

**South Yorkshire Patient Transport Services Review**

**Governing Body meeting**

**G**

**5 May 2016**

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<b>Sponsor</b>	Julia Newton – Director of Finance
<b>Is your report for Approval / Consideration / Noting</b>	
<p>Approval:</p> <p>Each of the four South Yorkshire CCGs are considering the output of the Patient Transport Review in May with the intention of approving the same next steps.</p>	
<b>Are there any Resource Implications (including Financial, Staffing etc)?</b>	
<p>Resources required for the overall procurement including programme management and CCG subject matter experts.</p>	
<b>Audit Requirement</b>	
<b><u>CCG Objectives</u></b>	
<p><b><i>Which of the CCG's objectives does this paper support?</i></b></p> <p>2. To improve the quality and equality of healthcare in Sheffield.          4. To ensure there is a sustainable, affordable healthcare system in Sheffield.</p>	
<b><u>Equality impact assessment</u></b>	
<p><b><i>Have you carried out an Equality Impact Assessment and is it attached?</i></b> No</p> <p><b><i>If not, why not?</i></b> The Equality Impact Assessment will be carried out as part of the procurement.</p>	
<b><u>PPE Activity</u></b>	
<p><b><i>How does your paper support involving patients, carers and the public?</i></b></p> <p>In response to feedback received from updates given to CCG Governing Bodies in March, the PTS Review Project Manager spent a day at the Northern General Hospital, Sheffield, talking to PTS patients. The findings from these patient discussions are included in the enclosed report.</p> <p>Each of the CCG's patient engagement leads have been consulted and involved in the review process and have provided information on patient feedback on current PTS services.</p>	

The review has also looked at the findings of a Healthwatch Sheffield Report from December 2014 and has sought to ensure its findings have been considered as part of this review. To help ensure PTS service users' experiences and views are not overlooked, it is important that they are involved in writing revised service specifications and developing quality standards and there should be local Healthwatch involvement in the procurement of services. The proposed structure for the PTS Procurement Team (see Appendix 2) therefore includes patient and Healthwatch input.

## Recommendations

The Governing Body is asked to approve the following recommendations:

- 1) The CCG agrees that patient transport services should be procured on a South Yorkshire CCG wide basis (Sheffield, Rotherham, Doncaster and Barnsley CCGs).
- 2) The CCG agrees the procurement route should be the Competitive Dialogue procedure carried out in accordance with The Public Contracts Regulations 2015.
- 3) The CCG agrees Lot 2 for core PTS services should be procured on the basis of a Lead Provider Model.
- 4) The length of contract should be 5 years plus an option to extend for a year and then a further year after that (5+1+1). This will enable providers to invest in the service, finance fleet, implement new technology and continually improve services.
- 5) The CCG agrees there should be a separate Any Qualified Provider (AQP) procurement for a 'Take, Go and Collect' service for repatriations and transport to care homes out of area from hospital to put in place a framework of qualified providers who can undertake these journeys.

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#### **1. Introduction**

This is the final report to South Yorkshire CCG Governing Bodies on the outcome of the South Yorkshire wide review of Patient Transport Services.

In October 2015, CCG Governing Bodies agreed that there should be a review undertaken across the four South Yorkshire CCGs, to conclude by 31 March 2016. An update on the progress of that review was given to the CCG Governing Body in March 2016.

The report covers:

- Current situation
- Establishing the future state and its impact on patient transport services
- Patient engagement
- What works well, what does not work well and what needs to change?
- Provider market assessment
- Eligibility criteria
- Scope of services
- How we should package and procure PTS
- Project risks
- Procurement team resources
- Detailed recommendations

#### **2. Current Situation**

Patient Transport Services (PTS) include a range of support to enable patients who need it to access transport primarily in order for them to attend health care appointments in a variety of settings including acute, community and social care settings. We use national criteria to determine who is eligible to access the services. PTS also currently includes certain other patient journeys such as GP urgently requested transfers to hospital in Sheffield.

The contracts currently in place across the South Yorkshire CCGs and excluding NHS Bassetlaw CCG are the result of a set of arrangements which have developed over time. There is currently a mix of provision with the largest proportion of patient journeys in local areas being delivered by Yorkshire Ambulance Service (YAS) through a collaborative contractual arrangement led by NHS Sheffield CCG. This contract has a value of £5.6m in 2015/16. The four South Yorkshire CCGs hold contracts with a total value of £9.9m. These contracts which were due to expire at various points during 2016/17 have now all been formally extended until 31st March 2017.

The current contract with YAS commenced a number of years ago and has not been market tested. YAS provides a PTS service across most CCGs in Yorkshire and Humber but there are four separate contracts. YAS contends that all the patient transport services contracts are underfunded but as the service has not been market tested it is difficult to prove or disprove this contention. However, informal intelligence is that the price per journey paid in 2015/16 is comparatively low.

Performance against the YAS patient transport services contract is falling short of target for all of the Key Performance Indicators (KPIs) but we are aware that the KPIs in the South Yorkshire contract are more challenging than those in the contracts with other Yorkshire and Humber CCGs. Contractor performance on other contracts is variable. An opportunity therefore exists to undertake a procurement process which would result in new contracts which better reflect current and future needs.

There is a significant variation in the average cost per journey across all of the contracts and this raises questions as to whether the current mix of contractual arrangements delivers effective services at the right price.

Demand for patient transport services appears to be changing and in particular an increasing complexity of need is resulting in a requirement for more specialised vehicle and crew support (i.e. 3,4 and 5 man lifts), and therefore increased costs.

From a patient perspective feedback suggests that patients find arranging transport difficult and eligibility criteria unclear.

Acute trusts report that arranging transport for discharge is time consuming and confusing and patients having to wait for transport impacts on the utilisation of acute beds. In Sheffield, the outcomes of the Transport Summit held in July 2015 have been linked into the PTS review with the PTS Review Project Manager meeting Sheffield Teaching Hospital's PTS lead fortnightly.

Changing patterns in demand for transport, together with potentially underfunded contracts and reluctance on the part of providers to change their service offering within the confines of the current contractual framework, necessitated the PTS review.

