHS rules
• Public authorities bound by detailed rules when they procure goods, services and works above certain thresholds
• Set out in Public Contracts Regulations 2015 - which implement the EU Public Contracts Directive 2014
• Distinction between “Part A” and “Part B” services abolished
• All procurements above the threshold must be advertised
• But new “light touch regime” for social and other services above the threshold
• All other services subject to full regime unless they are below threshold or delivered by a “Teckal” company
• New regime for social, health and education services - as less likely to be of interest to cross-border competition

• If contract above the required threshold full procurement regime does not apply but must:
  – Advertise in OJEU
  – Publish contract award notice
  – Comply with Treaty principles of transparency and equal treatment

• If contract below the required threshold, then no advertising necessary unless there are concrete indications of cross-border interest
• Competition under the Light Touch Regime can now “reserve” participation to bodies from the employee ownership and voluntary sectors
• Conditions apply:
  – Advertise in OJEU
  – Restricted list of services
  – Contract limited to 3 years
• To qualify, bidders must:
  – Have a public service mission
  – Be not for profit
  – Ownership/management structure based on employee ownership or other participatory principles
  – Not have been awarded a contract for the relevant services within the last 3 years
• NHS England and CCGs subject to additional rules under the NHS (Procurement, Patient Choice and Competition) Regulations (No. 2)
• Procurement Regulations operate alongside existing NHS procurement regime and apply to procurements by NHS England and CCGs since 18 April 2016
• Mutuals carve out cannot be used for contracts let by NHS England and CCGs for health services
Other considerations

Internal Guidelines

Best Value

Social value
Commissioning Services

What are commissioners looking for?
Get the basics right ...... The compliance factors

Strategic Intent and fit

Understanding of goals and levers

Value for money

Making the quality argument ....we have delivered

Social value

Hygiene factors (past record, financial security etc)
Making the added value case ....so why us ...

Differentiating features

Organisational values matter

Who will really do the work and deliver

What can we expect from you
And all other things being equal ..... 

Relationships matter 

Mutual trust, respect and understanding 

Reputation in the market 

Who is leading the procurement matters for commissioners 
And bidders - it says alot
Thank you for listening.....

Dave Smith
AM 2 – Generating growth through stronger employee engagement
Juile McEver
Local Partnerships
Jo Undrell
Waitrose
Rhona Mason
CSH Surrey
Engaging co-owner employees more effectively
What I’ll cover in the next 10 mins

• History of the John Lewis Partnership
• How we structure employee ownership
• How we keep employee ownership alive and vibrant
• What we believe employee ownership delivers - the numbers bit
History of the John Lewis Partnership

1864

1914

2016
John Lewis Partnership Principles

PRINCIPLE 1

‘THE PARTNERSHIP’S ULTIMATE PURPOSE IS THE HAPPINESS OF ALL ITS MEMBERS, THROUGH THEIR WORTHWHILE AND SATISFYING EMPLOYMENT IN A SUCCESSFUL BUSINESS. BECAUSE THE PARTNERSHIP IS OWNED IN TRUST FOR ITS MEMBERS, THEY SHARE THE RESPONSIBILITIES OF OWNERSHIP AS WELL AS ITS REWARDS – PROFIT, KNOWLEDGE AND POWER.’
Employee

I work for Widgets inc

My manager tells me what to do

I get a bonus based on my performance

In change I am told what is going to happen to me

I am asked for my feedback

Partner

I own this business

My manager works for me as much as I work for my manager

I share profit, and also knowledge and power

My views on how we change are represented

I influence how this business is run

My voice is heard
How we structure Employee Ownership
Formal structures

- Partnership Board
- Chairman
- Partnership Council
- Divisional Boards (e.g. Waitrose or John Lewis)
- Senior Managers
- Managers
- Divisional Councils (e.g. Waitrose or John Lewis)
- Forums
- PartnerVoice

Partner Opinion
How we support employee ownership
Informal structures

- Chronicles and Gazette
- Partner Ideas/Good Suggestions
- Partner Groups
- Networks
- AGM’s
- Annual Report
- Reward Statement
How we keep employee ownership alive and vibrant

• Partner Survey
• Leadership & Partnership Behaviours
• Embracing technology
• Inspiring Ownership Course
• Partnership Day
Partnership Day 2016
Friday 1st July (Employee Ownership Day)
Why Employee Ownership?

