

Commissioning Community Services for Adults with Complex Health Needs

**Response to Monitor Investigation:
Case Reference CCD 01/15**

Submission Date: 11 February 2015

Introductory Statement

IS1 This document and supporting evidence pack responds to the Monitor invitation to submit information by 11 February 2014 and in doing so challenges all aspects of the Northern Devon Healthcare NHS Trust's complaint as described in the Monitor statement of issues ("the Statement of Issues")¹. To the extent that Monitor considers any related detail or other complaints not contained in the Statement of Issues, the CCG requests that those details or other complaints be disclosed properly to the CCG in order that the CCG has a fair opportunity to comment on them in accordance with the principles of natural justice as applicable to a quasi-judicial inquisitorial process.

IS2 In providing this response, the CCG maintains that it has acted lawfully. It has designed the service vision through engagement with patients, the public and other key stakeholders including current healthcare providers, and has acted fairly, proportionately, and transparently in deciding how to select the provider deemed most capable of providing services in a way which meet the requirements of the NHS (Procurement, Patient Choice and Competition) (No 2) 2013 Regulations ("the Regulations"). The CCG would most emphatically deny that it has been biased or prejudiced against any provider including the Northern Devon Healthcare NHS Trust.

IS3 The CCG demonstrates in this response a procurement process that:

- was designed in response to the CCG emerging strategic vision for community services as well as in accordance with the Regulations
- was transparent including publishing early thinking and taking views into account before deciding the final nature of procurement
- recognised integration as a key vehicle for quality, efficiency and value for money
- considered a range of approaches to integration and which uses procurement to achieve an important step-change in this area
- had the benefit of external procurement expertise from inception to delivery
- was consistent in each of northern, eastern and western localities of the CCG

IS4 The CCG recognises community services have a significant role and demonstrates an adaptive process of co-production and strategy development that was proportionate to the scope, nature and clinical risk of the services. This strategy flowed through into the procurement approach which then further assessed these areas before identifying preferred providers.

IS5 The CCG response focuses on the whole process but also demonstrates it did engage with providers including Northern Devon Healthcare NHS Trust at key milestones in this programme, in addition to specific engagement with Northern Devon Healthcare NHS Trust including taking into account their feedback and concerns.

IS6 In the course of today (11 February 2015) the CCG has received a copy of Northern Devon Healthcare NHS Trust's response to the statement of issues. We would want to make it clear that we are not at this stage responding to this document, but rather as requested to Monitor's statement of issues.



11 February 2014.

¹ Link to Monitor statement of issues

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1. Background

1.1 The starting position

1. The CCG's work to develop the strategy, principles and outcomes for community services and to develop the arrangements for sustainable delivery of these services is set against the backdrop of changes introduced as a result of the national Transforming Community Services Programme in 2011.
2. This programme brought about the separation of the commissioning and provision functions of Primary Care Trusts. The local PCT, NHS Devon, transferred community services in Eastern Locality to Northern Devon Healthcare Trust and those in South Hams and West Devon to Torbay Health and Care Trust on an interim basis only until 31st March 2014 (later extended to 30th September 2015).
3. Community services in Northern Locality had previously been vertically integrated with Northern Devon Healthcare Trust in 2006 and therefore were part of the annual contracting round. Those in Plymouth area were re-commissioned with Plymouth Community Healthcare, a new Community Interest Company established for this purpose, with a contract which continues until 31st March 2016.
4. This meant that when NHS Northern, Eastern and Western Devon CCG was established on 1st April 2013 it was important to pay early attention to planning ahead for the commissioning of community services in order to secure quality, efficient and effective future provision. This work was designed to:
 - Develop the strategy, principles, priorities and outcomes for future community services before commencing procurement.
 - Achieve sustainable provision for community services from 2015/16 onwards when current arrangements end.
 - Engage patients, carers, the public and other key stakeholders including healthcare providers from an early stage.

1.2 Initial co-production

5. The CCG's Community Services programme started on 1st May 2013 with an initial co-production phase which included gaining further insights in relation to:
 - Health needs of the population
 - Views from engagement
 - Policy evidence and direction
6. This would provide strong information to develop the strategy and subsequently to underpin any future procurement. Although the approach was to develop a clinically-led strategy first, the CCG also engaged procurement expertise from South West Commissioning Support Unit from the outset in this extended co-production (or pre-procurement) phase.
7. To establish a localised and co-ordinated approach to the programme named commissioning and GP leads were identified for each locality and an Associate in the CCG

identified to lead this programme reporting to the CCG chief officer for this specific work. This team, and the expert procurement team, has been consistent and engaged throughout the programme adding to our ability to use learning from co-production to shape future community services.

Health needs of the population

8. Using the Joint Strategic Needs Assessment (JSNA), Locality Health Profiles and a range of other health needs and health care usage information a strong understanding was obtained and this continues to be enhanced.

In the Eastern Locality

- The population served is approximately 380,800 and expected to rise by 11.9% by 2026.
- The population aged 65 or over is 22% (3.54% above the national average for people aged 65 and over) putting Eastern Devon's population in the same position as England, as a whole, in 2027.
- The demographics are varied: with challenges to overcome of rurality especially in Mid Devon, deprivation, together with the density of the Exeter city population as well as coastal towns attracting a retired and elderly population in the Wakley and WEB areas of East Devon.

9. The JSNA² is supplemented by needs assessments e.g. carer needs and other assessments of relevance to this work. It is also disaggregated at town level as well as locality providing substantial information for forward planning. Extracted information on health needs from the JSNA and other detail was shared in engagement relevant to local areas and also in stakeholder events.

10. Clinicians focussed from an early stage on a co-ordinated pathway of care for older people. It was clear from the needs assessment that it was imperative to tailor future service models and ways of working for the current high and projected increasing numbers of people with complexity of need or frailty, with a shift in emphasis towards prevention and care outside of large hospitals where safe and possible. The announcement of the Integration Transformation Fund (later termed the Better Care Fund) during the co-production period emphasised the importance of these shifts in emphasis and the drive towards greater integration.

Views from engagement

11. The engagement and co-production period which commenced from May 2013, continued until March 2014.

- Between May 2013 and March 2014 clinically led summits or meetings took place at least once in the two cities and many market and coastal towns in the area served by the CCG reaching more than 2000 people.

² <http://www.devonhealthandwellbeing.org.uk/jsna/profiles/>

- There were focus discussions with the voluntary sector; organisations representing people with long term conditions; with the care homes quality collaborative; carers and many others.
- Formal presentations to, and discussions with, Health Scrutiny Committees and Health and Wellbeing Boards.
- A first stakeholder event was held on 7th and 8th May 2013. This was a strategic scenarios event provided and led by the NHS Confederation who worked with a mixed public and organisational group in Eastern Locality over two days to use scenarios to assist with local planning.

12. There were four large system leaders' events during this time:

- A 'View from here' event on 26th July 2013 to introduce this programme and hear early views.
- Two stakeholder reference group events on 5th September 2013 '*What do we really mean by transforming?*' and 13th November 2013 '*The route to transformation*'
- A whole system event on 5th March 2014 focused on achieving integration as a foundation of the future '*A community based delivery system*'

13. A summary of the outputs from this meeting is provided at Appendix 6 to this response.

14. Chief Executives of healthcare providers in the area (this included Northern Devon Healthcare NHS Trust) were invited to nominate organisational representatives to attend each of these events. In addition to the significant input of providers and commissioners other key strategic stakeholders were invited including: local authorities; Scrutiny and Health and Wellbeing Board representatives; Local Healthwatch; a Carers Strategy Board representative; voluntary sector participants; lay members; locality GP leaders; clinicians; NHS England; current community provider staff side representatives.

15. These events, three of which were independently facilitated, received information about health need; views from the public; emergent national policy; integration and other topics. A particular focus was developing the ten commissioning principles that would act as a guide for future commissioning. These principles underpinned the development of joint health and social care 'I' statements which describe how people should expect to experience integrated health and social care services. All events took place ahead of completing and publishing the draft Strategic Framework. These events were all supported by the CCG's procurement team from the South West Commissioning Support Unit to help facilitate the events and provide procurement advice as required.

16. During these early events there was no strong objection to the direction of travel proposed by the CCG for community services. This was despite the involvement of an independent facilitator who requested all participants to give their full views regarding the emerging CCG's vision, strategy, and process. In fact there was considerable consistency in messaging and views between those of strategic leaders and through wider public engagement that took place throughout the co-production period.

17. The 'principles, priorities and 'I' statements, developed during co-production, were later set out in the Strategic Framework and also encapsulated within the procurement

approach, with a clear linkage being demonstrable between the questions asked and the underpinning principles resulting from co-production.

18. Feedback from the events included achieving the best for patients, finding a local/system solution (rather than competitive tender) and integration. Local authorities engaged, including inputting to the programme executive group and maintained a view of the benefits of a system solution throughout to enable more rapid progression of integration. In Devon County Council area the local authority already has partnership arrangements in place with current community providers. The local authority at an early stage considered whether it would join the CCG in a joint procurement but following careful assessment decided against this but confirmed its commitment to work with the CCG in this programme to build integration for the future.

19. As the Better Care Fund and Integration focus was accelerating nationally during this period, the CCG took the opportunity to ensure it was embedded at the heart of the Community Services Programme and vice versa. As well as ensuring that the vast learning from this programme fed into the Better Care Fund Submissions, joint 'I' statements and 'I' plan. The events described above had joint presentations on integration from the local authority and the CCG and on 05 September 2013 included testing the system view on numerous polarities including integration.

20. In the context of this focus on integration, the CCG held an independently facilitated health and social care meeting on 07 November 2013 which included the local authority Director and senior team, the portfolio holder for People, GP leads; and other CCG governing body members. The purpose was to consider the Better care fund, integration, transforming community services and how a step change could be achieved. The group looked at how they would like the system to operate in 2 years and 5 years again looking not only at the possibility of health and social care integration but more than this and setting the foundations for system integration.

21. This was followed through in the presentation, and subsequent group discussions, at the stakeholder event on 13 November 2013 to which all providers including Northern Devon Healthcare NHS Trust were invited. The penultimate event on 05 March 2014 received integration presentations (in 2 years and 5 years) from local authority Directors and the CCG's Chief Officer. One of the overwhelming messages from that event was that although people were proud of the level of integration that had been achieved so far but *'we aren't there yet'*.

22. This focus on integration is important as a foundation for quality, efficiency and value for money and achieving the best interests of patients. The CCG believes that this will be achieved through a delivery system that is aligned around individuals, families and communities with streamlined care processes both within health and between health and social care services. It is the CCG's opinion that this could be delivered through partnership working (as demonstrated in the Western Locality) as well as through integrated provision.

23. The CCG having listened to patients, the public and the system wanted to take the opportunity of community services procurement to make a positive step change towards greater integration of services.

In Eastern Locality the health and care system took the opportunity to establish the innovative 'ICE' project - Integrated Care Exeter' - which brings together all parts of the system (including Northern Devon Healthcare NHS Trust) working in partnership to achieve greater integration. The experience has been beneficial and the integrated pathway approach and emergent specification for adults with complex needs is at the heart of this work. Although this is a partnership approach rather than single accountable provider it is demonstrating that it is possible to go further and faster with integration than has previously been achieved.

Policy direction

24. During the engagement and co-production period there was significant policy and regulatory development in the following areas

- Personalisation and personal health budgets bringing considerable opportunities to find different solutions and we gauged opinion on this through engagement and embedded this into our future bundles of care.
- The Better Care Fund and integration as well as learning from wider work and in the course of this programme we reviewed key messages from a range of reports on integration of health as well as health and social care
- The role of primary care with general practice as the organising unit of care and pharmacies also playing an enhanced role highlighting the need for our planning to ensure any arrangement now could work and adapt as primary care develops
- Older people's care and particularly the emphasis on integrated pathways across health and social care and with full integration with the voluntary sector shifting the emphasis of care to prevention. This was a particular focus, particularly in Eastern Locality due to the age profile of the population.
- Introduction of the Regulations in April 2013 just prior to this work commencing and publication on the 19 December 2013 of Monitor Substantive and Enforcement guidance at the point in the programme where we were preparing to transition from strategy to procurement enabling these to be taken into account from the start.

25. In February 2014 the Kings Fund published a report following a review of Transforming Community Services. This set out key messages for the future which were described in the draft Strategic Framework and integrated into our thinking. They focused on joined up care with teams working together around the person.

26. Triangulating needs, insights and policy and taking account of recurrent themes and examples of experiences over the course of this programme the CCG was able to build a clearer view on what right or best for patients would mean and began to develop its thinking on how this could be achieved. This contributed to both the strategic and procurement elements of the draft Strategic Framework published for comment in May 2014

27. More recently much of this direction is encapsulated in the NHS five year forward view and the CCG is confident its approach for community services will fit into this.