As part of this review, there has been regular and on-going engagement with CCG PTS contracting leads, Quality, Urgent Care Teams and the 999 and 111 Lead Commissioner. Acute PTS leads, screening team operational staff and Sheffield Teaching Hospitals' PTS Project Manager, have been part of this review and have attended PTS Review Project Team meetings. Commissioner/provider boundaries have been eroded with both working together to develop a better patient transport service for South Yorkshire patients. There has been much enthusiasm for this approach!

PTS providers have also been widely consulted with the PTS Review Project Manager visiting all the current providers. We now have a better understanding of our provider market, i.e. their strategy, what currently works well, what currently does not work well, what they think we should do differently, and what we are like as a customer.

### **3. Establishing the future state and its impact on patient transport services**

The review examined each of the CCG's commissioning intentions and how this might impact on the future needs of patient transport services. It is important that revised

specifications, the procurement and future contracting arrangements, can accommodate these changes over the life of the contract.

The review recommendations are therefore, very much about ensuring an outcome with built in flexibility, i.e. the ability to flex capacity both up and down, the ability to meet changing demand in terms of increased acuity, longer operational hours and different healthcare settings.

Table 1 below summarises what those changes might be and their potential impact on PTS. As part of the procurement, CCGs will need to work with short-listed providers to model these scenarios to establish the activity and financial implications of these changes.

**Table 1**

<b>Changes</b>	<b>Impact</b>
Shift in activity from acute to community settings	DOWN journeys to/from hospital UP journeys to/from community healthcare settings
7 day working acute and community	Longer operating hours both community and acute activities
Integration, e.g. acute and primary care, voluntary sector, public health and social care	More healthcare settings to deliver patients to/from
Changes to urgent care models	Overall activity DOWN through better management of long term conditions UP journeys to/from community based urgent care settings
Use of technology, e.g. dialysis at home	Reduced demand for PTS
Ageing population; more people living with long term conditions	Increased demand for PTS
Later discharges	Longer operating hours
Increased number of bariatric patients	Increased demand for bariatric PTS Mobility mix change from driver only to 3 and 4 man lift (and more)
Fewer hospitals delivering some services, e.g. stroke treatment	Longer PTS journeys
Removal of duplication between 999 and 111 contract, e.g. A&E take homes	Increased numbers of A&E take homes for PTS

#### **4. Patient engagement**

In response to feedback received from updates given to CCG Governing Bodies in March, the PTS Review Project Manager spent a day at the Northern General Hospital, Sheffield, talking to PTS patients. The findings from these patient discussions were as follows:

- All were regular users of PTS and have used the service more than five times in the last year;
- The majority of patients interviewed were elderly in the 76+ age group and had multiple health issues;
- Patients were complimentary about the PTS staff and their helpfulness;

- Most patients would not have been able to make their appointment had PTS not been available that day;
- All patients were unaware of which organisation had transported them that day;
- PTS staff observed did not wear a name badge and did not introduce themselves to the patient;
- Waiting around for transport was their biggest issue;
- Patients would prefer a half hour collection slot (rather than two hours);
- PTS got patients where they needed to be at the right time most of the time; one patient said she had an instance of PTS not turning up and then claiming she was not in;
- Patients are unsure of how to report issues and make complaints;
- The use of technology such as an automated text/telephone call to let the patient know when PTS is 10 minutes away was seen as a good idea.

Each of the CCG's patient engagement leads have been consulted and involved in the review process and have provided information on patient feedback on current PTS services.

Given the tight timescales for the review and their past experience of the value in 'learning something we did not already know' from specific patient focus groups, the review sought to utilise current feedback mechanisms. The review also looked at feedback on PTS patient engagement exercises in other areas of the country, notably North and North East Lincolnshire.

There are a low number of complaints received about PTS. The key themes from complaints and Friends and Family Test feedback in order of importance are as follows:

- Bumpy and uncomfortable journeys (the age of fleet, especially the YAS fleet is cited);
- Length of journeys (from patients picked up first and dropped off last);
- Patients not being allowed to have a family member travel with them;
- Timeliness;
- Understanding the booking process and eligibility criteria.

The review has also looked at the findings of a Healthwatch Sheffield Report from December 2014 which were:

- The majority of regular PTS users were happy with the service being offered;
- There is confusion about what is or is not classed as PTS;
- Patients do not know which firm is responsible for transporting them;

- Patients in the discharge lounge at Sheffield Teaching Hospitals can think they are waiting for transport when actually they are waiting for other things such as medicines;
- Satisfaction with information and communication varies depending on provider;
- 27% of people stated they would be able to find an alternative method of getting to their appointment if PTS was not available;
- Some practices could be improved, e.g. people being moved without warning; people being spoken about rather than to.

The key recommendations of the Healthwatch Sheffield report which CCGs should ensure are factored in when specifying PTS services are:

- All staff providing PTS should wear a name badge and introduce themselves to patients and they should ensure they directly address the patient at all times;
- When moving patients in wheelchairs they should let the patient know that they are about to start moving, especially when travelling backwards;
- Transport providers and commissioners should explore the possibility of an effective central assessment system to establish whether an individual should be provided with transport;
- Transport providers and commissioners should explore the possibility of implementing a 10 minute ring back/text back to let patients know when they are near (collection from home only);
- Sheffield Teaching Hospitals and transport providers should be encouraged to work together to provide eye-catching information on patient transport in areas where people are waiting.

To help ensure PTS service users' experiences and views are not overlooked, it is important that PTS service users are involved in writing revised service specifications and developing quality standards and there should be local Healthwatch involvement in the procurement of services. The proposed structure for the PTS Procurement Team (see Appendix 2) therefore includes patient and Healthwatch input.

## **5. What works well, what does not work as well and what needs to change?**

The following represents a summary of themes from discussions held with CCG representatives, acute PTS leads, PTS providers and renal, chemotherapy and radiotherapy nursing staff.

### **5.1. What works well?**

- Separate contract for renal dialysis PTS;
- Screening services currently in place at Rotherham General Hospital and Doncaster Royal Infirmary;

- Day to day working relationships at operational level.