- Absenteeism at JLP is 3.4%
- Average length of service at JLP is 7 years
- Staff satisfaction scores are high
- 2015/16 turnover was £11bn
Why Employee Ownership?

The Employee Ownership ‘Top 50’ in 2015:
• £21.5bn combined sales
• 164,000 total employees
• 4.6% increase in sales year on year
• 3.4% increase in operating profit year on year
• 2.4% increase in productivity year on year
PM 2 – Involving the community in service design for long term success
Neil Turton
Salford Health Matters
Peter Holland
OPM

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Cabinet Office
Social Enterprise UK
prospects
Local Partnerships
Involving Communities in service design
A bit about OPM

- Consultation
- Engagement
- Research
- Evaluation
- Change and Organisational Development
- Social Impact
Why should public sector bodies do co-design?

**Helping us to understand better**
- Understanding the system that exists now and how it works for people.
- Understanding how people experience the system and the impact this has on outcomes (for them and wider communities).
- Understanding what changes to a service would enable it to achieve more.

**Helping us to grow the skills, capacity and motivation to tackle a challenge: understanding the system that exists now and how it works for people**
- Unlocking new ideas and new resources from service users & citizens – whether as individuals or groups.
- Motivating interest and support from frontline staff & service users in change that’s underway.
- Building commitment in a service or facility (e.g. a local park) through involvement in its creation.

**Developing more effective responses to challenges**
- Through better services which are more joined-up, easier to navigate, that don’t make false assumptions and avoid duplication.
- Through more active, involved individuals and communities which are better networked, sharing skills and ideas, more confident and resilient.
THE COLLABORATIVE SPHERE

ACCOUNTABLE, GOVERNED SPHERE

formal meetings

consultation processes

committees
Good engagement should...

• Open up conversations rather than closing them down

• Be active not passive

• Invite people to share and shape their own ideas rather than just responding to options that have been pre-formed

• Enable and support people to get involved and stay involved, not just to give an opinion and leave

• Be allowed to gather momentum – and only slow down for a good reason

• Make connections and grow local networks

• Be interesting and enjoyable
Engagement practice

Online or face to face?

One to one or collective?

Formal responses or discussion?

Online tools:
Crowd sourcing
Collaborative mapping
Online communities
Social media
Mobile apps

Face to face:
Asset mapping
Ideas farms
Deliberative engagement
Discussion packs

To see more engagement methods try our online engagement design tool Dialogue Designer via our website www.dialoguebydesign.com
## Deficit vs Asset approaches

<table>
<thead>
<tr>
<th>Where we are now: the deficit approach</th>
<th>Where an asset way of thinking takes us</th>
</tr>
</thead>
<tbody>
<tr>
<td>Start with deficiencies and needs in the community</td>
<td>Start with the assets in the community</td>
</tr>
<tr>
<td>Respond to problems</td>
<td>Identify opportunities and strengths</td>
</tr>
<tr>
<td>Provide services to users</td>
<td>Invest in people as citizens</td>
</tr>
<tr>
<td>Emphasise the role of agencies</td>
<td>Emphasise the role of civil society</td>
</tr>
<tr>
<td>Focus on individuals</td>
<td>Focus on communities/ neighbourhoods and the common good</td>
</tr>
<tr>
<td>See people as clients and consumers receiving services</td>
<td>See people as citizens and co-producers with something to offer</td>
</tr>
<tr>
<td>Treat people as passive and done-to</td>
<td>Help people to take control of their lives</td>
</tr>
<tr>
<td>‘Fix people’</td>
<td>Support people to develop their potential</td>
</tr>
<tr>
<td>Implement programmes as the answer</td>
<td>See people as the answer</td>
</tr>
</tbody>
</table>
An asset-mapping workshop invites local people to come together to plot their assets on a map. It can be focused on specific interest groups – older people, young parents etc. – and can help surface ‘intangible’ assets – i.e. skills, interests, support networks – as well as buildings and spaces.
Asset mapping