NHS Futures

28. Encapsulation strategic planning that is wider than merely community services, the NHS Futures³ programme commenced in the latter part of 2013/2014. Chief Executives across the system were meeting and in relation to the community services programme in January 2014 urged the development of a system solution. It was recognised by system leaders that the impact of a fully regulated competitive tendering process would be a major distraction to the wider healthcare system. In addition the NHS Futures work emphasised a need to proceed at pace with the procurement to enable the system to stabilise again as early as possible. At no point was it suggested by the group that this meant leave services as they are - but more to manage this at a local level. Northern Devon Healthcare NHS Trust were clearly sighted on these discussions as a member of the CEO group.

29. In April 2014 as part of this NHS Futures work a large Care Design Group was established for a number of events independently facilitated by PwC. Many of the points from the community services engagement were replicated by this largely clinical forum in terms of co-ordination, shifting the emphasis of care, integrated pathways with acute, community, primary and social care. An early draft of the Strategic Framework was shared with this group on 28th April.

30. The approach the CCG is adopting for Community Services within the NHS Futures programme is consistent with the themes from the Transforming Community Services programme. The Community Services workstream within the NHS Futures work programme is taking the Strategic Framework as the initial phase of transformation for community services. This will then be developed further to ensure that transformation does not stop once the initial plans arising Strategic Framework have been delivered.

Developing the Strategic framework

31. From late 2013/early 2014 until May 2014 the CCG then set about drawing together the understanding gained to set out the developing strategic direction and vision as well as its initial thinking on the scope and nature of procurement that would best deliver the emergent strategy. Recognising that these needed to be shared and tested at an early stage before any decisions were made, the Governing Body looked at these in private session in 19 March 2014 and then more fully in a development meeting in 02 April 2014.

32. A conversation was held with each of the three locality current providers of community services to make them aware of this emergent proposal and that this would be part of the opportunity to comment on the Strategic Framework. In relation to the Eastern locality this included telephone discussions with some of the Executives from Northern Devon Healthcare NHS Trust, follow on letters, and offers to meet to discuss the emerging proposals.

33. In addition ahead of publishing the draft Strategic Framework a letter was sent to all Chief Executives with a draft copy of the procurement proposal during April and this was further updated before sharing the full draft Strategic Framework with provider Chief Executives on 28th April, two weeks ahead of it being finalised for publication.

³ NHS Futures is the programme of work set up in response to the identification of the NEW Devon CCG Health Economy being one of 11 challenged health economies during 2014.

34. During this two week period, some feedback was received on the overall document which was taken into account in the final draft document . For example, Northern Devon Healthcare NHS Trust highlighted accuracy and confidentiality concerns in the finance section so this was changed to reflect their concerns.

35. The draft Strategic Framework was titled "Integrated, personal and sustainable: community services for 21st century" and was published on 14 May 2014. A period of engagement ran from 14 May until the 8 July 2014 to hear views of providers and the public. The Governing Body in approving its release was clear it would remain open minded on the outcome and take the product of engagement into account for future decision making.

36. From page 40 of that document the Framework summarised the intended high-level approach to whether or not the services would be competed. A number of trusts formally responded to the CCG on this document, including Northern Devon Healthcare NHS Trust.

37. The Framework referred to the key themes which had emerged from the engagement process including integration, care pathway co-ordination, care in a community setting and personalisation. Taking each aspect of the services in turn, the Framework indicated whether, having taken the engagement themes into account, this pointed towards a competitive or non-competitive approach.

38. For Personalised and Preventative Support, the Framework proposed competition for all localities based on the following rationale:

- A shift from block contracts to promote greater flexibility and innovation
- No current natural provider for the whole service
- A breadth of potential providers
- The benefits of encouraging a strong market.

39. For Adults with Complex Needs, the Framework proposed not to invite competition, based on the following rationale:

- Integration with acute care was essential as was co-ordinated pathways of care
- There was a sufficient local provider base
- Greater clinical alignment with acute services would support the shift of care out of acute settings
- Delay would be a risk were the services to be subject to a fully competitive tender process.

40. For Community Urgent Care, the Framework proposed to invite competition, based on the following rationale:

- There was a potential to achieve improvement
- The need to establish consistency of community urgent care aligned to wider network of urgent and emergency care
- Benefit of maximising value of expertise at scale for a quality, efficient and effective community urgent care service
- A range of possible providers.

41. In order to ensure that it received maximum feedback to the draft Strategic Framework, prior to its launch the CCG arranged communications teleconferences with providers and materials for staff briefing in order to allow an opportunity for questions and to explain the current rationale behind the Strategic Framework. The CCG offered to attend meetings with the staff of the two current providers - this was welcomed in the south but refused for the east and north.
42. The second engagement period in this community services programme where comments could be made on the contents of the strategic framework was from 14th May until 8th July 2014.
43. We received (268 number) of responses from Providers, public and members of staff. There were signals of wider local provider interest in provision of community services. Generally the small amount of public feedback on the procurement proposal was supportive although largely the public commented more on the strategy and in particular the value placed on community hospitals.
44. Northern Devon Healthcare NHS Trust responded with both a written engagement response as well as a supplemental confidential response (issued on the same day). The public response supported the general direction of travel for the services and made constructive comments on a number of issues but also queried whether it was appropriate to have identified the proposed providers at this stage. In a supplemental confidential note they also made clear their concern that (as they believed) a decision as to the provider had already been taken. This was not the case.
45. Within the draft Strategic Framework (P44) the CCG were clear that no decisions were going to be made by the CCG until its Governing Body meeting on 16 July 2014. Furthermore, the CCG also stated that during the engagement period it would be “seeking views and assessing the impact and deliverability of this pattern of provision” (P43).
46. We heard concern from staff in all areas about change as would be expected. For the Eastern proposal at the time there were staff who were both for and against this.
47. Following the receipt of all of the engagement information, an engagement report was prepared and presented to the governing body in July 2014. A separate paper setting out the principles and strategic priorities within the draft Strategic Framework was also presented for approval. The July 2014 Governing Body meeting also agreed the timescale to revise the final Strategic Framework and associated commissioning intentions for September 2014. These documents would not set out the procurement approach, but would focus on the strategic direction. It was also agreed that a draft Case for Change would be produced that would set out the procurement approach and associated timelines.

1.3 The Case for Change

48. The revised Strategic Framework was accompanied by a draft Case for Change Document (Appendices 4 and 4.1 to the documents presented at the public meeting of the Governing Body on 04 September 2014). As with the draft Strategic Framework the draft Case for Change was circulated to providers prior to publication, with the CCG addressing specific concerns prior to publication including points raised by Northern Devon Healthcare NHS Trust.

49. The CCG's draft Case for Change set out the strategic vision for how community services will be delivered. This was based on the Strategic Framework that was developed through detailed co-production work but pulled in key messages that had been heard from the engagement work with key stakeholders and the public. The draft Case for Change details the current system including the inherent inefficiencies in the way that services are delivered and opportunities to strengthen delivery

50. As well as specific locality issues, the CCG identified in its draft case for change that where the provision of community services is governed by an organisation outside of the urgent care system footprint, for example, not within a single governance structure, competing incentives and pressures can affect the delivery of seamless care and the efficiency of the system. For example:

- The impact of differing clinical policies and organisational governance systems; record keeping systems and Information Technology – all of which can increase clinical risk.
- Challenges for patients navigating their way through a complicated system, when it needs to be simple and seamless avoiding fragmented care.
- The reality that the financial and system priorities for individual provider organisations may not align to the best interests of the patient or system effectiveness.

51. When developing solutions for the future, it was important to take account of these issues in each of the three localities. The CCG, having taken the views from engagement and particularly feedback from the provider system into account, could see there were a range of potential ways forward and was open to solutions as to how these issues could be resolved, including partnership working, and developed a procurement approach to enable providers to develop the proposals they felt would best do so.

In the Eastern Locality, we highlighted that there are Northern Devon facing clinical and strategic governance arrangements for community services and that this delivery system arrangement does not align to the natural flow of patients. This can lead to increased clinical risk due to differing medicine and clinical practice, as well as different corporate and clinical priorities. The CCG's strategy of providing less care in the acute setting and more in the community requires resources, both financial, physical and workforce, to be able to freely move within the healthcare system. This was an important feature of the CCG's Case for Change. The CCG's vision for greater self-management of long term conditions and an increased focus on preventative care and personalisation requires a change in the way that current services are delivered. By providing more care through primary care and community services, people will not be required to access acute services except for acute episodes requiring inpatient admission and treatment. Acute episodes cost more than prevention and community based treatment without inpatient stay; people also told us during engagement that where it is clinically appropriate they would rather receive care at or as close to home as possible.

52. By helping people to stay healthier, and to encourage self-management of illness the CCG will not only be able to provide better clinical outcomes for patients and improve their standard of living, but will be able to make increased efficiency gains in the use of resources.

53. The CCG was also clear in its Case for Change that each of the localities was at a different starting point and so required a potentially different solution, although the end goal

of maximum service integration was to be considered when considering the future provider of services. The CCG highlighted the importance of increased integration of health and social care working, especially in the provision of care to the elderly. Not only does integrated care provide greater clarity and better clinical and social outcomes for those using the services, it also provides financial and delivery efficiency gains for the system as a whole.

54. As such, the development of future services and systems in line with the CCG's strategy was factored into the procurement questions contained within the Most Capable Provider Assessment.

55. The CCG recognises that the current model of community service provision does not deliver the Strategic Vision for the future, and so the draft Case for Change reflected that change will need to happen throughout and beyond the period of procurement to ensure that there are no delays to service transformation during this period of current financial pressure. The CCG accepts that there is not a one size fits all solution to how services should be designed, however, the CCG is determined that outcomes for patients will be consistent across the geography. While this means the makeup of services may differ from one locality to another (due to geographic and other pressures) the outcomes that a patient can expect across the CCG will remain the same.

56. The CCG's proposed direction for Adults with Complex Needs has been supported by both Local Authorities as they recognise the importance of further integration of health and social care services in the continued advancement of the quality and accessibility of services of health and social care services. This support was included within the CCG's final Case for Change document.

57. The draft Case for Change document set out the proposed options appraisal to determine which procurement approach would best give rise to the opportunity for the CCGs strategic vision to be delivered, either by doing nothing, entering a fully regulated competitive process or by awarding to the most capable provider. The draft Case for Change set out the proposal that the CCG would undertake this review during September and would then follow the resulting procurement process.

58. When the draft Case for Change was sent to providers ahead of formal publication, this was the first clear indication that there was to be a competitive procurement process.

59. The draft Case for Change document was presented to the Governing Body at the September 2014 Public Meeting for review and for them to consider the risks within the proposed direction, notably surrounding the procurement process. The Governing Body endorsed the direction of travel including the proposed procurement process. The final Case for Change was presented to the public Governing Body meeting on 05 November 2014; the same date as the result of the procurement process was presented to the confidential section of the Governing Body

60. In relation to Personalised and Preventative Support, the draft Case for Change proposed a competitive approach, either through AQP or competition (see page 24). In relation to Community Urgent Care, the Case for Change proposed a competitive approach (see page 26). In relation to Complex Needs, the Case for Change indicated an intention

not to compete the services but to adopt a collaborative approach (see page 29). The Case for Change noted that:

"Although the scale and nature of the services for adults with complex needs may support a competitive approach, we propose to continue to assess the benefits and risks of different approaches to ensure we do the right thing for the population".

61. The CCG noted the application of the NHS (Procurement, Patient Choice and Competition) (No 2) Regulations 2013 and the Monitor Guidance at page 30 and set out the rationale for a non-competitive approach as including these features:

- No significant adverse impact on competition within the community services market compared to the current position
- The benefit of delivery of community services based on the urgent care system in the locality (with further benefits of this integrated approach set out at page 31 (see below)
- The proposal to undertake an options appraisal and due diligence to identify the most capable provider.

62. The benefits of the integrated approach set out on page 31 included:

- Avoiding duplication of clinical time inherent where two providers are involved
- Avoiding bed management complexities between community and acute providers leading to clinically unnecessary and inappropriate bed usage
- Avoiding potential risk or delays due to the transfer of documentation during patient handovers from the acute to the community provider
- Integration of clinical pathways

63. It noted that by moving to a position of greater integration within the Eastern locality urgent care system, there would be significant benefits to the system and to users of services including considerably increased opportunities for the use and allocation of finite and restricted resources.

64. It should be noted that in describing a non-competitive approach, the CCG was contemplating a comparative assessment of different potential providers in order to identify the Most Capable.

65. This increase in quality can be deemed to be through clinical (better patient outcomes, high volumes of provision) and non-clinical (increased patient experience, improved access to services, increased service availability) benefits to patients. Based on the benefits that the CCG believe could be achieved by a non-competitive approach, the CCG designed an options appraisal and due diligence approach to identify the most capable provider(s) to deliver community services (Page 30 of the draft Case for Change).

2 Engagement with Northern Devon Healthcare NHS Trust

66. Throughout the co-production phase (May 2013 – March 2014) for the Strategic Framework, the CCG included Northern Devon Healthcare NHS Trust in all of system wide events. CCG records show that these events were attended by the Chief Executive, Director

of Finance or another member of the senior team. These events included round table discussions in developing ideas and strategic direction, for which the Trust was involved.