## **5.2. What does not work as well?**

- Jigsaw commissioning with too many providers, overlaps and gaps in service provision;
- Hours of working no longer reflect the needs of a 24/7 NHS;
- Lack of flexibility in YAS contract;
- Insufficient on the day capacity;
- Consistently poor provider performance from some providers ;
- Variable application of the eligibility criteria;
- Bariatric capacity and response;
- Discharge lounges - often patients are not ready for transport;
- GP urgents arrangements in Sheffield;
- Too short a contract length;
- Pricing;
- CQUINS used as a financial penalty, not to incentivise improvements.

## **5.3. What needs to change?**

- Operational hours need to be aligned to the needs of a 24/7 service;
- Service coverage and capacity aligned to need;
- Provider performance: All providers need to provide a consistently high standard of service with tougher sanctions for poor performance;
- Better and consistent application of the eligibility criteria;
- Improved bariatric capacity and speed of response;
- Better management of discharge lounges to ensure patients are 'ready for transport' when PTS providers arrive to pick-up patients;
- GP urgents arrangements;
- Longer contracts to give providers the ability to invest in the service and implement new technologies;
- Charging mechanisms need to be activity driven;

- Emphasis needs to be on continual improvement and joint working based on strong, open, honest, evidence based relationships between the CCGs, healthcare providers and PTS providers.

## **6. Provider market assessment**

PTS providers have been widely consulted with the PTS Review Project Manager visiting all the current providers. We now have a better understanding of our provider market, i.e. their strategy, what currently works well, what currently does not work well, what they think we should do differently, and what we are like as a customer.

The PTS Review Project Team also carried out a supply positioning and customer segmentation exercise to help us as commissioners, to develop our approach to the market. The outcome of the supplier positioning exercise is detailed below.

PTS Project Review Team members were asked to establish where PTS sits on a Boston Matrix when considering relative cost and risk/exposure factors such as supply availability, quality, safety and environmental requirements and safety/environmental reliability. Relative cost was considered on the basis of the annual cost of PTS as a proportion of total CCG spend.

In terms of relative cost, PTS represents a small percentage of total CCG spend, an average of 0.54% across South Yorkshire. Risk/exposure associated with this area of supply is high as a result of high quality, safety, environmental requirements, i.e. patient safety, patient experience, reliability and consistency of service is important.

South Yorkshire PTS can therefore be classified as a Strategic Security item of spend, i.e. one that carries high risk/exposure to risk but represents a relatively low cost item.

Given that PTS is a Strategic Security item of spend, PTS commissioning organisations' primary role is to ensure supply. It is important to note that price is not the primary consideration but there does need to be a clear pricing structure, built in flexibility and long term contracts to give providers surety of business and enable them to make the required investment in the service. Scale is also important so that overheads can be spread over a larger volume and income.

The PTS Review Project Team also considered how our current PTS providers would view us as customers in terms of the attractiveness of our business and the competitive position of other suppliers. It was agreed this was not the same for all providers and has also changed over time. The view of the PTS Review Project Team was that South Yorkshire PTS is relatively attractive to providers.

To summarise and join together the outputs from the supply positioning and customer segmentation exercises:

- Strategic security items of spend call for considerable provider support and commitment with the commissioning organisation seeking to ensure supply by setting up long term contracts;
- Cost should not be the primary consideration;
- Commissioning organisations should work to develop provider relationships and build mutual dependency.

## 7. Eligibility criteria

The key questions we sought to address as part of the review in relation to eligibility criteria were as follows:

- What are the current eligibility criteria?
- What are the current issues with the eligibility criteria?
- What eligibility criteria should we use in future?
- Are there any exempt groups?
- Who applies the eligibility criteria?
- Who should apply the eligibility criteria?
- How should we better manage the expectations of acute trusts, GP practices, other healthcare providers and patients?

The current eligibility criteria used across all current South Yorkshire PTS services are as per the current Department of Health criteria issued in 2007 (*Eligibility Criteria for Patient Transport Services (PTS), Department of Health (23 Aug 2007)*).

It was agreed that the current issue with eligibility criteria is its application. Key points discussed were:

- Once a patient is provided with PTS, their future use of it is never challenged;
- Clinicians will always find a way to justify PTS on medical grounds;
- PTS is increasingly used as social transport as opposed to medical transport;
- Lack of and difficulties with parking at acute hospital sites have been used to justify booking PTS;
- The lack of visibility between systems and commissioners means patients already receiving Disability Living Allowance are also being provided with PTS.

The PTS Review Project Team considered whether we should have any eligibility criteria for PTS; they considered whether it was an effective mechanism for ensuring patients with a medical need for transport were able to access the system; whether having no eligibility criteria would 'open the floodgates' and make a substantial difference to activity levels with the consequent impact on capacity and financial affordability.

The outcome of this discussion was the Project Team decided the current eligibility criteria was fit for purpose but steps need to be taken to ensure it is consistently applied across South Yorkshire. The Project Team considers local 'transport hubs' based at each acute hospital have a critical role in monitoring and managing the application of PTS eligibility criteria through activities such as regular training of clinical staff, defining and using scripts to be used by booking staff when assessing eligibility and screening bookings.

Transport hubs/booking/screening services currently operate at Rotherham General Hospital, Doncaster Royal Infirmary and Barnsley District Hospital and the evidence is that

these work well in conjunction with the CCGs to help operationally manage the service. There is currently no comparable transport hub at Sheffield Teaching Hospitals.

## 8. Scope of services

The following table summarises the services currently covered and any services it is proposed are added in or taken out as a result of the PTS review.

Services currently in	Services adding in	Services taking out
On the day discharge		
Planned discharge		
A&E Take Homes		
Pre-planned admissions		
Outpatient appointments		
Day surgery		
Bariatric patients		
GP urgents (Sheffield only)		GP urgents (only affects Sheffield)
Inter-site transfers		
Intra-site transfers*		
Home visit assessments		
Intermediate care transfers		
Continuing Health Care		
Renal dialysis		
Chemotherapy		
Radiotherapy		
	Repatriations. Proposed to put in place a separate contract with multiple providers for a 'Take, Go and Collect Service' on basis of no guaranteed volume and agreed mileage rate (Any Qualified Provider Agreement)	

\*Transfers between two different healthcare settings managed by one provider

## 9. Why procure, how should we package and procure PTS?

### 9.1. Why procure?

The overarching recommendation of this review is that the CCGs need to go out to procurement to put in place revised arrangements for patient transport services which meet the current and future needs of South Yorkshire patients.