### Individual
- Housing
- Financial assets and income
- Transport
- Health

### Collective
- Public asset, such as schools, hospitals, health and social care services
- Leisure facilities
- Shops
- Financial services
- Employers and employment
- Community buildings and open spaces

### Soft
- Technical knowledge and skills, e.g. IT, legal, plumbing
- ‘Soft’ skills, e.g. listening, negotiating, chairing meetings, public speaking
- Personal qualities, e.g. modest, trustworthy, enthusiastic, confident
- Relationships, e.g. supportive family and friends, good relations with colleagues, good networks with a range of people
- Individual passions and interests

### Hard
- Good informal links between neighbours
- ‘Formal’ community groups
- Shared key priorities/concerns of local people
- Community leaders (formal or informal) and a strong voice with official bodies, e.g. parish councils
- Strong, effective relationships between local organisations, e.g. local councils/health/community groups
- Local community initiatives
“There are assets and gifts out there in communities, and our job as good servants and as good leaders ... [is] having the ability to recognise those gifts in others, and help them put those gifts into action.” First Lady Michelle Obama, 2009

Email: pholland@opm.co.uk
Website: www.opm.co.uk
PM3-
How to influence, build relationships and navigate the commissioning landscape
David Maher
Sustainable Development Unit

Geraldine Hoban
Horsham and Mid Sussex Clinical Commissioning Group

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Cabinet Office

Social Enterprise UK

prospects

Local Partnerships
Sustainable Commissioning and STPs
Sustainability and Transformation Plans

- The NHS shared planning guidance 2016/17 – 2020/21 outlines a new approach to help ensure that health and care services are planned by place rather than around individual institutions.

- As in previous years, NHS organisations are required to produce individual operational plans for 2016/17.

- In addition, every health and care system will work together to produce a multi-year Sustainability and Transformation Plan (STP), showing how local services will evolve and become sustainable over the next five years – ultimately delivering the Five Year Forward View vision.

- STPs are not an end in themselves, but a means to build and strengthen local relationships, enabling a shared understanding of where we are now, our ambition for 2020 and the steps needed to get us there.
What is an STP

• STPs are place-based, multi-year plans built around the needs of local populations.

• To deliver these plans NHS providers, Clinical Commissioning Groups, Local Authorities, and other health and care services have come together to form STP ‘footprints’. These are geographic areas in which people and organisations will work together to develop robust plans to transform the way that health and care is planned and delivered for their populations.

• These footprints are of a scale which should enable transformative change and the implementation of the Five Year Forward View vision of better health and wellbeing, improved quality of care, and stronger NHS finance and efficiency.
How Footprints were formed

In developing the footprints, the following issues were taken into account:

• **Geography** - including patient flow, travels links and how people use services.

• **Scale** - the ability to generate solutions which will deliver sustainable, transformed health and care which is clinically and financially sound.

• **Fit with footprints of existing change programmes and relationships**, such as Vanguards, Success Regime sites and Devolution areas.

• **The degree of existing and future challenges** across the footprint.

• **Leadership and capacity** to drive change.
STP Governance

• A single nominated leader who is responsible for overseeing and coordinating the STP process locally

• Independent chairs

• Responsibilities include facilitating the open and honest conversations that will be necessary to secure sign up to a shared vision and plan.