67. On 28 April 2014, prior to the draft Strategic Framework being released, the CCG took the opportunity to communicate its contents and to share its early thinking of the non-competitive procurement approach to be adopted in relation to Complex Adults with the Chief Executives in the health and social care system, including Northern Devon Healthcare NHS Trust. The CCG recognised that the details contained within the draft framework would potentially cause concern for current employees and therefore wanted the executive teams to be sighted on the contents ahead of release.

68. During the engagement in the strategic framework, representatives of the CCG met the executive team of the Northern Devon Healthcare NHS Trust to discuss their concerns with the early proposal. These concerns and particularly the Trust's emphasis on 'no change' and maintaining the 'status quo' which were raised at the meeting were subsequently taken into account in the design of the options appraisal.

69. As a result of the detailed engagement processes during May – July 2014, the CCG took into account the product of its engagement. In September 2014 on considering the draft case for change the Governing Body concluded it was necessary to undertake an options appraisal and dependent on outcomes to follow this with a procurement process. Due to the need to maintain momentum the CCG also agreed to progress in readiness for a Most Capable Provider process should that be the outcome of the options appraisal (note this was in addition to continuing to be ready for the other options should these be preferred).

70. Following Governing Body approval on the 04 September 2014, and whilst the options appraisal was underway, all eight organisations who submitted responses to the draft Strategic framework were advised of this revised procurement process and were invited by letter to confirm by the 19 September 2014 whether they wished to participate in a Most Capable Provider Assessment should this be the option selected in the appraisal.

71. The outcome of the Options Appraisal was to advance towards a Most Capable Provider process. The Most Capable Provider process, which involved competition, was run through our procurement specialists to ensure independence from the CCG. This was conducted in an open and transparent process. This ensured that all providers were notified of the same information at the same point in time, including clarification points regarding the procurement process. Northern Devon Healthcare NHS Trust engaged in this process for both Northern and Eastern Localities.

72. Following the completion of the procurement process, and the decision to award Preferred Provider status on 05 November 2014, all organisations were verbally notified of the decision on 06 November 2014. A formal letter was sent to all submitting providers on 07 November with debrief reports providing their scores and feedback on their submission. In cases where they were unsuccessful, a comparison of the preferred provider's scores was also included for transparency and comparison.

73. The notification letter sent to Northern Devon Healthcare NHS Trust on 07 November 2014 included the opportunity for clarification to be sought from the South West Commissioning Support Unit. This was not taken up by the Trust. When the Trust later

requested a meeting to discuss certain points, the CCG offered to discuss these points as part of a debrief on the procurement process. The meeting requested by the Trust was arranged for 8th January 2015 and although Northern Devon Healthcare NHS Trust did not wish a debrief they wished to discuss the four points in their letter to the CCG dated 15 December 2014:

- How the decision taken is in the best interest of the patients?
- How the decision taken is in the best interest of the health and social care system?
- How the decision has been taken now, against the background and urgency of Devon being a challenged health economy?
- How the decision fits with the future outcomes of the work-streams agreed as part of NHS Futures programme, which may significantly affect the strategy for community and other services?

74. Following this meeting, Northern Devon Healthcare NHS Trust felt that they were unable to seek the reassurance that they needed and continued with their complaint to Monitor. The complaint that was made focussed on the following core areas, none of which were included in the Trust's agenda for the meeting on 08 January 2015 ::

- Whether the process used by NEW Devon CCG enabled it to assure itself of the quality, efficiency and value for money of service provision including how the process enabled the CCG to identify the provider that was most capable of securing the needs of the NHS service users and improving quality and efficiency
- Whether NEW Devon CCG acted in a transparent way
- Whether NEW Devon CCG treated providers equally and in a non-discriminatory way
- Whether there were conflicts of interest which affect the integrity of the proposed contract award

75. As such the CCG has not had the opportunity to seek to resolve the specific issues that are now the subject of this complaint. Further information in relation to engagement with the Trust is included in the CCG responses to the specific issues identified in the Monitor Investigation in Section 6 to this response.

3. The Options Appraisal

76. During the co-production phase of the CCG's Strategic Framework, the CCG heard recurrent themes relating to the fragmentation and disjointed provision of care and a desire for services that were co-ordinated and designed and delivered to meet the needs of patients . As already described these messages were heard across a range of patient and other stakeholder groups and the resultant strategic priorities were shared and with many groups and generally universally supported, including by Northern Devon Healthcare Trust. These were:

Help people to stay well	From a primary focus on caring we would expect the emphasis to move towards prevention, self-management and early help recognising the importance of information and positive approaches in particular helping older people remain well where possible.
Integrate care	Services that are co-ordinated and integrated and that remove

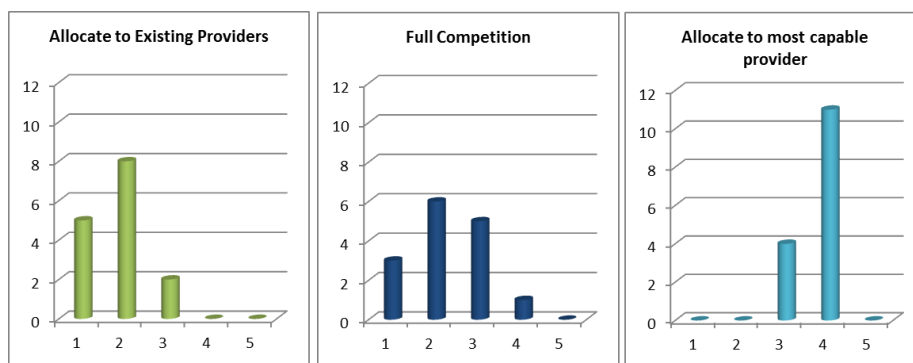
	and minimise organisational boundaries should be a central feature for future services. The importance of services being wrapped around individuals and their families has been stressed time and again.
Personalise support	Personalisation, choice and control over areas such as personal health budgets, information, education and self-management support are all important. Personalisation is much more than personal health budgets and we need to develop a model of care that is designed for individuals.
Co-ordinate pathways	The importance of pathway based approaches to care with co-ordination through prevention to crisis and ongoing care has been identified time and again, with a particular emphasis based on the natural flows of patients.
Think carer think family	The key role of carers and the need to support carers' health and wellbeing in addition to that of patients and the population, to achieve mainstream services that are carer aware are especially important as more services are focused in people's homes and in the community.
Home as the first choice	The growing understanding of the need to shift the emphasis to fewer beds but a greater number of more personalised and responsive care packages at home is now indicating a clear impetus to achieve this at the earliest opportunity.

77. This need to make service and system change was set out in the draft Case for Change in September 2014 and followed through in the Final Case for Change that was approved by the Governing Body in November 2014. The need to integrate services and develop a system that has the incentives to meet patient needs and deliver the best clinical outcomes for the future was embedded in the six criteria which were incorporated in an Options Appraisal and the Most Capable Provider processes (see further detail below) and Appendices 1 and 2.

78. The Procurement Options Appraisal assessed which of the procurement options available to the CCG would best deliver the priorities and principles for Transforming Community Services as set out in the Strategic Framework and further developed in the draft Case for Change. Specifically, the Options Appraisal considered whether the principles and priorities as set out in the CCG's Strategic Framework could be best delivered by:

- a) Allocating contracts in a non-competitive way to the current providers
- b) Undertaking a full competitive procurement exercise
- c) Allocating contracts in a non-competitive way to those providers deemed most capable to deliver the contract.

79. The Options Appraisal was assessed independently by 15 members of the CCG including representatives from Finance, Commissioning, GP Leads, and the CCG Executive Team. The overwhelming outcome of the appraisal was to follow a process to allocate services to the most capable provider. This was presented in private session to the Governing Body on 01 October 2014, where the Governing Body formally adopted the recommendation from the Provider Options Appraisal.



80. The graphs above show the number of people scoring each option between 0 (unacceptable) and 5 (excellent). The clear preference as a result of the options appraisal to proceed with the “Allocate services to the Most Capable Provider” option. Comments received back regarding the fully competitive approach raised concerns about the destabilising impact on relationships with local authority partners, concern around greater fragmentation and potential uncertainty in the system at a time when it is necessary for all partners to work together to deliver financial sustainability.

81. Concerns were also raised that a formal competitive process would stop ongoing transformation and would also require a service specification which would inhibit transformation over the life of the contract.

82. The feedback regarding the maintenance of the existing relationships included the lack of alignment of providers with patient flows, perverse incentives within the current system to act inefficiently, and the current system does not generate the integrated vision for service delivery although this could be delivered through better partnership working.

83. Whilst there was a wish to avoid suggestion that the CCG was running a formal "competition" to avoid confusion with a fully regulated process under the Public Contracts Regulations 2006, as already described the CCG has nevertheless engaged transparently with potential providers, which enabled providers to submit a proposed solution against clear published questions, and which then lead to a fair and equal evaluation process.

84. The CCG had already been working with Monitor who had offered informal advice. A meeting with Monitor was held on 15 October 2014 which considered how the CCG had developed the Strategic Framework and Case for Change document from the results of co-production and stakeholder engagement. The meeting also considered the procurement process that the CCG was following in determining the Most Capable Provider.

85. At this meeting, we took note of Monitor’s comments that the process should no longer be described as being non-competitive as it was, in essence, a process to test the market and establish the most capable provider according to the CCG's criteria. As such, following this meeting, the CCG’s procurement process was renamed as being to “Allocate contracts to those providers deemed most capable to deliver the contract”. This was reflected in the 05 November 2014 Governing Body procurement paper. Other aspects of Monitor’s informal advice were taken carefully into account alongside the advice of external procurement experts from the South West Commissioning Support Unit and the CCG’s legal advisors.

4. Most Capable Provider Assessment

86. The CCG undertook an assessment as to which organisation was deemed to be most capable to deliver community services within each of the localities. Utilising the principles and priorities from the Strategic Framework in designing the Most Capable Provider Assessment ensured that the procurement approach followed was best placed to deliver the service redesign requested through the extensive engagement and coproduction work undertaken in developing the CCG's vision for the future. The Questions used in that Assessment are set out in full at Appendix 2 and referred to in the Response to Statement of Issues Section below.

5. Chronology of the Procurement Process

87. Please see attached as Appendix 3 a chart demonstrating the chronology and steps involved in the procurement process. This is further detailed in Appendix 6 to this document.

88. As can be seen, the CCG undertook a Capable Provider Assessment between 22 May 2014 and 14 July 2014. This was conducted during the 8 week period of engagement to determine whether the providers indicated in the draft Case for Change were capable of providing these services. This assessment was undertaken to enable to proceed if the proposed options were supported by the results of the engagement process.

89. The Capable Provider assessment was not undertaken for the current providers as both deemed to be capable. Northern Devon Healthcare NHS Trust was therefore not required to be assessed at this stage as it was automatically considered to be "capable" as an existing community services provider.

90. On 22 September 2014 the CCG proceeded to the "Most Capable Provider" Assessment Stage. This entailed:

- 22 September 2014: Publication of an Invitation to Submit a Solution and accompanying documents, including Guidance.
- 6 October 2014: Clarification stage
- 13 October 2014: Receipt of solutions from providers
- 21 October 2014: Evaluation and Moderation
- 23 October 2014: Executive Approval for Recommendation
- 5 November 2014: Governing Body Ratification
- 7 November 2014: Debrief

91. The options appraisal process was taken to Transforming Community Services Executive Group on 10 September 2014. At the meeting it was agreed that subject to the results of the Options Appraisal the Most Capable Provider process should continue without awaiting the next TCS Executive or Governing Body. This was to ensure that the process was given appropriate time ahead of a decision at the November Governing Body. The Options Appraisal was completed and was then ratified by the GB on 01 October 2014

92. We are confident that community services working effectively within an urgent care system will create the best conditions for the success in providing co-ordinated care that is integrated not only with local authorities but within the health system. This was a pivotal

point in our Most Capable Provider process and providers who engaged had the same opportunity to propose solutions to achieve this.

93. The Most Capable Provider process looked specifically at the added value for patients and the system over and above core quality standards that would be expected of all providers and, as described above, addressed the challenges and opportunities raised by system leaders.

94. The following sections set out the CCG's narrative to Northern Devon Healthcare Trust at the meeting on 08 January 2015.

How the decision taken is in the best interests of the health and social care system?

95. The process will bring about the following benefits in the urgent care system in the Eastern Locality with simplified and streamlined patient and work flows being implemented which will seek to minimise duplication and hand-offs and maximise service co-ordination and effectiveness. Getting this right will support delivery of a range of health and social care system requirements:

- A foundation for greater integration between the health system partners within the urgent care system as well as a stronger foundation for the next steps of health and social care integration
- Commissioning community services in a system context rather than in isolation to underpin the effectiveness of the system in achieving wider partnerships with primary care and the community and voluntary sector through arrangements that will underpin future accountable care organisations.

96. Although not central to the actual decision on which provider was award Preferred Provider status, a key point on the rationale for a system approach was to reduce the inter-organisational barriers, duplications and distractions that presently exist to enable greater focus on the pressing priorities for the health and care system.

How the decision has been taken now, against the background of the urgency of Devon being a challenged health economy?