Current contracts have been formally extended until 31st March 2017 and the further extension of contracts is not an option. Procurement advice sought confirms that these services will need to be procured in accordance with The Public Contracts Regulations 2015. Healthcare is an increasingly litigious sector and the risk of challenge from not tendering these services is high. There have recently been a number of high profile cases of providers successfully challenging CCGs when services have not been tendered, notably Virgin Care's successful action against Hull CCG when the CCG failed to tender requirements for the creation of large-scale GP practice groups.

## 9.2. How should we package and procure PTS?

Table 2 below shows the proposed structure for procuring PTS services.

**Table 2**

How should we package and procure PTS?		
<b>Procurement A</b>		<b>Procurement B</b>
<b>Lot 1 Renal Dialysis and Oncology Services</b>	<b>Lot 2 Core PTS</b>	<b>Any Qualified Provider Procurement – ‘Take, Go and Collect’ Service</b>
<ul style="list-style-type: none"> <li>• Renal dialysis</li> <li>• Chemotherapy</li> <li>• Radiotherapy</li> </ul>	<ul style="list-style-type: none"> <li>• Pre-planned admissions</li> <li>• Outpatient appointments</li> <li>• Day cases</li> <li>• Planned discharge</li> <li>• On day discharge</li> <li>• Short notice journeys</li> <li>• Bariatric patients</li> <li>• Inter-site transfers</li> <li>• Intra-site transfers</li> <li>• A&amp;E take homes</li> <li>• Intermediate care</li> <li>• Continuing health care</li> <li>• Home visit assessments</li> <li>• Transport to care homes in area (from hospital)</li> </ul>	<ul style="list-style-type: none"> <li>• Repatriations</li> <li>• Transport to care homes out of area (from hospital)</li> </ul>

### Procurement A:

- Competitive Dialogue procedure in accordance with Public Contracts Regulations 2015
- Two lots:
  - Lot 1: Renal dialysis and oncology services
  - Lot 2: Core PTS services – lead provider model

### Procurement B:

- Any Qualified Provider (AQP) procurement for a ‘Take, Go and Collect’ Service for:
  - Repatriations
  - Transport to care homes out of area (from hospital)
  - Does not have to be procured within the same time frame as Procurement A (could be done later)
  - Outcome:

- List of qualified providers who meet agreed qualifying criteria with set basis of charging (e.g. mileage rate per mobility type) applicable to all qualified providers
- What this achieves:
  - Activity now captured in contracted activity
  - Due diligence – safeguarding, patient safety etc. now managed
  - Charging mechanism known and agreed up front
  - Choice of provider based on available capacity on the day

### **Why use the competitive dialogue procedure?**

#### ***Specifying what we want....***

- We might have some thoughts on what it might/could should look like;
- We know what we do NOT want it to do – Minimum Standards;

#### ***But don't know:***

- What is or could be possible OR;
- What that is likely to cost (is it affordable?);
- The Market are the experts on what is and is not feasible and what that costs;
- Competitive Dialogue allows us to use that expertise as part of the procurement.

#### ***Competitive dialogue:***

- Involves Market experts in testing feasibility and likely costs of the 'vision';
- Helps the (Shortlisted) Participants to test out what it is we really want and start building their bid as early as possible;
- Helps us refine and define the 'Outcomes Required' in time for Inviting the Final Tender;
- Yes, it takes a bit more time and effort but by then you will know what you are going to get and how much it will cost.

*And this reduces the chances of unforeseen problems or major surprises post contract.*

#### ***Why adopt the lead provider model for Lot 2 of Procurement A?***

- Providers can work directly together, supported by the contracts between them, to ensure the service is as efficient and effective as possible – reduces the risk of gaps in service delivery;

- Incentives can be effectively constructed to ensure all providers benefit from the effective operation of the service;
- Reduces risk of fragmentation of services; enables flexibility and better management of PTS capacity within one contract;
- The Lead Provider oversees all services. Commissioners can hold one organisation to account for delivering agreed outcomes and performance;
- Reduces the burden of contract management for the Commissioners;
- Realises the potential for greater consistency in service provision through more developed supply chain management across the spectrum of services, potentially allowing easier involvement of the voluntary sector;
- Model provides a single leadership structure and clear accountability for integrated working.

***BUT Commissioners need to ensure:***

- A high degree of trust exists between the Lead Provider and its subcontracted providers;
- The Lead Provider can and will manage and hold subcontracted providers to account;
- The approach does not disengage other providers who consider they may be more appropriate for that role;
- The Lead Provider cannot enforce stricter contract terms and lower remuneration on its sub-contractors to cover its management overhead for the structure;
- This does not discriminate against Small Medium Enterprise (SME) suppliers;
- The Lead Provider cannot make decisions about resources that are not agreed by subcontractors, e.g. the Lead Provider may wish to provide a particular service itself and attempt to decommission a subcontracted provider.

**10. Project risks**

An analysis of the pre-procurement and procurement risks with mitigating actions can be found in Appendix 1.

It should be noted that the interim period between completion of the review at the end of March and the need to start the procurement in early June, is tight in terms of affording sufficient time to complete the necessary pre-procurement tasks. Discussions have therefore already taken place with CCG Chief Finance Officers concerning mobilisation of a procurement project team.

## **11. Procurement team resources**

The proposal is that Barnsley, Doncaster, Rotherham and Sheffield Clinical Commissioning Groups work collaboratively to procure patient transport services on a South Yorkshire wide basis. This will involve a joint commitment of adequate project resource to achieve a successful procurement outcome by the end of the 2016 calendar year which allows for a 3 month mobilisation period and operational start date of 1 April 2017 for new contracts.

The proposed procurement team structure and their associated activities and responsibilities can be found in Appendix 2. As stated above under Project Risks, work has already been undertaken to assign resource and mobilise this team.