• The expectation of STP leads is that they will build support across their footprint, whilst providing the leadership necessary to cut through long standing and difficult issues, helping to identify and deliver innovative solutions.
6 Principles Underpinning STP

1. Services are created in partnership with citizens and communities
2. Focus is on equality and narrowing inequality
3. Carers are identified, supported and involved
4. Voluntary community and social enterprise, and housing sectors are involved as key partners and enablers
5. Volunteering and social action are key enablers
6. Care and support is person-centred: Personalised, coordinated, and empowering
The STP Timeline

1. Develop local leadership and collaboration
   - Collective leadership agreed
   - Establish common purpose

2. Define early vision and priorities
   - 15th April checkpoint:
     - Set out early thinking

3. 30 June submission
   - Full Plan submitted to national bodies
   - Ongoing planning, implementation and learning

Build the leadership
Develop the vision and take early action
Continued implementation

Engagement of staff and communities at every stage
Progress to date

- Social Value module published
- NHS Standard Contract Service Condition Clause 18
- 6 Principles for STP development
- SV steering group chaired by Prof Sir Michael Marmot
- Marmot Principles being included in many plans with Public Health leading
Known unknowns

• Funding (NHS funding to 7% of GDP by 2020) – comparator nations significantly more
• Future of STP planning footprints and CCGs
• Devolution and accountable care organisations
• Public engagement and involvement in service design
• New models of care and localised based support
David Maher
Commissioning Advisor
Sustainable Development Unit (SDU)
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davidmaher@nhs.net
www.sduhealth.org.uk
Follow us on Twitter @sduhealth
Clinical Commissioning Groups

How to make friends and influence them!

Geraldine Hoban
Accountable Officer Horsham & Mid Sussex CCG
The Business of Commissioning

• The commissioning landscape and CCGs
• The strategic context
• How commissioning looks now and how its going to change
• How to engage with commissioners
• Local experiences/good practice
• The future
Clinical Commissioning Groups

- Created in 2012 – Health & Social Care Act
- Currently > 200
- Membership orgs
  - Representing Primary Care
  - Clinically Led
- Commission health care
  - Most health care
  - Joint arrangements with Councils
  - Majority also cover primary care
  - Specialised services to follow
- Allocates £71.9bn in 2016/17
- Have they been a success?
Strategic Context

• Five Year Forward View
  – New care models required
    • Currently: reactive, bed based, crisis care
    • Future: Focus on prevention,
    • proactively identify frail/vulnerable
    • integrate services
    • co-ordinated holistic care around what matters to people
  – Financial crisis in NHS - £1.8bn 2015/16 net
  – Realigning the system – more collaboration and joint accountability
Sustainability & Transformation Plans

- Realigns CCGs into 44 Footprints
- Realising the vision outlined by Five Year Forward View
- Commissioning/delivery for entire population
- Shared system leadership
- New models of delivery, organisational forms and financial mechanisms
- Whole system and engage third sector, independent sector etc
Good Practice Examples

• Vanguards – spearheading innovation around Five Year Forward View
• Sustainability and Transformation Plans to involving greater range of providers
• New organisational vehicles emerging
  – Community Interest Companies for Primary Care
How to Influence

• Start to influence Sustainability and Transformation Plans
  – Local plans available soon in first draft
  – Series of engagement over summer

• Offer solutions on how to deliver new models of care

• Build relationships – find allies and champions in CCGs/Local Councils/Voluntary Umbrellas etc
The Future

"The next few years are going to be bloody tough"
Simon Stevens,
Chief Executive NHS England

You never let a serious crisis go to waste. And what I mean by that it's an opportunity to do things you think you could not do before.

Rahm Emanuel
Mayor of Chicago
Born 1959
## Commissioners' Expectations

<table>
<thead>
<tr>
<th></th>
<th>2010/11</th>
<th>2011/12</th>
<th>2012/13</th>
<th>2013/14</th>
<th>2014/15</th>
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</thead>
<tbody>
<tr>
<td><strong>Income</strong></td>
<td>43,507,706</td>
<td>52,955,666</td>
<td>59,259,672</td>
<td>67,474,115</td>
<td>70,350,792</td>
</tr>
<tr>
<td><strong>Profit before Tax</strong></td>
<td>491,229</td>
<td>1,584,706</td>
<td>1,570,201</td>
<td>1,606,200</td>
<td>1,758,801</td>
</tr>
<tr>
<td><strong>Savings</strong></td>
<td>1,843,000</td>
<td>1,968,700</td>
<td>1,850,000</td>
<td>1,684,000</td>
<td>2,423,900</td>
</tr>
<tr>
<td><strong>No. Companies</strong></td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td><strong>Profit Before Tax Percentage</strong></td>
<td>4.2%</td>
<td>3.7%</td>
<td>3.1%</td>
<td>2.5%</td>
<td>3.4%</td>
</tr>
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<td><strong>Savings Percentage</strong></td>
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<td>3.4%</td>
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</table>