97. In 2011 the service was transferred on an interim basis - initially until 2014. In 2012 this was extended until 2015/16. The CCG announced at its Governing Body meeting in May 2013 that it would follow through NHS Devon's intent to re-commission the services within this timeframe and this has been subject to a number of discussions and the information has been in the public domain.

98. The services and staff have already had an extended period of uncertainty. This was discussed by Chief Executives in the system in the context of the local health economy 5 year plan confirming the importance of moving forward quickly with TCS to establish system clarity for the future and to reduce the current uncertainty in the system. This was set out in the draft Case for Change document. Community services are pivotal in whole system working and the challenged health economy work and therefore this action will bring benefits to this.

How the decision fits with the future outcomes of work-streams agreed as part of the NHS Futures Programme which may significantly affect the strategy for community and other services?

99. All organisations involved in the NHS futures programme had the opportunity to comment on the draft Strategic Framework for community services. It was also shared with the group involved in the PWC events for comment. The strategic vision and direction for services has been consistently supported and therefore the finalised community services Strategic Framework will underpin the NHS futures work. It is anticipated that the NHS Futures work will influence the implementation of the strategy and increase the pace and scope of progress through whole system working.

100. It is also noted that the strategy will be reviewed and refreshed at intervals to take into account new information.

101. This does not affect the decision in relation to provision. We would expect community service providers to respond to strategic change and this will be important during the due diligence not only in eastern locality but also northern and western localities.

6. Responses to Statement of Issues

1. Whether the process used by NEW Devon CCG enabled it to assure itself of the quality, efficiency and value for money of service provision

Monitor Statement of Issues: Para 21.

We will examine whether the process used by NEW Devon CCG, and in particular, the criteria it used to assess prospective providers, enabled it to select the provider that:

- a. was most capable of securing the needs of NHS healthcare service users and improving the quality of services and the efficiency with which they are provided
- b. provided best value for money.

Response overview

102. The existing contract for the Services within the Eastern locality was due to come to an end in October 2105. The CCG also wished to change the way it was commissioning these services as identified in its case for Change and therefore it needed to make a decision as to the Most Capable Provider for these services. This required it to consider all interested parties in the market.

103. The CCG considers the process used to assess prospective providers did enable the selection of preferred providers that were most capable of improving the quality of services, efficiency and value for money. The Most Capable Provider Process incorporated these points into the criteria and questions for provider solutions. These criteria and questions and the process to assess them were purposefully designed to look beyond core capabilities towards the solutions that would best achieve a step change in integrated community services to deliver the vision. All organisations stepping forward for assessment were provided with an equal opportunity to submit proposals to clearly set out how they would address these future requirements within each of the localities.

Context

104. The CCG's procurement process has been developed to identify the preferred provider in each locality. The process of transition is ongoing in each of these localities ahead of final contract award during 2015/16.

105. The CCG has undertaken a consistent process in each of the three localities. Each of the localities was at a different starting point and so the resulting recommended Preferred Providers and associated provider solutions represent different points on a journey towards greater integration. The CCG designed its procurement process to ensure that the maximum benefit was delivered for patients and the public in each of the localities, recognising that the solution may not be consistent across the localities. This consistent process ensured that the procurement generated the best solution for each locality in delivery the strategic vision for the CCG despite different starting points.

106. In the draft Strategic Framework that was published for engagement on 14 May 2014⁴, the CCG set out its proposed providers for services in each of the three localities. At this point in time, the Strategic Framework was a draft document and the CCG were open to the thoughts and comments of key stakeholders, members of the public and current providers which were subsequently taken into account.

Development of Assessment Criteria

107. During the co-production phase of the Transforming Community Services programme, the CCG received significant feedback from key stakeholders and members of the public. These shaped the 10 principles and 6 strategic priorities for the programme of work which underpinned the Strategic Framework. These all demonstrated how the CCG was not simply looking for a continuation of the same model of delivery, but recognised that the system of delivery had to change to deliver the strategic vision. In particular the increased focus on greater levels of health as well as health and social care integration, more care in the community, and a shift towards preventative care and self-management of long term conditions with appropriate clinical support.

108. During the 8-week consultation period, the CCG received 268 responses, some of which represented the opinions of many people. The CCG estimates that the responses reflect the views of over 2,000, added to the significant insights already achieved through engagement in the co-production period. A summary of the feedback was presented on the CCG's website and was presented to the Governing Body on 16 July 2014. The CCG received support for the strategic vision from all of the current providers of healthcare services within NEW Devon CCG. This included wholehearted support from Northern Devon Healthcare Trust.

109. Given the level of involvement from key stakeholders, providers and the public and the strength of the messages that were heard, it was essential to ensure that there was a clear link back to the strategic vision of the CCG and the co-production work to ensure that the procurement process was designed to identify the provider most capable of delivering the strategic vision of the CCG.

⁴ www.newdevonccg.nhs.uk/permanent-link/?rid=101736

110. The matrix at Appendix A shows the linkage between the questions used in the Procurement Options Appraisal and the Strategic Framework, Case for Change and results of engagement. Appendix 2 sets out the link between the questions that were asked as part of the Procurement Options Appraisal and subsequently those for the Most Capable Provider process. This reinforces the link between the procurement process and the core messages that the CCG heard from the public and stakeholders and the desire of the CCG to identify the provider most capable to deliver the CCG's strategic vision for community services.

111. It should be noted that the same questions and weightings were used across the three localities, ensuring consistency for each assessment.

112. When considering the vision set out in the Strategic Framework it was clear that the greatest importance was on designing a system with fewer operational boundaries throughout the care pathway; a greater level of integration and alignment within the urgent care system providing more efficient, effective and safer care services that would be easier for patients to navigate.

113. As such the weightings for the criteria within the Options Appraisal that followed through to the Most Capable Provider process were as follows:

Question	Options Appraisal and Most Capable Provider Criteria	Weighting
1	The system has aligned incentives to deliver clinical outcomes in the best interest of patients, removing strategic and operational barriers to change and minimising system inefficiency. Providers of such services will need to be able to be fully embedded in the locality urgent care system.	25%
2	Services which are financially sustainable, and that enable effective and flexible allocation of resources between acute and community services.	15%
3	The system has integrated health and social care provision, and is supported by Local Authority partners	15%
4	Services that meet the needs of patients in a high quality, safe manner, which are easy for patients to understand, and that encourage the involvement of communities in their design.	15%
5	Services will have a single process of governance designed around the natural flow of patients throughout the healthcare system. Where pathways cross organisations we would wish to ensure that formal partnership arrangements are in place	15%
6	Providers are identified that are focused on achieving a consistent model across the CCG in the long term. Taking account of different starting points, different provision landscapes and different short/medium term priorities for transformation in each of our localities.	15%

114. It should be noted that the weightings were consistent to the linked question for the Most Capable provider process – see Appendix 2.

Assurance of quality, efficiency and value for money

115. The process used by the CCG therefore enabled it to assure itself of the quality, efficiency and value for money of service provision in identifying preferred providers because

the questions against which the providers were assessed included the following express assessment criteria:

- Quality (see in particular Question 4),
- Efficiency (see in particular Question 1)
- Value for Money (see in particular Question 2).

116. In the context of quality, as well as the quality of service delivery the CCG also adopted a wider view of quality taking into account the points from extensive engagement and so measured which provider would be most capable of securing the needs of NHS healthcare services users with quality and efficiency also being reflected in the remaining questions. The need for integration was reflected in Question 3. The need for home based models was reflected in Question 2. The need for clearer patient pathways was reflected in Question 1. The need to place patients at the centre of the care plan was reflected in Question 4.

117. The CCG has been transparent throughout the strategy development and procurement phases that there is an intention to move towards capitation budgets and also outcomes based commissioning as set out in the draft Case for Change. This work is being completed in parallel with the Transforming Community Services programme, and provides additional complexity regarding the budget profile for services.

118. The CCG recognised this in developing its procurement approach and assessed the following question to determine each organisations approach to financial stability:

With reference to the Strategic Framework; draft Case for change; JSNA and Health and Wellbeing Strategy how do you propose to deliver community services in a clinically and financially sustainable and improving manner, recognising the financially challenged economy status?

- *Delivering financial sustainability and value for money*
- *Driving a shift in resources towards prevention and home based models*
- *Achieving flexible, resilient and responsive clinical and care delivery that reflects identified health needs and priorities in the locality*

119. These questions were designed to not only test how the providers would deliver current financial sustainability, but also how they would ensure that resources would be reallocated within the system to enable the CCG's strategic vision to be delivered. Each provider was required to provide a submission of up to 1,500 words to demonstrate how they would meet the areas set out above. This word limit was specifically set to enable succinct strategic responses. These were then subject to assessment, moderation and review prior to the Governing Body meeting on 04 November 2014.

120. The aim of the process was to appoint a preferred provider for future services to take through to the next stage of detailed due diligence prior to a formal recommendation of award. No concerns were raised by any of the organisations being assessed as the length of the submission only whether diagrams and images contributed to submission length.

121. The CCG's Transition process contains a further assessment of strategic readiness. This includes the provider's ability to deliver financial sustainability (as demonstrated in a 5 year plan), and allocate resources effectively and efficiently based on the health needs of the population. Providers will need to produce a business plan and transition plan as part of the strategic diligence work to provide greater assurance to the CCG as to how this will be delivered.

122. The CCG notes that no criticism has been made in the statement of issues as to the criteria adopted for the evaluation of the proposals submitted for the provision of the services in the Eastern locality. The CCG considers that these were appropriate, fair and a proper reflection of the process which was designed to improve services in the locality as set out above. Providers submitting solutions had a real opportunity to demonstrate how they would run future services in a way that would achieve these requirements.

123. Neither during nor since the completion of the procurement process, did the CCG receive direct written questions from the organisations regarding its assessment criteria in relation to Value for Money or Quality and Efficiency.

Monitor Statement of Issues Paragraph 22

We will also examine whether the process used by NEW Devon CCG to select Royal Devon and Exeter NHS Foundation Trust as the provider of community services for adults with complex care needs was proportionate to the value, complexity and clinical risk associated with the provision of the services in question.

Response overview

124. The CCG is confident that the process has been proportionate to the value (approximately £50m for the Eastern Locality Complex Needs services), complexity and clinical risk associated with the provision of services in question. Importantly the CCG points out that the pre-procurement co-production, engagement and other work, were in recognition of the importance of the services in question.

125. The CCG recognised from its early discussions with system leaders (see paragraph 24) that the impact of a fully regulated competitive tendering process would be a major distraction to the wider healthcare system. Its continued market assessment of approaches to community services across the county identified no apparent interest across EU borders. In addition, despite significant media attention to its draft Strategic framework the CCG were not approached from any organisations outside of its current provider footprint. Taking into account the product of its engagement from May - July 2014 the CCG recognised that some form of competitive assessment needed to be undertaken. The Most Capable Provider process, with legal and procurement advice was designed to allow submissions from interested provider organisations. This process was designed to allow the selection of a partner who would provide the services in a way that would meet the changing needs of the population of the locality.

Scope and nature of procurement

126. The scope of the service being commissioned is services for people with complex health needs as described in the case for change. This spans community nursing,

rehabilitation and therapy services and inpatient, outpatient and diagnostic provision in community hospitals. It also includes services that are integrated with social care.

In Eastern locality the service span a population base of 380,800 across 13 towns and one city and surrounding villages and hamlets. The proportions of the population over 65 and 85 is significantly higher than England. This makes achieving the right model and quality of older people's care into the future even more pressing.

The services are based in 12 community hospitals and other local facilities. The financial value of the complex needs element is interdependent on other elements of community services (urgent care, speciality services , personalised and preventive) however our planning assumption for the future contract is £50m (and not the £100m as stated in the complaint letter).

127. From the outset the CCG fully recognised the scope and scale (community services overall represent circa 11% of the CCG overall budget. That is the co-production process was designed to carefully listen to system leaders in health and social care, and to patients and local people before making decisions.

128. As already indicated the extensive period of co-production included two system leaders events; two stakeholder reference group events (with nominated leads and clinicians from local providers as well as local authorities and other stakeholders). The outputs of these events included the 10 commissioning principles and support for the 6 priorities that reflected the themes from engagement which underpin the strategy and subsequently flowed into the procurement approach designed.

129. Initially, having listened to local people and the health and social care system the CCG drew together the insights and understanding gathered and used this to underpin the draft Strategic Framework in May 2014. This Strategic Framework was then tested back with the public and the system for an 8 week period of comment until July 2014. At the time early thinking on the procurement approach was proposed and providers and the public were encouraged to comment. The proposal reflected an approach to achieve integration and for Eastern integration with the acute provider.

130. In heeding the strong messages from the system and chief executives that a full scale tender would be disruptive in the light of current system pressures, the CCG wanted to find a way to secure future provision but without a fully regulated procurement which the system considered to be inappropriate given the complexity of the services, need for integration and delay which a fully regulated process would entail, particularly in the light of the financial challenges in the local health economy.

131. However throughout the process, the CCG recognised it was important to retain tendering as an option and that any procurement approach not involving tender would need to satisfy the CCG that it could deliver the required transformation.