Sheffield CCG's Procurement Team will lead the procurement on behalf of all four CCGs.

## **12. Detailed recommendations**

The recommendations of the Patient Transport Services Review are as follows:

- 12.1. PTS should be procured on a South Yorkshire CCG wide basis (Sheffield, Rotherham, Doncaster and Barnsley CCGs).
- 12.2. The procurement route should be the Competitive Dialogue procedure carried out in accordance with The Public Contracts Regulations 2015.
- 12.3. Lot 2 for core PTS services should be procured on the basis of a Lead Provider Model.
- 12.4. The CCGs need to commit the required resources to work as part of a regional procurement team to enable the procurement to be completed by the end of December 2016.
- 12.5. There should be a separate Any Qualified Provider (AQP) procurement for a 'Take, Go and Collect' service for repatriations and transport to care homes out of area from hospital to put in place a framework of qualified providers who can undertake these journeys.
- 12.6. PTS operational hours need to be extended to reflect the current and future needs of a 24/7 NHS and aligned to healthcare settings.
- 12.7. The length of contract should be 5 years plus an option to extend for a year and then a further year after that (5+1+1). This will enable providers to invest in the service, finance fleet, implement new technology and continually improve services.
- 12.8. There needs to be consistent measurement of provider performance with tougher sanctions for poor performance. There should be fewer but more focused Key Performance Indicators targeted on the achievement of better patient outcomes. Commissioners should look at developing a balanced scorecard in conjunction with PTS providers.

- 12.9. Contract and operational management should be based on strong, open, honest, evidence based relationships between the CCGs, healthcare providers and PTS providers with the emphasis being on continual improvement and joint working.
- 12.10. Future contracts for PTS should not include CQUIN (Commissioning for Quality and Innovation) payments. Providers consider these have been used by commissioners as a financial penalty, not to incentivise improvements and drive innovation. They also represent a considerable administrative burden to both provider and commissioner.
- 12.11. Continual improvement, the adoption of new systems, processes and technologies should be driven through effective contract and operational management and a robust Service Development Improvement Plan.
- 12.12. Eligibility criteria needs to be better and consistently applied across South Yorkshire.
  - 12.12.1. Operationally, CCGs and local transport hubs need to define and use scripts to be used by booking and screening services when assessing eligibility;
  - 12.12.2. CCGs and local transport hubs need to work with GPs and other health professionals to re-launch the eligibility criteria;
  - 12.12.3. There should be a six monthly, three way review (CCGs, transport hubs and providers) of the eligibility criteria and its application.

Note: The role of the local transport hub to screen bookings, monitor the application of the eligibility criteria and train healthcare professionals to improve the consistency of its application, is critical to ensuring only eligible patients receive transport.

- 12.13. Sheffield Teaching Hospitals needs to expand the remit and capability of its current Transport Office to a 'booking and screening' transport hub which emulates those already in place at Rotherham, Barnsley and Doncaster hospitals.

### **13. Recommendations**

The Governing Body is asked to approve the following five key recommendations:

- 13.1. The CCG agrees that patient transport services should be procured on a South Yorkshire CCG wide basis (Sheffield, Rotherham, Doncaster and Barnsley CCGs).
- 13.2. The CCG agrees the procurement route should be the Competitive Dialogue procedure carried out in accordance with The Public Contracts Regulations 2015.
- 13.3. The CCG agrees Lot 2 for core PTS services should be procured on the basis of a Lead Provider Model.
- 13.4. The length of contract should be 5 years plus an option to extend for a year and then a further year after that (5+1+1). This will enable providers to invest

in the service, finance fleet, implement new technology and continually improve services.

- 13.5. The CCG agrees there should be a separate Any Qualified Provider (AQP) procurement for a 'Take, Go and Collect' service for repatriations and transport to care homes out of area from hospital to put in place a framework of qualified providers who can undertake these journeys.

Paper prepared by: Hilary Porter, Project Manager

On behalf of: South Yorkshire CCG Chief Finance Officers

18 April 2016

## Appendix 1: Project Risks

No	Period	Risk	Mitigation
1	PRE-PROCUREMENT	Procurement Team not in place to start procurement in June 2016	CCGs need to allocate and confirm required project resources by end April 2016.
2		Procurement documentation not complete by end of May 2016	Specification Sub-Group Team in place from mid-March; draft specifications to be developed by 29 April 2016. Procurement Project Team in place from first week of May. Day's workshop to be held early May to develop key outputs required prior to placing OJEU Contract Notice on 6 June 2016.
3		CCGs not signed off Procurement Team's Statement of Works by 29 April 2016	Statement of Works presented to Chief Finance Officers w/c 11 April for review and sign-off by 29 April 2016.
4		Supplier Engagement Event does not take place on 26 May 2016	Room booking made 10 March 2016. Supplier Engagement Event Planning Meeting to be held early April. Supplier Engagement Event Project Plan implemented. Availability of required CCG personnel and procurement team members secured. Event publicised via OJEU PIN Notice and email alerts to PTS providers.
5	PROCUREMENT	Financial affordability thresholds not clearly understood	Finance lead assigned to Procurement Project Team. Proposed pricing models developed and tested as part of the structured dialogue stage of the procurement. Each CCG CFO to confirm PTS affordability threshold. Competitive Dialogue Procedure adopted to enable different pricing options to be tabled and modelled as part of the procurement.
6		Lack of provider interest	PTS Project Review has established there is a reasonably developed provider market in South Yorkshire. Current providers have been consulted and kept informed of progress throughout the review. The attitude of current providers to the review and subsequent procurement has been positive. Providers have welcomed the adoption of the Competitive Dialogue Procedure to enable CCGs to jointly develop their final solution with input from the Providers. Some pre-procurement market consultation has taken place