92% would recommend our services to family and friends

94% feel trusted to do your job

92% feel colleagues treat you with respect
Growth and Diversity

Gina Rowlands MD     Bevan Healthcare CIC
• 2003 - a new Primary Care Centre for homeless, asylum seekers and refugees
• 2011 – Bevan Healthcare Community Interest Company (BHC) established by front line staff
• 2011- Medical support for the Gateway Protection Programme (GPP)
• 2012 - Late clinic for sex-working women
• 2013 – Secured funding from social investment business for new premises
• 2013 - Outreach services
• 2014 - Medical support for Vulnerable Persons Relocation programme (VPRS)
• 2015 – Practice relocated to bigger, fit-for-purpose premises
• 2011 to 2016 – staffing increased from 11 to 28
• 2011 to 2016 - practice list size increase from 1400 to 3800
Generating growth, diversifying the business

Drivers
- Patients
- Staff
- Culture
- Stakeholders

Diversifying
- Developed a unique model of care – spinning out from the NHS
- Stakeholder operational board
- Sustainability – assets and security
Strategies to meet the growth challenge

- Growth opportunities made by the socio-economic state of the country
  ✓ Worldwide refugee crisis
  ✓ Inverse care law
  ✓ Gaps in the provision of statutory services

- Solutions
  ✓ Key relationships with:
    - Commissioners
    - Statutory services
    - The voluntary sector
    - Faith groups
  ✓ Research and Development
  ✓ Education
  ✓ Support from similar like-minded organizations
The future?

• Securing contracts

• Responding to the challenges of change in the market

• Looking to open a health and wellbeing centre with focuses on:
  – Health
  – Education
  – Volunteering
  – Employability
‘We ought to take pride in the fact that, despite our financial and economic uncertainties, we are still able to do the most civilised thing in the world – put the welfare of the sick in front of every other consideration.’

Aneurin Bevan, founder of the NHS
Plenary 3
Partnerships, bid consortia and joint ventures – a guide to the pros and cons
Mike Davies
Santander Corporation & Commercial
Gareth Parry
Remploy
Lyn Bacon
Nottingham CityCare
Paul Hooper
Provide

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About Remploy

• Largest provider of specialist employment support services for disabled people in the UK

• Our Mission to is transform the lives of disabled people by supporting disabled into and in work so that they can become socially and economically independent

• We have a rich 70+ year history – up until April 2015 that was all in Government ownership

• We operate across England, Scotland and Wales

• We employ just over 800 colleagues across the business

• We have a £50m+ annual turnover

• Head office is based in Leicester
Our Drivers for Employee Ownership

• Government Ownership was restricting Remploy’s growth and development

• Remploy is strongly Mission-led and colleagues wanted to protect the Mission in the long term and grow our impact on society

• Our culture is focused on empowering colleagues across the business

• We wanted to ensure we became a forward-looking, dynamic organisation, driven by growth and innovation, whilst retaining a very strong social ethic around disability

• We also needed a politically acceptable vehicle to spin out

• A mutual joint venture fitted the bill for what we were trying to achieve
Our Mutual Joint Venture

• 70% stake in Remploy owned by MAXIMUS Inc – a large US listed Health & welfare services provider
  • Provides financial strength and strong commercial acumen

• 30% owned by Remploy employees via an Employee Benefit Trust
  • Delivers loyalty, commitment and drive across the organisation

• The joint venture model gives us the best of both worlds the two shareholders bring
Impact on Our Commerciality

- Remploy’s business was 95%+ contracted with DWP – need to diversify
- MAXIMUS have helped us understand and identify our core competences and consider how they could be applied in new markets
- Bid writing capability injected – since exit with have been awarded 2 new contracts with a combined worth of £12m, in markets we previously didn’t compete
- Governance and risk assessment approaches have been overhauled to raise awareness and understanding of risk management, and we are now making better decisions
- Business development capability helping us understand how to build a targeted plan and focus on longer-term relationship management
- Utilisation of MAXIMUS global presence to take the Remploy brand overseas
Key Future Challenges

• Delivering profit with a purpose – how do we really achieve that?