Determining Most Capable Provider

132. Following Governing Body approval at its meeting on 04 September 2014, the CCG commenced an options appraisal, the outcomes of which started the Most Capable provider

process as an objective approach to identify preferred providers. The options appraisal and most capable provider process fully reflected and took into account the principles and priorities resulting from co-production. The CCG would argue that its process has taken great care to be proportionate to the value and scale of the contract with procurement tailored to deliver what patients and the system considered most important.

133. In addition it is important to note that in spite of publicity on the CCG website, the profile of the approach being widely picked up in the media and in particular the Health Service Journal, no provider from outside of Devon expressed any interest in being part of the process or objected to the approach proposed by the CCG. The CCG wrote to the eight providers who had responded to the CCG's Strategic Framework during the engagement process asking them if they wished to be included in the Most Capable Provider Process. This process was consistently applied to all organisations who had responded, and included organisations not currently involved in the delivery of community or acute services. The eight organisations were:

- XXXXXXXXXXXX
- XXXXXXXXXXXX
- XXXXXXXXXXXX
- XXXXXXXXXXXX
- XXXXXXXXXXXX
- XXXXXXXXXXXX
- XXXXXXXXXXXX
- XXXXXXXXXXXX

134. The CCG received responses from five organisations stating that they wished to be considered as most capable. These were as follows:

Locality	Providers being Assessed
Northern	XXXXXXXXXXXX XXXXXXXXXXXX
Eastern	XXXXXXXXXXXX XXXXXXXXXXXX XXXXXXXXXXXX
Western	XXXXXXXXXXXX XXXXXXXXXXXX XXXXXXXXXXXX

135. The CCG undertook two Gateway reviews undertaken by three independent consultants selected by the Office of Government Commerce (part of the Cabinet Office). These reviews were requested by the CCG to provide assurance as to the overall process that was being followed. These assessments were completed not only with input from the CCG, but also with input from provider organisations, with local providers being invited to take part in the second review before decisions were made. While the reviews found elements of internal process that could have been made more robust, there were no adverse comments made by the review team about either the co-production process which was praised, or the procurement process.

136. The CCG has undertaken a consistent process in each of the three localities. Each of the localities was at a different starting point and so the resulting recommended Preferred Providers and associated provider solutions represent different points on a journey towards greater integration. This consistent process ensured that the procurement generated the best solution for each locality in delivery the strategic vision for the CCG despite different starting points.

Monitor Statement of Issues Paragraph 23

We will look at whether NEW Devon CCG considered appropriate ways of improving the quality and efficiency of the services including through services being provided in a more integrated way, enabling providers to compete to provide services and allowing patients a choice of provider.

Response overview

137. The CCG considered a range of ways of improving quality and efficiency of services. This included levers for integration; the creation of a personalisation bundle to enhance choice for patients; the benefits and risks of tendering to allow patients a choice of provider and these considerations flowed through elements of the CCGs overall programme. For services for people with complex needs in Eastern two providers did compete through submitting proposed solutions.

Appropriate ways of improving quality and efficiency

138. The entire programme has been focused on improving quality and efficiency of services for patients, and the NHS Procurement, Patient Choice, Competition (no 2) Regulations and the subsequent Monitor guidance were used to underpin our thinking from the earliest stage. This informed our developing strategy as well as our procurement plans. Quality, efficiency and integrated care were key themes and were specifically the focus on the basis on which providers were assessed.

139. During the Most Capable Provider process the following two questions were specifically asked regarding Quality and Integration.

Delivery in an integrated system that makes a step change beyond current integration, takes into account the changing landscape of health and social care commissioning, and includes and supports integrated health and social care delivery

- Progressing a step change in integration in health and between health and social care as a milestone towards integrated or accountable care provision
- Achieving effective arrangements with the local authority (s) in relation to integration including formal partnerships
- Delivering personalised and localised models that bring about choice and control in quality services

Design and deliver services that meet the needs of patients in a high quality, safe manner and are easy for patients to use and understand

- Responding to the principle of individuals and carers at the centre with individuals and their carers seen as partners and at the heart of their care and support plan
- Increasing the opportunity and impact of engagement with local communities in shaping services
- Simplifying and streamlining delivery working within the locality to achieve co-ordinated care and meets local needs and addresses inequalities
- Ensuring services are delivered in a high quality and safe manner

140. The CCGs procurement process invited providers to submit evidence in the most capable provider assessment and there was a formal process to evaluate the best provider which, as already described, did include competition. This was specifically designed to allow the best balance between the compelling local and national direction and patient benefits of integration and competition.

141. Whilst the initial papers for comment in May 2014 indicated a collaborative, rather than competitive, process, the final approach decided by the CCG was to enable the market to respond to the opportunity to provide, and to participate in a competitive process (albeit not a fully regulated one under the Public Contracts Regulations 2006 (as amended)).

Integration, choice and competition

142. Integration was high on the agenda and one of the 6 highly supported strategic priorities for community services – this meant integration in health and between health and social care. The importance of integration is reflected in the 10 principles and I-statements within the Strategic Framework. Although this could potentially result in reduced choice for patients for the complex needs services, it sets a strong foundation for improvement in quality outcomes for patients through integrated services which in part outweighs the potential loss of choice.

143. Throughout the TCS process, both Devon County Council and Plymouth City Council have been invited to attend the CCGs programme executive meetings, and have also attended the stakeholder co-production events, demonstrating the local commitment to partnership working and desire to progress integration.

144. Northern Devon Healthcare NHS Trust, as with other local providers, were involved from the start of the co-production process, with representatives attending the key events – all of which included integration as a key focus. This shaped the CCG's thinking of what good integration would be like. The rigorous 'strategy first' approach meant enabled a consistent focus on meeting patients, carers and population needs, and designing services fit for the future.

145. The CCG looked at the levers for integration e.g. partnership agreements already in place, the monitor provider licence, information from elsewhere e.g. accountable care organisations. The CCG came to the conclusion that all had an important place, however, the potential to go beyond the levers was also recognised to make a true step change to achieve an integrated system – one that not only relies on rules to bring benefit and also goes beyond these to achieve maximum benefit for patients and enabling greater flexibility of resources in the system.

146. Although the localities are at different starting points there are examples of integration in each. Integrated Care Exeter has already been described above. Furthermore, in the Western Locality, the CCG is working with Plymouth City Council to integrate social care and community healthcare services into one provider organisation. In planning ahead for community services it was important to recognise these and other opportunities.

147. Through its procurement process, the CCG was pleased to note responses that set out joint working arrangements for the future, both within the current NHS provider group and with other providers of healthcare services. This partnership working will strengthen the quality of service provision and will improve the integration of services across the spectrum of health needs.

148. The CCG also looked at contractual models and approaches, both current and emerging, in an internal TCS workshop. This plus the feedback from the wider system led to the clarity of the benefits a single accountable provider of community services that could also support wider system partnership.

149. The CCG's strategic vision is for community services (both health and social care) to work alongside the voluntary and independent sectors, giving people the services they need to self-manage long term conditions and to prevent unnecessary admissions to acute hospitals. This is set out in the preventative and personalised section of the strategy and Case for Change. By working with other organisations to provide holistic solutions to care pathways, patients will be given greater choice as to how they receive their healthcare.

150. The CCG has undertaken a consistent process in each of the three localities. Each of the localities was at a different starting point and so the resulting recommended Preferred Providers and associated provider solutions represent different points on a journey towards greater integration. This consistent process ensured that the procurement generated the best solution for each locality in delivery the strategic vision for the CCG despite different starting points.

2. Whether NEW Devon CCG acted in a transparent way

Monitor Statement of Issues Paragraph 25

25. We will examine Northern Devon Healthcare Trust's allegation that NEW Devon CCG failed to act transparently by:

a. not providing enough clarity to potential providers, or at least to Northern Devon Healthcare Trust, about the procurement process, with changes and delays to the process occurring without explanation

Response overview

151. The CCG has communicated with provider CEO's at key milestones throughout the entire process both in letters and also other meetings and phone calls, including Northern Devon Healthcare Trust. In addition the CCG signposted to key documents such as papers submitted to the governing body. It is the case that dates changed, in the main as a result of taking views into account, however the consistent completion timescales have been maintained throughout.

Initial engagement of providers

152. The fact that the CCG published an initial proposal to give providers and the public a chance to comment is a demonstration of absolute transparency. The fact that the CCG then took views into account and adjusted the approach is another example of both a transparent approach and genuine desire to listen to people. On 03 May 2013 the CCG wrote to providers to set out the early thinking on timeline and subsequently held a web-ex with Chief Executives, or their delegated representatives, to share early thinking and approach regarding process. Letters were then sent at key milestones. Also, throughout the other system wide co-production events, the CCG discussed that procurement would be part of this process.

153. From the start the CCG was clear that it would work to the same end date that had been set by NHS Devon in 2012 and this has been consistently maintained. We also set out to undertake an iterative process with engagement and learning shaping the way forward.

154. Throughout the co-production and procurement processes, the CCG has been open and transparent. The initial period for the co-production of the CCG's strategy was due to end in December 2013. This was extended until March 2014 to give the CCG time and opportunity to speak to key groups that had not had opportunity to contribute to the strategic direction.

155. Following the 8-week engagement process on the draft Strategic Framework, the CCG received messages from providers that alternative configurations of provision, including partnership working, should be considered. As such the CCG reviewed the process to take views into account and identified that an options appraisal and appropriate procurement process should be run. This was approved by the Governing Body in September as part of the draft Case for Change document. Although this was delayed by one meeting as a result of wishing to fully assimilate views from engagement, the CCG was clear that this was necessary to ensure the views of the engagement process were captured in the direction for community services.

156. Following the CCG's Governing Body meeting on 04 September the CCG notified all Chief Executives of the proposed timescales. There were no delays to these procurement processes, and the invitation to the procurement process and subsequent information was provided to all organisations consistently. This included the results of clarification questions that were provided to all organisations as they were received.

157. The table below sets out key correspondence that was had with each of the providers regarding the procurement process.

Date	Summary
03 May 2013	Letter sent to Chief Executives outlining Transforming Community Services process
01 July 2013	<p>Webex held with all Chief Executives that set out detailed timescale for co-production of the CCG Strategy and procurement process. The timescales were set out as follows:</p> <p>Co-production End December 2013 Procurement January – September 2014 Transition October – September 2015 (Potentially to March 2016 but no later)</p>

Date	Summary						
28 April 2014	Letter sent to the Chief Executives of local providers to advise them that the draft Strategic Framework was being released including proposals regarding future providers. The letter stated that this was going to be published for a period of 8-week engagement, and that they CCG would review its proposed approach following this feedback.						
14 May 2014	Letter sent to Chief Executives of current service providers within Devon requesting views on the Strategic Framework by 08 July 2014.						
15 September 2014	<p>Letter sent to all CEOs to thank them for their input to the Strategic Framework that was discussed at Governing Body on 04 September 2014.</p> <p>Letter also sets out the procurement process and invites providers to put themselves forward for assessment as most capable provider.</p> <p>Process was as follows:</p> <table> <tr> <td>Invitation to submit Issued</td><td>22 September 2014</td></tr> <tr> <td>Responses due</td><td>13 October 2014</td></tr> <tr> <td>Governing body decision</td><td>05 November 2014</td></tr> </table>	Invitation to submit Issued	22 September 2014	Responses due	13 October 2014	Governing body decision	05 November 2014
Invitation to submit Issued	22 September 2014						
Responses due	13 October 2014						
Governing body decision	05 November 2014						
22 September 2014	<p>Letter to organisations including:</p> <ul style="list-style-type: none"> - Invitation to Propose a Solution for Pathways for People with Complex Needs Guidance Document - Questions and Submissions Booklet <p>Letter sent to all organisations who expressed an interest in being considered as Most Capable Provider.</p>						
07 November 2014	Letters sent to organisations to advise them as to the outcome of the Most Capable Provider process and to set out next stages including Due Diligence.						

158. The CCG discussed procurement processes during the co-production events held during 2013/14. In addition, all provider organisations were notified of when key documents, including procurement timescales, were to be presented to the Governing Body.

159. The CCG provided details of the procurement process to all providers on 15 September 2014. None of the deadlines associated with this timescale changed throughout the process.

160. Throughout the process the CCG has not provided additional information to one provider or another. During the co-production phase all providers were given the same early sight of documents and the same opportunity to engage with the CCG on the development of the strategy. Throughout the procurement process, all documentation was provided at the same time to all providers, with clarification information being shared across all organisations involved in the process.

161. The CCG has undertaken a consistent process in each of the three localities. Each of the localities was at a different starting point and so the resulting recommended Preferred

Providers and associated provider solutions represent different points on a journey towards greater integration. This consistent process ensured that the procurement generated the best solution for each locality in delivery the strategic vision for the CCG despite different starting points.