			concerning the Lead Provider Model and this has indicated that more than one provider would bid to be the Lead Provider for Lot 2 services.
7		Procurement seen as discriminating against SME organisations	Procurement to be designed to ensure SME participation is actively encouraged. Lead Provider Model enables smaller providers to get a foothold in the market as a material subcontractor to the Lead Provider. Lead Provider Model allows for discrete elements of the service being sub-contracted to SME providers.
8		Key members of the procurement panel not available at critical stages of the procurement	Roles and responsibilities of Procurement Project Team members and their key time inputs to be made clear at the start of the procurement. Procurement project planning will include a holiday timetable for all Procurement Project Team members. Resource issues and contingency arrangements to be put in place to ensure project timetable is not jeopardised. CCG Project Lead to commit resource and resolve resource issues throughout the course of the procurement as a matter of urgency.
9		Tendered costs not affordable	Proposed pricing models developed and tested as part of the structured dialogue stage of the procurement. Each CCG CFO to confirm PTS affordability threshold. Competitive Dialogue Procedure adopted to enable different pricing options to be tabled and modelled as part of the procurement. Provision and scope of services to be provided may have to be adjusted as a result of affordability issues highlighted as part of the dialogue phase of the procurement.
10		Procurement not completed on time	CCGs need to agree Procurement Project Team and commit resources in line as per Risk No. 1 above. Statement of Works needs to be signed off by CCGs in line with Risk No. 3 above. Detailed Procurement Project Plan in place. Procurement Lead project manages the procurement in accordance with the Procurement Project Plan. Procurement Lead regularly reports on progress against plan and escalates issues to CCG Project Lead.

			<p>CCG Project Lead works to urgently resolve project issues which threaten on time delivery of the procurement.</p> <p>Procurement Project Team members to be clear about their role, responsibility and required time input.</p> <p>Project Team members to ensure their availability for critical elements of the procurement, e.g. evaluation and keep the project holiday timetable updated.</p> <p>Procurement is run in accordance with Public Contracts Regulations 2015 and EU Procurement Directives, i.e. transparent and non-discriminatory treatment of all bidders to minimise the risk of challenge.</p>
11		Supplier(s) challenge the outcome of the procurement process	<p>Procurement is run in accordance with Public Contracts Regulations 2015 and EU Procurement Directives, i.e. transparent and non-discriminatory treatment of all bidders to minimise the risk of challenge.</p> <p>All communication with bidders during the procurement to be via the Procurement Lead and the Bravo e-tendering system to ensure consistency of message and a full audit trail of communications.</p> <p>All evaluators of Pre-Qualification and tender documentation to be trained on how to evaluate and score bidders' responses.</p> <p>All participants in the process to sign a Declaration of Conflicts of Interest and Confidentiality Form. Procurement Lead to maintain a Project Conflicts of Interest Register.</p>
12	POST-PROCUREMENT	Delays in finalising and signing the contract	<p>NHS Standard Contract Terms and Conditions and any known specific additions/amendments to these to be agreed prior to going out to procurement and published at the time of the OJEU Contract Notice.</p> <p>Terms and Conditions of contract to be finalised as part of the dialogue phase of the procurement.</p> <p>Final Contract Terms and Conditions and bidders' compliance with them to be published when issuing final tender documentation.</p> <p>Timetable to signing of contracts to be issued as part of final tender documentation.</p>
13		New contracts not mobilised in time for operational start date of 1 April 2017	<p>Detailed mobilisation plans to be submitted and agreed as part of the procurement.</p> <p>Post-procurement CCG's to nominate CCG mobilisation lead to</p>

			project manage mobilisation of new contracts with providers.
14		Contract performance does not meet expectations of commissioners and customers	<p>Performance protocols, KPIs, structures and forums for managing provider performance to be developed as part of the dialogue phase of the procurement.</p> <p>Effective contract and operational management relationships developed between the providers and commissioners.</p> <p>CCGs to agree lead and associate commissioner roles for each contract.</p> <p>Contract to include and be clear on sanctions for consistent non-performance of providers.</p>

## Appendix 2: South Yorkshire Patient Transport Services Procurement Team

Role	Core/Wider Project Team	Level of Engagement	Activity and responsibility
Project Director/Senior Responsible Officer (SRO)	Core	High	<ul style="list-style-type: none"> <li>• Takes ultimate responsibility for the successful completion of the project</li> <li>• Establish and communicate the project governance structure</li> <li>• Establish and manage collaborative working arrangements between the four CCGs</li> <li>• Secure resource commitments from each of the four CCGs</li> <li>• Ensure the procurement project is adequately resourced in order to meet the prescribed timescales</li> <li>• Establish and manage the project budget</li> <li>• Identify stakeholders and ensure an appropriate level of engagement and consultation</li> <li>• Agree and sign-off the Project Initiation Document (PID) and ensure it remains valid during the life of the project</li> <li>• Provide guidance and support to the Programme Lead and Procurement Lead</li> <li>• Ensure the project is running on time and within budget</li> <li>• Act as the escalation point for the Programme Lead</li> <li>• Escalate issues and risks to the Project Board</li> <li>• Ensure cross-CCG issues/matters requiring cross CCG input are resolved in a timely manner so that project timescales are not jeopardised</li> <li>• Provide regular progress reports to the Project Board and CCG Governing Bodies as required</li> <li>• Oversee and approve any media announcements, i.e. articles, press releases, web-site information, social media communications</li> <li>• Ensure that the CCGs' proposals/specified requirements have confirmed funding, carry all necessary local approvals, and that all necessary statutory and non-statutory consultation has taken place</li> <li>• Agree and confirm contracting arrangements for 17/18 contracts (lead/associate roles and responsibilities)</li> <li>• Secure CCG sign-off of new contracts in a timely manner so as not to jeopardise mobilisation of new contracts and a 1 April 2017 operational start date</li> <li>• Monitor mobilisation phase of project to ensure progress is going to plan</li> </ul>
Programme Lead	Core	High	<ul style="list-style-type: none"> <li>• Provide operational support and guidance to the Procurement Lead on a day-to-day basis</li> <li>• Notify the Procurement Lead of any proposed changes to the specification of the scheme requirements or any other material changes in policy or circumstances</li> <li>• Act as the escalation point for the Procurement Lead</li> </ul>