• Integration of cultures

• Pace, dynamism and speed of responsiveness in Remploy

• An organisation structure and business model fit for purpose?

• Huge re-compete activity in the next 18 months - £40M+ at stake
• THANK YOU!
Skylarks not Cuckoos!

Lyn Bacon and Karen Frankland
Nottingham CityCare Partnership
The CityCare Group

CityCare Connect 56 Bedded Unit owned by CityCare to support safe, timely hospital discharge.

CityCare Foundation is the CityCare Charity.

CityCare Partnership & Small Steps Big Changes. Our core offer of community services and urgent care. The Big Lottery bid is delivered as part of that offer.

CityCare Primary Care our partnership and joint working with GP’s and Practices.

CityCare Pharmacy is a future development.

CityCare training and education centre. Venue can be used for social value events.
**CityCare Collaborations**

Your Partnerships Help Define You

- **Indian Community Centre**
  Building capacity, supporting 3rd sector

- **Radford Care Group**
  Building capacity, supporting 3rd sector

- **Boots**
  CityCare funded Health Centre at the heart of Nottingham's largest shopping centre – 7 clinic rooms, clean/dirty utility, reception, waiting and installation of a lift for 24/7 offer

- **Nottingham Forest Champions Centre**
  Sponsored service delivery venue. CityCare clinic staff going to Africa

- **Nottingham Carers Federation**
  Estate Code Clinic Room – carers, young carers, travellers
Why Would You?
If You Do
Who do you choose as your strategic delivery partner?

Private Partners – Fleet of foot – Boots
Care Home Sector – Responsive - out of hospital community support
3rd Sector – Not one voice but many – sometimes difficult to engage
NHS Partners – Drowning in Governance
Local Authorities – Slowed down by Process

Could Be A Combination
Use the structure to best fit the bid and the partner.
Expectations and Outcomes
We deliver wide range of services

- Adult in-patient community stroke and rehabilitation beds
- Adult and Children community nursing services for housebound patients at home including end of Life care.
- Care Home specialist nursing services
- Adult community specialist nursing services e.g. Continence, Diabetes, Cardiac, Dermatology, etc.
- Therapy services – Speech & Language, Podiatry, Physiotherapy, and Occupational therapy.
- A range of out-patient services and clinics
- Essex Health promotion and healthy living service
- Primary care GP services
- Children’s Public Health services – Health visiting and School Nursing
- Children’s specialist services
Our Vision and Values

New Vision:

- We will provide a range of outstanding services that care, nurture and empower individuals and communities to live better lives.

Values:

- Care
- Innovation
- Compassion
- With Fun

Provide’s new Vision

Delivering NHS and Local Authority Community Services
Giving Back to the community

- Reinvested over £1.8m in local community initiatives and charity schemes
- Invested £1.5m into improving our community services
- And created 130 new jobs in the region.
Why Partner

• Business strategy
• Vision
  – Voluntary sector
  – Community sector
• Competition
• Collaboration
Working in Partnership for Bids

- Choosing your partners – Due diligence
- Cultural Fit – shared vision and values
- Sharing Workload/Expertise
- Sharing Risk
- Synergy
- Measuring Progress
Delivering in Partnership

- Joint Ventures/Consortia/Prime and sub
- Lead Provider Model
  - Essex Sexual Health
  - Essex Lifestyles
Lead Provider Model

- Contractual Arrangements
- Governance Arrangements
- Managing Performance
- Risk Sharing
Thank You