Monitor Statement of Issues paragraph 25

We will examine Northern Devon Healthcare Trust's allegation that NEW Devon CCG failed to act transparently by

b. delaying and failing to respond to Northern Devon Healthcare Trust's requests for information

Response overview

162. The CCG considers it has acted transparently in the context of the Regulations. It is important to note that the written request by the Trust of 08 July 2014 related to the content of the draft strategic framework which subsequently was revised in the light of feedback received. In responding to the Trust it was important to ensure this did not negatively affect the process for other providers and this was an important factor in the CCG approach

NDHT requests for information

163. On 08 July 2014, Northern Devon Healthcare NHS Trust wrote a private and confidential response (in addition to their public response) to the CCG's draft Strategic Framework raising a number of detailed questions that the Trust required answers to. A significant proportion of these questions were predicated on the assumption that the CCG would merely lift and shift the services to the Royal Devon and Exeter NHS Foundation Trust without further process, which was not the intention.

164. As part of the decisions made by the by the Governing body at that time, taking into account provider views during the 8 week engagement, the early proposal referred to by Northern Devon Healthcare NHS Trust was not pursued. The process was reviewed and revised as described in the draft case for change in September 2014 and following options appraisal a Most Capable Provider process was adopted.

165. The CCG responded to this letter on 24 July 2014 setting out that the CCG was unable to respond to the Trust in the required timescales, due to the volume of engagement information that had been received and the necessity to review this information in developing the final CCG procurement approach. The CCG also confirmed that the revised Strategic Framework would be produced by the Governing Body meeting on 04 September 2014 and would be accompanied by a draft Case for Change document which would include details about the procurement process to follow.

166. It is important to note that at the time both the CCG and NDHT were in informal conversations with Monitor in relation to the process however contact otherwise with NDHT continued in the same way as for other providers.

167. The draft Case for Change was shared with all providers before publication on 27 August 2014 and NDHT raised immediate concerns in relation to a point relating to the description of the current system. Following discussion this point was amended by the CCG

prior to publication of the draft Case for Change. As previously described the communications offered further discussion for conversation.

168. The CCG received further communication from Northern Devon Healthcare NHS Trust on 29 September 2014 requesting the information set out in their original letter. The CCG responded on 01 October 2014 setting out that there was an ongoing procurement process that we couldn't prejudice, but providing all information that was available in the public domain in response to their questions. The CCG decided that it was not appropriate to share any further information at this time as to do so would have provided Northern Devon Healthcare Trust with an unjust advantage in the procurement process.

169. Appendix 5 to this response sets out the CCGs response to the Northern Devon Healthcare NHS Trust letter on 29 September 2014.

170. Subsequent to the CCG's announcement regarding the Preferred Providers, the CCG received 2 FOI requests and a simple information request from Northern Devon Healthcare NHS Trust. Both FOI requests were responded to within the FOI timescales and the additional query was responded to on the same day.

171. To the extent that information was not provided the CCG does not consider that Northern Devon Healthcare Trust, as the incumbent provider of the services, was prejudiced by the lack of what it had requested. The CCG were expecting proposals for future provision of services for each of the localities as outlined in its Case for Change Furthermore, the CCG asserts that the delay in responding to the request for information on 08 July 2014 did not adversely impact on the Trust's ability to respond to the procurement process. This is confirmed by the lack of complaint made regarding the fairness of the procurement process in advance of it being started.

172. The CCG maintains that it has been open in the manner in which information was shared with all providers, including Northern Devon Healthcare Trust. The CCG does not consider that the Trust has been prejudiced by any non-disclosure of information. The Trust would also have been in possession of extensive information as incumbent not available to any incoming provider.

173. The CCG has undertaken a consistent process in each of the three localities. Each of the localities was at a different starting point and so the resulting recommended Preferred Providers and associated provider solutions represent different points on a journey towards greater integration. This consistent process ensured that the procurement generated the best solution for each locality in delivery the strategic vision for the CCG despite different starting points.

Monitor Statement of Issues Paragraph 25. We will examine Northern Devon Healthcare Trust's allegation that NEW Devon CCG failed to act transparently by:

c. refusing to identify which CCG senior officers were involved in the evaluation process.

Response overview

174. As indicated in response to 25 a, and b, the CCG considers it acted transparently in the context of the Regulations. It is normal practice for the names of those involved in procurement processes to be withheld from those involved in the bidding.

Identification of people involved in process.

175. Section 3 of the Most Capable Provider guidance documentation (22 September 2014) advised all organisations as to the make of the evaluation team and methodology.

The Detailed evaluation will be carried out by NHS NEW Devon CCG Transforming Community Services (TCS) Project Team, clinicians and lay representatives and will draw upon other subject matter experts for relevant sections. Subject matter experts will evaluate relevant questions or sections. Further assurance will be delivered by a moderation step to agree a definitive singular score for each question'

176. Following formal announcement of the outcome of the preferred provider for each locality to the bidders the CCG received two FOI requests from Northern Devon Healthcare NHS Trust in relation to the evaluation panel. The first request was received on the 7 November requesting the names and titles of the evaluation panel.

177. The second was received into the CCG on 17 November 2014 requesting the detail of *"the individuals involved in the evaluation panel/process. For those who sit on either the CCG Governing Body and/or its Locality Boards, please could we have their names and titles. For others within the CCG, operating at a more junior level, a generic title and the department in which they work would suffice. For those not employed by the CCG, the name of the organisation which they represented would be sufficient."* On 15 December 2014, the CCG responded as follows:

178. *The CCG considers this information to be exempt under from disclosure by virtue of section 40(2) of FoIA, which covers individuals' personal data, as provision of this information would breach one or more of the data protection principles. I therefore regret to inform you that we are unable to provide the names and titles of the evaluation panel. The exemption in section 40(2) is 'absolute' which means that the CCG does not have to consider the public interest test.*

179. *The CCG also observes that the request post-dates the decision taken by the Governing body. The identities of the members of Governing Body and of the Locality Board are publicly available on the CCG Website*

180. It should be noted that the Chief Officer of the CCG was not aware of who was part of the assessment panel until after the process. This was to ensure that the process was independent and without bias.

181. The full listing of individuals involved in the assessment and moderation process is provided at Appendix 4.

182. The CCG has undertaken a consistent process in each of the three localities. Each of the localities was at a different starting point and so the resulting recommended Preferred Providers and associated provider solutions represent different points on a journey towards greater integration. This consistent process ensured that the procurement generated the best solution for each locality in delivery the strategic vision for the CCG despite different starting points.

3. Whether NEW Devon CCG treated providers equally and in a non-discriminatory way

Monitor Statement of Issues Paragraphs 27 and 28

27. Northern Devon Healthcare Trust contends that NEW Devon CCG was biased in favour of the local provider of accident and emergency services (Royal Devon and Exeter NHS Foundation Trust) and that the CCG failed to treat providers in an equal and non-discriminatory way.

28. We will examine whether there is evidence of bias, or of providers being treated differently without objective justification.

Response overview

183. This issue signals a potential misunderstanding of what the CCG set out to achieve. The CCG was focused on achieving alignment of services within an urgent care system – this is very different from the provider of Accident and Emergency services providing the services. In fact in achieving this urgent care system alignment in another locality the CCGs consistent process identified a community provider as preferred provider. All providers submitting solutions had the same opportunities to submit effective solutions.

General Points

184. No specific allegations have been made under this heading, and the CCG reserves the right to respond further in the event that any specific issues are raised

185. We believe all our evidence set out throughout this response demonstrates our scrupulous attention to openness, fairness and transparency throughout the process. We believe that the failure of Northern Devon Healthcare NHS Trust to share any allegation of bias – specific or general - with us at any stage over the whole of the 2 years of the process is significant. In order to answer any specific allegation, we request that Northern Devon Healthcare NHS Trust (and Monitor as the investigating authority) share with us any concerns and the evidence that supports them. Otherwise this reference should be removed from the statement of issues as it creates a sense of injustice without an allegation being made and is unjust.

186. As set out earlier in this document the CCG has involved all parties in an open and transparent process throughout both the development of the CCG's strategic vision and the resulting procurement process. The CCG has openly invited all providers to attend development events, and these were consistently attended by senior members of the CCG's Executive Team and Governing Body. Many of these meetings were independently facilitated to ensure that all parties were given equal chance of representation, but all were an open opportunity to shape the future delivery of community services. Following the creation of both the Strategic Framework and Case for Change documents, the CCG shared copies with providers ahead of the public release date. In both cases changes were made following comments from Northern Devon Healthcare Trust.

187. Since the start of the process, the CCG has sought independent legal and procurement advice. The procurement process itself was run by the procurement team from the South West Commissioning Support Unit to ensure that the process was independently

run. The process was set out in writing to all providers, giving equal opportunity to provide a submission for one or more of the localities. The CCG received no comments regarding the procurement process from those organisations which were involved.

188. Given the nature of the programme, the CCG also undertook two Gateway reviews, completed by a team selected by the Office for Government Commerce on behalf of the Department of Health. These involved meetings with CCG representatives, as well as provider organisations who were all invited to be part of the process.

Procurement Process

189. The CCG undertook an assessment as to which organisation was deemed to be most capable to deliver community services within each of the localities. . Utilising the principles and priorities from the Strategic Framework in designing the Most Capable Provider Assessment, ensured that the procurement approach followed was best placed to deliver the service redesign requested through the extensive engagement and coproduction work undertaken in developing the CCG's vision for the future.

190. In order to ensure independence, the procurement process was run by the South West Commissioning Support Unit's Procurement team. It should be noted that a consistent process was followed in each of the three localities, with the questions and the range of people on the assessment panel being consistent. The moderation panel was also made up of the same people for all three of the localities (with a representative from each locality making up the panel along with one central member of staff and overseen and chaired by the Director of Procurement) ensuring a consistent scrutiny of the assessment process to remove any potential bias.

191. The CCG wrote to all providers who responded as part of the 8-week engagement process on the draft Strategic Framework to confirm their intention in relation to being assessed as the most capable provider for delivering services. Following responses the following providers were invited to submit a response for the delivery of services for adults with complex needs:

Locality	Providers being Assessed
Northern	XXXXXXXXXXXX XXXXXXXXXXXX
Eastern	XXXXXXXXXXXX XXXXXXXXXXXX XXXXXXXXXXXX
Western	XXXXXXXXXXXX XXXXXXXXXXXX XXXXXXXXXXXX

192. As well as the organisations wishing to be assessed, the CCG had also notified XXXXXXXX, XXXXXXXX, XXXXXXXX of the process. These organisations confirmed that they would not be providing a response. The CCG also had contact with XXXXXXXX, about an expression of interest that they raised.

193. At no point during this process did any organisation raise concerns about the procurement process that was being followed, the transparency of information, or any concerns regarding bias. As such, the CCG concludes that all providers were happy to

engage in the procurement process without concern regarding the transparency of the outcome. If these issues had been raised prior to the start of the process the CCG could have made any necessary changes or provided assurances to the providers.

194. Teams of assessors were trained on the importance of undertaking the assessment in a consistent manner and to be free of bias. Each assessor was required to confirm independence from the providers and that they had undertaken the training before the submissions were shared. The assessment teams were made up of representatives from the localities in the following groups:

- Locality Commissioners
- Locality GPs
- Locality Finance representatives
- Locality Quality representatives
- Locality Lay members
- Local Authority Representatives

195. The CCG received provider returns in relation to the following organisations:

Locality	Providers being Assessed
Northern	XXXXXXXXX,
Eastern	XXXXXXXXX, XXXXXXXXX,
Western	XXXXXXXXX, XXXXXXXXX,

196. Following the completion of the assessment process, the CCG undertook a detailed moderation process in line with its agreed evaluation guidance. Again, this was a consistent process across the three localities, and was chaired by the Director of Procurement from the SWCSU. This process reviewed the scores from the assessors and came to a consensus score based on the information provided by the assessment teams. The final consensus moderated view was presented to the TCS Executive for challenge on 23 October 2014, and then to the Governing Body on 05 November 2014 to be formally adopted.

197. The Most Capable Provider process was designed so that each stage of the process there was a different group of people involved in the decision making. This ensured that there was a degree of independence and challenge during each of the decision points.

198. The CCG had an informal meeting with Monitor on 15 October 2014. This meeting considered how the CCG had developed the Strategic Framework and Case for Change document from the results of co-production and stakeholder engagement. The meeting also considered the procurement process that the CCG was following in determining the Most Capable provider.

199. The CCG firmly refutes that it has been biased to a particular provider. In May 2014, it did make an early proposal about provision in Northern, Eastern and Western Localities of NEW Devon. This proposal was subject to an opportunity to comment and changed as a consequence of this. The CCG redesigned the process and providers in the system had a fair and equal chance of engaging in this. The CCG wrote to providers explaining the change to the process and to confirm their interest or otherwise in going forward. As a result

one provider in the local system (XXXXXXX) not previously signalling an interest did express an interest although subsequently did not submit.

200. The Most Capable provider process criteria and questions covered six areas (See Appendix 2) which flowed from the Strategic Framework priorities and principles and the Case for Change.

201. An important area that providers were asked to provide a solution for was embedding community services within the local urgent care system. This was important to achieve effective delivery in what are now the system resilience group areas. There are a number of ways this could be achieved and Northern Devon Healthcare NHS Trust had a completely fair opportunity to demonstrate how it could do this in Eastern Locality.