			<ul style="list-style-type: none"> <li>• Confirm with the Procurement Lead acceptance of the final text of any adverts</li> <li>• Chair project meetings, forums and presentations as required</li> <li>• Engage and manage relationships with stakeholders and procurement team members</li> <li>• Provide regular reports and updates to the Project Director and Project Board on project progress</li> <li>• Ensure that conflicts of interest/confidentiality is effectively managed throughout the project</li> <li>• Act as lead evaluator on the Core Project Team for the evaluation of completed Pre-Qualification Questionnaires and tender submissions</li> <li>• Provide the rationale and reasoning for scores allocated to enable any feedback to be provided</li> <li>• In conjunction with the Procurement Lead, collates outcome of the evaluation process, prepares and presents the Recommended Bidder(s) Report to the CCG Governing Bodies for approval</li> <li>• Attend bidder debrief meetings as required</li> <li>• Work with the new provider(s) during the mobilisation period to ensure timely service delivery</li> </ul>
Procurement Lead	Core	High	<ul style="list-style-type: none"> <li>• Provide procurement advice and support to the procurement process</li> <li>• Develop a procurement strategy for the programme and ensure this is shared with the CCGs</li> <li>• Provide a procurement project planning service</li> <li>• Operate a change control process and high-level risk and issues management</li> <li>• Lead on procurement communications</li> <li>• Project manage the procurement</li> <li>• Maintain a procurement team holiday timetable</li> <li>• Maintain high standards of confidentiality to ensure that commercially sensitive information about contracting parties, the procurement process and/or bidders is not inappropriately published or released to unauthorised sources</li> <li>• Provide draft OJEU Contract Notice for the CCGs' review and approval</li> <li>• Place OJEU Contract Notice</li> <li>• Establish and operate an electronic mailbox for the receipt and acknowledgement of expressions of interest</li> <li>• Arrange workshops to offer potential bidders information on the processes and requirements of the procurement</li> <li>• Lead the development of project-specific tender documents and co-ordinate the process by which they are approved by the CCGs</li> <li>• Develop a tender evaluation plan and co-ordinate the process by which the evaluation plan is approved</li> <li>• Manage the process by which tenders are issued, received, acknowledged etc. Sheffield CCG Procurement Team will manage the upload and download of all tender</li> </ul>

			<ul style="list-style-type: none"> <li>submissions into AWARD</li> <li>Develop an evaluation strategy, plan, process and sequence with scoring using Commerce Decisions AWARD e-evaluation system (incl. evaluator licenses and training)</li> <li>Notify the successful and unsuccessful bidders of the outcome of the evaluation process</li> <li>Provide any feedback sought by unsuccessful bidders</li> <li>Provide a sign-off report to the CCGs at financial close highlighting continuing risks and issues identified during the course of the procurement</li> <li>Place OJEU Contract Award Notice</li> <li>Provide advice (prior to financial close) on performance management arrangements and performance indicators for the Contract(s)</li> </ul>
Administrative Support	Core	Medium	<ul style="list-style-type: none"> <li>Provide admin support to the Procurement Lead and Programme Lead</li> <li>Arrange meetings and book venues for project meetings and forums</li> <li>Set up and maintain a Project Distribution List</li> <li>Assist the Procurement Lead with the development, formatting and refining of project documentation</li> <li>Maintain high standards of confidentiality to ensure that commercially sensitive information about contracting parties, the procurement process and/or bidders is not inappropriately published or released to unauthorised sources</li> </ul>
CCG PTS Leads	Core	High	<ul style="list-style-type: none"> <li>Act as the contracting party to the contract for the services being procured</li> <li>Act as subject matter experts</li> <li>Take responsibility for consulting with and getting any required input from non-project team CCG members of staff</li> <li>Develop service specifications and provides input into the development of other procurement documentation</li> <li>Develop evaluation criteria and weightings</li> <li>Develop key performance indicators, quality and data requirements</li> <li>Respond promptly to requests for information or for the approval of project documentation</li> <li>Assist in the preparation of the CCGs' specific elements of the procurement documentation</li> <li>Attend and participate in project team meetings as required</li> <li>Review and comments on project outputs in a timely manner</li> <li>Advise on the appropriate local media in which to advertise and publicise the project through local networks</li> <li>Provide activity base data for the BI lead for analysis and presentation purposes</li> <li>Evaluate completed PQQs and tender submissions in accordance with the agreed evaluation plan</li> <li>Provide the rationale and reasoning for scores allocated to enable any feedback to be</li> </ul>

			<ul style="list-style-type: none"> <li>provided</li> <li>• Work with the new provider(s) during the mobilisation period to ensure timely service delivery</li> <li>• Maintain high standards of confidentiality to ensure that commercially sensitive information about contracting parties, the procurement process and/or bidders is not inappropriately published or released to unauthorised sources</li> </ul>
Acute PTS Leads	Core	Medium	<ul style="list-style-type: none"> <li>• Act as subject matter experts</li> <li>• Take responsibility for consulting with and getting any required input from non-project team acute members of staff</li> <li>• Provide input into service specification development and other procurement documentation</li> <li>• Respond promptly to requests for information or for the approval of project documentation</li> <li>• Helps to develop evaluation criteria and weightings</li> <li>• Helps to develop key performance indicators, quality and data requirements</li> <li>• Reviews and comments on project outputs in a timely manner</li> <li>• Attend and participate in project team meetings as required</li> <li>• Evaluate completed PQQs and tender submissions in accordance with the agreed evaluation plan</li> <li>• Provide the rationale and reasoning for scores allocated to enable any feedback to be provided</li> <li>• Maintain high standards of confidentiality to ensure that commercially sensitive information about contracting parties, the procurement process and/or bidders is not inappropriately published or released to unauthorised sources</li> <li>• Work with the new provider(s) during the mobilisation period to ensure timely service delivery</li> </ul>
Clinical Lead	Wider	Low	<ul style="list-style-type: none"> <li>• Provide clinical input and advice as required</li> <li>• Respond promptly to requests for information or for the approval of project documentation</li> <li>• Maintain high standards of confidentiality to ensure that commercially sensitive information about contracting parties, the procurement process and/or bidders is not inappropriately published or released to unauthorised sources</li> <li>• Evaluate completed PQQs and tender submissions in accordance with the agreed evaluation plan</li> <li>• Provide the rationale and reasoning for scores allocated to enable any feedback to be provided</li> </ul>
Renal dialysis clinician	Wider	Medium	<ul style="list-style-type: none"> <li>• Help to develop the service specification for renal dialysis patient transport</li> <li>• Respond promptly to requests for information or for the approval of project documentation</li> <li>• Attend and participate in project team meetings as required</li> </ul>

			<ul style="list-style-type: none"> <li>• Maintain high standards of confidentiality to ensure that commercially sensitive information about contracting parties, the procurement process and/or bidders is not inappropriately published or released to unauthorised sources</li> <li>• Evaluate completed tender submissions in accordance with the agreed evaluation plan</li> <li>• Provide the rationale and reasoning for scores allocated to enable any feedback to be provided</li> </ul>
Chemotherapy clinician	Wider	Medium	<ul style="list-style-type: none"> <li>• Help to develop the service specification for chemotherapy patient transport</li> <li>• Respond promptly to requests for information or for the approval of project documentation</li> <li>• Attend and participate in project team meetings as required</li> <li>• Maintain high standards of confidentiality to ensure that commercially sensitive information about contracting parties, the procurement process and/or bidders is not inappropriately published or released to unauthorised sources</li> <li>• Evaluate completed PQQs and tender submissions in accordance with the agreed evaluation plan</li> <li>• Provide the rationale and reasoning for scores allocated to enable any feedback to be provided</li> </ul>
Radiotherapy clinician	Wider	Medium	<ul style="list-style-type: none"> <li>• Help to develop the service specification for radiotherapy patient transport</li> <li>• Respond promptly to requests for information or for the approval of project documentation</li> <li>• Attend and participate in project team meetings as required</li> <li>• Maintain high standards of confidentiality to ensure that commercially sensitive information about contracting parties, the procurement process and/or bidders is not inappropriately published or released to unauthorised sources</li> <li>• Evaluate completed PQQs and tender submissions in accordance with the agreed evaluation plan</li> <li>• Provide the rationale and reasoning for scores allocated to enable any feedback to be provided</li> </ul>
Finance Lead	Core	High	<ul style="list-style-type: none"> <li>• Respond promptly to requests for information or for the approval of project documentation</li> <li>• Attend and participate in project team meetings as required</li> <li>• Provide financial and activity base data for the BI lead for analysis and presentation purposes</li> <li>• Develop pricing models</li> <li>• Provide analysis of bidders' financial capability at PQQ stage</li> <li>• Review and analyse bidders' pricing proposals and final tender submissions</li> <li>• Provide the rationale and reasoning for scores allocated to enable any feedback to be provided</li> <li>• Complete a costing assessment to ensure the proposed scheme is affordable</li> <li>• Maintain high standards of confidentiality to ensure that commercially sensitive</li> </ul>

			information about contracting parties, the procurement process and/or bidders is not inappropriately published or released to unauthorised sources
Business Intelligence Lead	Core	High	<ul style="list-style-type: none"> <li>Respond promptly to requests for information or for the approval of project documentation</li> <li>Attend and participate in project team meetings as required</li> <li>Maintain high standards of confidentiality to ensure that commercially sensitive information about contracting parties, the procurement process and/or bidders is not inappropriately published or released to unauthorised sources</li> <li>Prepare and present activity data for tender documentation</li> <li>Analyse activity data submitted by bidders as part of their tender documentation</li> <li>Evaluate tender submissions in accordance with the agreed evaluation plan</li> <li>Provide the rationale and reasoning for scores allocated to enable any feedback to be provided</li> </ul>
Communications Lead	Wider	Low	<ul style="list-style-type: none"> <li>Respond promptly to requests for information or for the approval of project documentation</li> <li>Attend and participate in project team meetings as required</li> <li>Maintain high standards of confidentiality to ensure that commercially sensitive information about contracting parties, the procurement process and/or bidders is not inappropriately published or released to unauthorised sources</li> <li>Advise on the appropriate local media in which to advertise and publicise the project through local networks</li> <li>Work with the Project Director and Programme Lead to develop articles, press releases, web-site information, social media communications</li> <li>Provide a cross-CCG response to any media enquiries or challenges</li> </ul>
Equality and Diversity Lead	Wider	Low	<ul style="list-style-type: none"> <li>Advise on Equality and Diversity requirements for inclusion in the service specifications</li> <li>Work with the Procurement Lead to ensure a Equality and Diversity Impact Assessment is undertaken</li> <li>Respond promptly to requests for information or for the approval of project documentation</li> <li>Attend and participate in project team meetings as required</li> <li>Maintain high standards of confidentiality to ensure that commercially sensitive information about contracting parties, the procurement process and/or bidders is not inappropriately published or released to unauthorised sources</li> <li>Evaluate completed PQQs and tender submissions in accordance with the agreed evaluation plan</li> <li>Provide the rationale and reasoning for scores allocated to enable any feedback to be provided</li> </ul>
Patient Engagement Lead	Wider	Medium	<ul style="list-style-type: none"> <li>Ensure appropriate patient involvement and engagement in the procurement</li> <li>Nominate patients and co-ordinate patient involvement in the procurement</li> </ul>

			<ul style="list-style-type: none"> <li>• Liaise with local Healthwatch groups</li> <li>• Respond promptly to requests for information or for the approval of project documentation</li> <li>• Attend and participates in project team meetings as required</li> <li>• Maintain high standards of confidentiality to ensure that commercially sensitive information about contracting parties, the procurement process and/or bidders is not inappropriately published or released to unauthorised sources</li> <li>• Advise on the appropriate local media in which to advertise and publicise the project through local networks</li> </ul>
Patient representatives/Healthwatch	Wider	Medium	<ul style="list-style-type: none"> <li>• Provide patient input into the development of service standards</li> <li>• Attend and participate in project forums and project team meetings as required</li> <li>• Evaluate completed tender submissions in accordance with the agreed evaluation plan</li> <li>• Provide the rationale and reasoning for scores allocated to enable any feedback to be provided Maintain high standards of confidentiality to ensure that commercially sensitive information about contracting parties, the procurement process and/or bidders is not inappropriately published or released to unauthorised sources</li> </ul>