202. Northern Devon Healthcare NHS Trust is a current community provider within that urgent care system – it has knowledge of that system and therefore could have submitted a strong proposal as to how it could deliver embedded community services for the future. It is important to note that the provider identified as preferred provider in western locality was a community provider and not a provider of A&E services. The same criteria applied in the western locality as in the eastern and northern localities. It appears that Northern Devon Healthcare NHS Trust has misunderstood the difference between urgent care system and providing A&E services. There are many innovative ways that a community provider could design community services.

203. The procurement process in the most capable provider assessment included an opportunity to raise questions and each question raised resulted in a response to all providers. The question in relation to A&E was not raised by Northern Devon Healthcare NHS Trust during this process when they would have received clarification of any misunderstandings.

204. The Most Capable Provider Process set out criteria, questions and supporting information that was the same for each provider. Similarly the same process for raising and receiving responses to questions was made available to all. Evaluators included – people with knowledge of each locality, subject matter experts for quality and finance, clinical input and local authority input. The evaluation scoring was conducted individually by each evaluator and reviewed and assimilated by the external procurement team who were commissioned by the CCG to lead this overall element of the programme.

205. The evaluation was then subject to a moderation meeting with clinical, strategic and procurement input. The moderation meeting reviewed the scores and commentary and considered the detailed response as necessary as an important part of assuring consistency, fairness and objectivity. Through chairing this meeting by the Director of Procurement the CCG ensured a high level of procurement experience provided added assurance to the CCG of fairness and objectivity. The same process and same moderation team were in place throughout the CCG area. None of the moderators were involved in the evaluation.

206. The outcomes and process of moderation were then discussed with the TCS Executive in October who were able to question and challenge this to satisfy themselves of the integrity of this process prior to recommending this to the Governing Body. Any members of the executive who were part of moderation did not take a view on the recommendation.

Then the Governing Body members who had not been involved in the earlier part of the process considered this before making their decision.

207. In the draft Strategic Framework, the CCG set out its proposed providers in each of the localities. In order to determine whether they were capable of delivering community services the CCG undertook a Capable Provider assessment during June 2014. This was not completed for either Northern Devon Healthcare or XXXXXXXX, as they are existing providers of NHS community services within the CCG footprint. This did not put them at a disadvantage during the Most Capable Provider process as the two processes considered different aspects of delivery. If anything, this put those organisations being assessed at a disadvantage as they may have been excluded from future processes had they failed the assessment.

208. The CCG has undertaken a consistent process in each of the three localities. Each of the localities was at a different starting point and so the resulting recommended Preferred Providers and associated provider solutions represent different points on a journey towards greater integration. This consistent process ensured that the procurement generated the best solution for each locality in delivery the strategic vision for the CCG despite different starting points.

4. Whether there were conflicts of interest which affect the integrity of the proposed contract award

Monitor Statement of Issues Paragraph 30

Northern Devon Healthcare Trust submits that:

a. Anyone involved in the thinking, development and production of the original proposal to transfer the service without competition to Royal Devon and Exeter NHS Foundation Trust should have made clear the conflict of interest before the process undertaken in September and October leading to the governing body decision in November and not taken any further part in the process. This included taking part in, and voting at, the Governing Body meeting.

209. Monitor's statement of issues confirms that this is being considered in relation to the compliance of the CCG with the obligations set out in Regulation 6 of the s75 regulations.

Regulation 6(1) of the S75 regulations is as follows

(1) A relevant body must not award a contract for the provision of health care services for the purposes of the NHS where conflicts, or potential conflicts, between the interests involved in commissioning such services and the interests involved in providing them affect, or appear to affect, the integrity of the award of that contract.

210. "Broadly, a conflict of interest is a situation where an individual's ability to exercise judgment or act in one role is/could be impaired or influenced by that individual's involvement in another role. For the purposes of Regulation 6, a conflict will arise where an individual's ability to exercise judgment or act in their role in the commissioning of services is impaired or influenced by their interests in the provision of those services" (para 7.2 of Monitor's substantive guidance)

211. As set out, the allegation here does not disclose any conflict between the interests as providers of services and those involved in commissioning. It is therefore suggested that this

issue be withdrawn, or reformulated to indicate how a breach of the regulations is concerned.

212. The CCG has undertaken a consistent process in each of the three localities. Each of the localities was at a different starting point and so the resulting recommended Preferred Providers and associated provider solutions represent different points on a journey towards greater integration. This consistent process ensured that the procurement generated the best solution for each locality in delivery the strategic vision for the CCG.

Monitor Statement of Issues Paragraph 30

30. Northern Devon Healthcare Trust submits that:

b. As some key commissioning GPs in the Eastern Locality were also employees of the service being procured, they should not have been involved in either the thinking, development and production of the original proposal, or the process undertaken in September and October leading to the governing body decision in November.

213. The composition of the Eastern Locality Board includes 8 GP members, of which 2 are part time employees of Northern Devon Healthcare NHS Trust. This is disclosed on the Locality Board's register of interest. During the development of the Strategic Framework, all Locality Board GPs were involved in meetings and engagement events. The locality were also involved in developing their own commissioning intentions based on the CCG's Strategic Framework. None of the GPs involved in the process have a direct conflicting interest with the Royal Devon and Exeter NHS Foundation Trust Foundation NHS Trust.

214. During the procurement process, none of the GPs that work for Northern Devon Healthcare NHS Trust or any other providers forming part of this process were involved in any decision making. It should be noted that one GP who has links to Northern Devon Healthcare NHS Trust through providing sessional work at XXXXXXXX XXXXXXXX Hospital was involved in the assessment of the bids as part of a team of 7 assessors. This GP provides cover from his GP practice on a rotational basis. This typically accounts for one session lasting 1 to 2 hours a month. As such, any potential conflict is considered to be negligible. These links are registered on the Locality's register of interests.

215. The CCG recognises that this should not have happened. The process did require declarations of interest, and the particular involvement of this GP was not disclosed. However, all assessments were completed independently so no one assessor could influence any other assessor. Further the process then involved a moderation process. The moderation process that was put in place to ensure within the procurement process was designed so that a consensus score across all assessors was achieved. The moderation process looked for an absolute consensus answer and not a mean an average of all scores. Any outlying scores were discounted from the moderation process prior to a consensus view being reached. As such, it was not possible for one individual to skew the scores in favour of either organisation. All individuals within the moderation process were independent from all provision of Complex Adults Services.

216. GPs only work occasional sessions within community hospitals and have no part in the management or decision making of Northern Devon Healthcare NHS Trust. CCGs by their nature and design are led by GPs who are also providers. The CCG has many

processes in place to manage potential conflicts and follows them assiduously, including the use of the CCG's register of interest. Furthermore, the use of independent legal and procurement advice adds to this protection and the CCG specifically requested legal advice on this procurement process and requested that the process was run by its independent procurement team.

217. No employees of Northern Devon Healthcare NHS Trust or any other providers forming part of this process were involved in the final decision following the most capable provider process. The involvement of GPs with a working knowledge of the system is critical to the success of the community services design programme.

218. The CCG has undertaken a consistent process in each of the three localities. Each of the localities was at a different starting point and so the resulting recommended Preferred Providers and associated provider solutions represent different points on a journey towards greater integration. This consistent process ensured that the procurement generated the best solution for each locality in delivery the strategic vision for the CCG.

5. Whether NEW Devon CCG acted anti-competitively

219. In the light of the comments in the statement of issues that this does not add anything to the matters raised above, the CCG does not propose to comment further save to say that it considers that it has acted in the interests of those who use healthcare services in the eastern locality, and has not acted in an anti-competitive manner.

Appendix 1: Link between appraisal questions, priorities, principles and additional areas of request

This table outlines the link between the Priorities and Principles as set out in the Strategic Framework, feedback from the Case for Change meeting on 19th August, the results of public engagement, and the Appraisal Questions to be considered as part of the options appraisal.

Appraisal Question	Priority Covered	Principle Covered	Case For Change Intentions (P29)	Additional Areas from 19 August	Results of Public Engagement
The system has aligned incentives to deliver clinical outcomes in the best interest of patients, removing strategic and operational barriers to change and minimising system inefficiency. Providers of such services will need to be able to be fully embedded in the locality urgent care system.	~ Co-ordinate pathways ~ Integrate care	~ Integrated and seamless delivery ~ Clear pathways and access ~ Personalised and localised models	That align the incentives to deliver clinical outcomes in the best interest of patients, removing strategic and operational barriers to change and minimising system inefficiency From organisations that are fully embedded in the locality urgent care system	~ Flexible service delivery boundaries that are not bound by Local authority or other organisational boundaries ~ Services aligned to Urgent Care system boundaries	Support for the proposed move towards more integrated multi-disciplinary service provision, fewer barriers throughout the care pathway, and an increase in the level of care personalisation.
Services which are financially sustainable, and that enable effective and flexible allocation of resources between acute and community services.		~ Integrated and seamless delivery ~ Evidence based foundations ~ Sustainable, agile and flexible responses ~ Shifts of resources and innovation	The system will provide services which are financially sustainable, and that enable effective and flexible allocation of resources between acute and community services.	Services that: <ul style="list-style-type: none"> - Embracing innovation - Adapt a flexible response - Offer flexible provision in a complex system - Operate within flexible boundaries - Show openness to innovation - offer Value for money, financial sustainability and that are able to work with flat cash situation 	Commended the direction of travel and wanted to ensure that the new model of service delivery was affordable.
The system has integrated health and social care provision, and is supported by Local Authority partners	~ Integrate care	~ Integrated and seamless delivery ~ Evidence based foundations	That are a step towards a fully integrated health and social care provider system with support from local authorities	~ providers that are able to work with the health and social care community	Significant support for a greater level of integration of health and social care services as well as a better alignment of health services across acute and community provision.

Appraisal Question	Priority Covered	Principle Covered	Case For Change Intentions (P29)	Additional Areas from 19 August	Results of Public Engagement
Services that meet the needs of patients in a high quality, safe manner, which are easy for patients to understand, and that encourage the involvement of communities in their design.	<ul style="list-style-type: none"> ~ Personalise support ~ Help people to stay well ~ Think carer think family ~ Home as the first choice ~ Co-ordinate pathways ~ Integrate care 	<ul style="list-style-type: none"> ~ Clear pathways and access ~ Consistent outcomes ~ Evidence based foundations ~ Individuals and carers at the centre ~ Personalised and localised models ~ Honest and open relationships ~ Integrated and seamless delivery 	<p>That minimise the current complexity in the community system.</p> <p>That increase the opportunity for local communities to engage with the community system</p>	<ul style="list-style-type: none"> ~ Services are delivered by a Provider with a track record ~ Providers understand the target market ~ Services improve safety of services and individuals ~ Services are mindful of Safeguarding requirements ~ Services offer patient choice and clarity of delivery ~ Credibility with local communities ~ Improving safety of services and individuals 	Emphasis on the importance of commissioning for outcomes and ensuring clear specifications and contract monitoring approaches
Services will have a single process of governance designed around the natural flow of patients throughout the healthcare system. Where pathways cross organisations we would wish to ensure that formal partnership arrangements are in place	<ul style="list-style-type: none"> ~ Co-ordinate pathways ~ Integrate care 	<ul style="list-style-type: none"> ~ Evidence based foundations ~ Integrated and seamless delivery 	That have a single process of governance designed around the natural flow of patients throughout the healthcare system. Where pathways cross organisations we would wish to ensure that formal partnership arrangements are in place	-	Support that commissioning services should be more integrated with the geographies reflecting urgent care systems
Providers are identified that are focused on achieving a consistent model across the CCG in the long term. Taking account of different starting points, different provision landscapes and different short/medium term priorities for transformation in each of our localities.	<ul style="list-style-type: none"> ~ Co-ordinate pathways ~ Integrate care 	<ul style="list-style-type: none"> ~ Integrated and seamless delivery ~ Sustainable, agile and flexible responses ~ Shifts of resources and innovation 	That are focused on achieving a consistent model across the CCG in the long term. Taking account of different starting points, different provision landscapes and different short/medium term priorities for transformation in each of our localities	<ul style="list-style-type: none"> ~ Flexible service delivery boundaries that are not bound by Local authority or other organisational boundaries ~ Services aligned to Urgent Care system boundaries 	-

Appendix 2: Link between Options Appraisal and Capable Provider Questions

In order to provide a clear link between our Procurement Options Appraisal and the Most Capable Provider Assessment, the CCG has used the same methodology in determining the questions that it needs to ask for both processes. The table below shows the link between the Options Appraisal and Most Capable Provider questions. This link, coupled with the table set out in Appendix 1 shows that the Capable Provider Assessment questions are clearly linked through the Strategic Framework and the Case for Change to the vision that was co-produced with key stakeholders and members of the public.

Question Number	Options Appraisal Questions	Most Capable Provider Questions
1	The system has aligned incentives to deliver clinical outcomes in the best interest of patients, removing strategic and operational barriers to change and minimising system inefficiency. Providers of such services will need to be able to be fully embedded in the locality urgent care system.	<p>Providers that ensure care is delivered across care pathways and across organisational boundaries, delivering fully embedded solutions within the locality urgent care systems to meet patients' needs and deliver the best clinical outcomes for the future, in particular</p> <ul style="list-style-type: none"> • Achieving governance and partnerships designed around the natural flow of patients to meet needs and deliver the best clinical outcomes • Delivering clear and straightforward pathways that minimise the complexity of service provision and maximise integration • Ensuring services and experiences that are consistently joined up and wrapped around individuals
2	Services which are financially sustainable, and that enable effective and flexible allocation of resources between acute and community services.	<p>Deliver community services in a clinically and financially sustainable and improving manner, recognising the financially challenged economy status</p> <ul style="list-style-type: none"> • Delivering financial sustainability and value for money • Driving a shift in resources towards prevention and home based models • Achieving flexible, resilient and responsive clinical and care delivery that reflects identified health needs and priorities in the locality
3	The system has integrated health and social care provision, and is supported by Local Authority partners	<p>Delivery in an integrated system that makes a step change beyond current integration, takes into account the changing landscape of health and social care commissioning, and includes and supports integrated health and social care delivery</p> <ul style="list-style-type: none"> • Progressing a step change in integration in health and between health and social care as a milestone towards integrated or accountable care provision • Achieving effective arrangements with the local authority (s) in relation to integration including formal partnerships • Delivering personalised and localised models that bring about choice and control in quality services

Question Number	Options Appraisal Questions	Most Capable Provider Questions
4	Services that meet the needs of patients in a high quality, safe manner, which are easy for patients to understand, and that encourage the involvement of communities in their design.	<p>Design and deliver services that meet the needs of patients in a high quality, safe manner and are easy for patients to use and understand</p> <ul style="list-style-type: none"> • Responding to the principle of individuals and carers at the centre with individuals and their carers seen as partners and at the heart of their care and support plan • Increasing the opportunity and impact of engagement with local communities in shaping services • Simplifying and streamlining delivery working within the locality to achieve co-ordinated care and meets local needs and addresses inequalities • Ensuring services are delivered in a high quality and safe manner
5	Services will have a single process of governance designed around the natural flow of patients throughout the healthcare system. Where pathways cross organisations we would wish to ensure that formal partnership arrangements are in place	<p>Delivery of one governance process working effectively within the locality urgent care system recognising that where pathways cross organisations it is imperative to maintain, develop and enhance any formal partnership arrangements</p> <ul style="list-style-type: none"> • Providing a single and achievable process of governance that reflects patient flow between community and acute care • Achieving and maintaining formal partnership arrangements where pathways cross organisations delivering healthcare in the locality
6	Providers are identified that are focused on achieving a consistent model across the CCG in the long term. Taking account of different starting points, different provision landscapes and different short/medium term priorities for transformation in each of our localities.	<p>As a locality community delivery system leader fulfilment of responsibilities towards a consistent model and outcomes across the CCG in a 3 year period?</p> <ul style="list-style-type: none"> • Achieving transformation of the community delivery system through collaboration with colleagues across the CCG area • Delivering to an outcome based approach as described in the design principles of consistent outcomes that are jointly evaluated.

Appendix 3: Procurement Process

***THIS APPENDIX HAS BEEN REMOVED DUE TO THE COMMERCIAL NATURE
OF THE INFORMATION CONTAINED WITHIN***

Appendix 4: Most Capable Provider Assessment / Moderation team

***THIS APPENDIX HAS BEEN REMOVED DUE TO THE COMMERCIAL NATURE
OF THE INFORMATION CONTAINED WITHIN***

Appendix 5: Response to Northern Devon Healthcare NHS Trust (CONFIDENTIAL)

***THIS APPENDIX HAS BEEN REMOVED DUE TO THE COMMERCIAL NATURE
OF THE INFORMATION CONTAINED WITHIN***

Appendix 6: High level timeline of Transforming Community Services process

Date	Event	Notes
02-May-13	Governing Body Meeting	Public Confirmation that the TCS process will commence.
03-May-13	CCG writes to Providers	Letter written setting out that the CCG is commencing the TCS process.
07/05/2013 - 08/05/2014	NHS Confederation led event - strategies	<p>Mixed public and organisation group event in the Eastern Locality which used scenarios to develop local thinking on strategies for the future.</p> <p>Vision included:</p> <ul style="list-style-type: none"> • healthier and more empowered communities • moving towards a locally sustainable and innovative healthcare system • a core emphasis on health education and prevention with people taking personal responsibility <p>Key messages included:</p> <ul style="list-style-type: none"> • Adopting a strategic emphasis on prevention based on reducing costs from acute health and social care services • Defining and defending quality in the future system • Integrating commissioning not only of health and social care but on a wider basis where relevant e.g. education, housing
01-Jul-13	Briefing for Chief Executives	Web based briefing was provided to Chief Executives. This covered the proposed TCS process, timelines and procurement process.
26-Jul-13	Whole system event to discuss future of community services.	<p>"A View From Here"</p> <p>Key Views and Messages:</p> <ul style="list-style-type: none"> - Key is pathways that start and finish with wellness - Importance of a brave system that recognised community services are the key - Shift the money, design for a community model - Services in the community (all sectors support) – not community services - Involve society and voluntary sector - Pay as much attention to using procurement imaginatively as designing the model - Empowered 'me' chooses own outcomes – make informed choices - Sustainable providers – resilience as part of a wider network of expertise - Role of community services in prevention agenda. Improved partnership working especially around the prevention agenda - Joined up communication over care - The current challenging environment creates an opportunity for real change

Date	Event	Notes
05-Sep-13	1st Stakeholder Reference Group - co-production of strategic direction	<p>"What do we really mean by transforming?"</p> <p>workshop session used a spectrum of options to gauge opinion in relation to four key strategic themes (preference in Bold):</p> <ul style="list-style-type: none"> - Personalisation/Systematisation - Home based care /Building based care services - Self-management/Interventional services - Community co-commissioning/clinical commissioning <p>Also the following broad themes were developed for commissioning principles:</p> <ul style="list-style-type: none"> - Achieving joined up integrated care - Using a pathways approach - Promoting individuals at the heart of the care plan - Facilitate personalisation and self-management - Commission services to reflect need and reduce inequalities - Promoting sustainability with flexible, agile delivery models that enable resource shifts and innovation – challenging the status quo
07-Nov-13	Health and Social Care Development Group	<p>Consideration of integration and the impact of the Better Care Fund in generating a step change in community services. Event attended by Local Authority and CCG leaders.</p>
13-Nov-13	2nd Stakeholder Reference Group - co-production of strategic direction	<p>"The Route to transformation"</p> <p>Broadly accepted the themes from 05 September 2013 event. Added in the importance of , Prevention, Partnership Working, "I Statements" to summarise individual role in services, recognise austerity.</p> <p>Other Key Messages:</p> <ul style="list-style-type: none"> - Patients need to be involved in decision making - To change public conviction need to show courage in making change - Role of whole sector including primary care is vital - More ambition on shift towards personalised/preventative care - Consider how to manage staff uncertainty regarding change - Aim for funds to move from a bed to a community model using Budleigh as an example - Integrated services should be seen as the default choice for patients - Integration includes the voluntary and independent sectors

Date	Event	Notes
05-Mar-14	Community delivery system event. CEO nominated whole system event - key focus system leaders role on integration	<p>"A community based delivery system"</p> <ul style="list-style-type: none"> - Importance of wrapping services around the individual - services wider than just health and social care. - Importance of outcomes based systems and shared information to assess what is best for patients - Need to take the personalisation model further forward - Put the person at the centre of care and provide services that they need / want <p>A key difference is the intended strategic shift, in a community-based system towards:</p> <ul style="list-style-type: none"> • Prevention, health and wellbeing • Home and community as the first choice • Enhanced clinical and multidisciplinary support • Redesigned / consolidated settings of care <ul style="list-style-type: none"> - Important role of Primary Care - this will be a marker of success in the future - Keep people in the centre - Communities know what they need - use the intelligence and allow communities to deliver solutions. - Personal budgets are just a part of personalisation - use all options - Need to truly engage the volunteer sector - How do we balance acute and community services in practice? Still spending in the wrong place - need a real appetite to reduce acute care spend. - Need to reduce organisational boundaries - Need to join up children and adults services and treat the whole family.
31-Mar-14	End of co-production	The end of co-production was followed by preparation and publication of locality engagement reports.
28-Apr-14	CCG writes to Providers	The CCG wrote to its providers with a draft copy of the Strategic Framework document that it proposed to issue for consultation. Comments were received back from providers and the draft document was amended to take account of these.
14-May-14	Start of 8-week engagement process on the Strategic Framework	Strategic Framework was published on the CCG's website and highlighted to many groups of public and professionals. Engagement process was undertaken to seek views on the Strategic Framework to direct the CCG's vision for community services.
16-May-14	XXXXXXXXX,	XXXXXXXXX
22-May-14	XXXXXXXXX,	
08-Jul-14	End of 8-week process. Responses received from all local providers.	<p>Message heard included:</p> <p>Wider local provider interest in provision of community services.</p> <p>The small amount of public feedback on the procurement proposal was supportive although largely the public commented more on the strategy and in particular the desire to keep community hospitals open.</p>

Date	Event	Notes
14-Jul-14	XXXXXXXXXX,	XXXXXXXXXX,
16-Jul-14	Governing Body Meeting - Private re Strategic Framework and Engagement Feedback	The July 2014 Governing Body meeting also agreed the timescale to revise the final Strategic Framework and associated commissioning intentions for September 2014. It was also agreed that the Case for Change would be presented to the September Governing Body meeting.
19-Jul-14	Monitor writes to CCG to offer informal support	This was accepted by the CCG. On 19 September 2014 the CCG had a teleconference with Monitor, and a subsequent meeting was held between Monitor and the CCG on 15 October 2014. This was part of ongoing communication with Monitor.
27-Aug-14	CCG writes to Chief Executives regarding draft Case for Change	The CCG wrote, via email, to the Chief Executives of healthcare providers with a preview of the draft Case for Change document. Any comments received were reflected in the draft Case for Change presented to the Governing Body on 04 September 2014.
04-Sep-14	Governing Body	Meeting to sign off Strategic Framework (taking account of feedback received during engagement), receive draft case for change, endorse direction of travel and support options appraisal approach for procurement.
15-Sep-14	Invitations submitted to engage in procurement process.	Letter written to all organisations who had responded as part of the engagement process to invite them to submit responses within the procurement process.
15-Sep-14	Options Appraisal Process Started	<p>Process put in place to determine which procurement option would best deliver the CCG's strategic vision:</p> <ul style="list-style-type: none"> - Allocate to current provider - Proceed to full competition - Allocate to Most Capable Provider
17-Sep-14	CCG AGM	Locality Commissioning Intentions published for 12 week engagement and consultation period. Intentions reflect the CCG's Strategic Vision.
18-Sep-14	Confirmation that NDHCT will engage in the procurement process	NDHT confirmed their intent to submit for both Northern and Eastern Localities.
22-Sep-14	Invitation to submit a solution for the provision of complex needs services sent to providers.	<p>Procurement process to determine who was the Most Capable Provider. This considered questions against the following 6 domains: Integration of healthcare services, Quality, Financial Sustainability, Health and Social Care Integration, Clinical Governance, and System Leadership</p> <p>North: XXXXXXXXX, XXXXXXXXX, East: XXXXXXXXX, XXXXXXXXX, XXXXXXXXX, West: XXXXXXXXX, XXXXXXXXX, XXXXXXXXX,</p>
23-Sep-14	Result of Options Appraisal approved by Chief Officer	Process identified that the procurement approach best suited to delivery of the CCG's strategic vision was to undertake a most capable provider assessment.

Date	Event	Notes
02-Oct-14	Result of Options Appraisal approved by Governing Body	Result of Options Appraisal approved by the Governing Body.
13-Oct-14	Submissions received back from providers	Submissions received from the following organisations: North: XXXXXXXXX, East: XXXXXXXXX, XXXXXXXXX, West: XXXXXXXXX, XXXXXXXXX,
13-Oct-14 - 20-Oct-14	Procurement Assessment process	
21-Oct-14	Procurement Moderation process	
23-Oct-14	TCS Executive scrutiny of moderation results and recommendation to Governing Body	Review of the results of the assessment and moderation processes and recommendation to the Governing Body on Preferred Providers.
05-Nov-14	Governing Body Meeting	Public Meeting approved the Case for Change document Private Meeting ratified the results of the procurement process: North: Northern Devon Healthcare NHS Trust East: Royal Devon and Exeter NHS Foundation Trust
06-Nov-14	Result of Most Capable Provider process given to provider organisations	West: Plymouth Community Healthcare
07-Nov-14	Result of Most Capable Provider process made available to the public.	The CCG communications team worked with the provider communications leads in the scheduling of communications for staff ahead of the wider publication.
07-Nov-14	Procurement debrief sent to providers	

Note: this timeline does not capture all communication or events held between the CCG, its stakeholders and other organisations during the Transforming Community Services Programme. It is a high level summary of the key events, meetings, points of process, and correspondence during the programme.