

Joint Public Health Board

20th July 2020

Approval Request for LiveWell Dorset Digital Services Sourcing/Commissioning

For Decision

Portfolio Holder: Cllr L Miller, Adult Social Care and Health, Dorset Council
Cllr L Dedman, Adult Social Care and Health,
Bournemouth, Christchurch and Poole (BCP) Council

Local Councillor(s): All

Executive Director: Sam Crowe, Director of Public Health

Report Author: Lauren Bishop / Stuart Burley
Title: Senior Health Programme Advisor / Head of Programmes
Tel: 07825 034375
Email: stuart.burley@dorsetcouncil.gov.uk

Report Status: Public

Recommendation:

The Joint Public Health Board is asked to:

- Review and approve the sourcing plan outlined in the Background Paper, noting the strategic context, objectives and shortlisting of options.
- Delegate authority to the Director of Public Health, in consultation with the Portfolio Holders, to award any contracts required by the sourcing plan to appropriate providers on the best terms achievable and within the budget.

Reason for Recommendation:

The LiveWell Dorset IT and digital service contracts are due to terminate on 31st March 2021. An options appraisal is underway to consider how services will be sourced and delivered from April 2021. The recommendation will enable Public Health Dorset to implement the preferred sourcing option, providing enough time to source, procure and mobilise new arrangements.

1. Executive Summary

A range of LiveWell Dorset IT and digital service contracts are due to expire on 31st March 2021. These include:

- provision of IT equipment, infrastructure and support
- LiveWell Dorset digital platform
- LiveWell Dorset Customer Relationship Management system.

A comprehensive options appraisal process is underway to select the most appropriate sourcing model for the services in scope, including in-sourcing and commissioning options. A shortlisting process has been completed based on viability, timescales and business needs. Options involving the in-sourcing of the digital platform and CRM aspects have not been shortlisted due to an inability to meet the gateway criteria. As such, a procurement exercise is likely to be required for these services, whilst it remains feasible to consider Dorset Council IT services to provide equipment, infrastructure and support.

The Background Paper describes the options appraisal process in more detail, including an Appendix which highlights the longlist, shortlisting process and shortlisted options. Once a preferred option has been selected based on this process, a more detailed sourcing plan, including precise budget, will be developed. The Board is asked to approve the progression of this preferred option based on the information given in this paper.

2. Financial Implications

Current spend per annum on existing contract elements is as follows:

- ICT equipment, infrastructure and support: £38,171
- Digital platform: £47,500
- Customer Relationship Management system: £12,600

Existing costs of the LiveWell Dorset IT and digital service contracts is funded by the Public Health Dorset Health Improvement programme budget. New services from April 2021 will continue to be funded from this budget line. No additional funding will be required.

3. Climate implications

For any procurement activity, consideration will be given to whether it would be feasible and practicable to include any sustainability and climate-based requirements in the provider specification.

4. Other Implications

None identified.

5. Risk Assessment

There are no political, financial or social risks associated with this proposal. The main risk of the project is failure to implement the new service arrangements in time which could result in disruption of services to the public. Approval to progress and implement the preferred option at this time will mitigate this risk in that it would provide sufficient time to complete the work.

Having considered the risks associated with this decision, the level of risk has been identified as:

Current Risk: Low

Residual Risk: Low

6. Equalities Impact Assessment

The sourcing project itself does not have people implications as it relates to continuation of services already being delivered as an enabler of the LiveWell Dorset service, which itself is subject to equality impact assessment. Therefore, an equality impact assessment is not required for this project. Attention will be given to equality and accessibility in the development of specifications for all services in scope.

7. Appendices

The Appendix is included at the end of the background paper.

8. Background Papers

Background Paper: LiveWell Dorset IT & Digital Services Sourcing

1. Background

1.1 LiveWell Dorset (LWD) is an innovative integrated health and wellbeing service delivered by Public Health Dorset (PHD). On bringing the service in-house from April 2018, PHD commissioned a variety of digital services which were not able to be delivered in-house by Dorset Council (DC, PHD's host organisation) at the time.

1.2 These services, which are essential to the running and development of LWD, include:

- IT equipment, infrastructure and support
- A website and digital platform
- A Customer Relationship Management (CRM) system

1.2 All contracts have been extended to 31st March 2021 to offer continuity of service and harmonise the contract end dates. The current task is to develop, select and implement – by 1st April 2021 - the most appropriate sourcing model for the services in scope.

2. Strategic context

2.1 In order to meet its commitment to both BCP Council and Dorset Council to provide best value, high-quality public health services, PHD will consider the full range of options and identify the one that best meets the needs of LWD and therefore the residents we serve.

2.2 In-sourcing to DC is considered, and commissioning will be used to source services not viable or appropriate to be delivered in-house. This viability and appropriateness depends on a range of strategic and operational factors, which are largely captured in the sourcing objectives set out below.

2.3 In relation to Objective F below, future evolution of the service may include an expansion to delivering LiveWell services and/or products beyond Dorset. Thus, there is a potential for income generation and the ability to expand the service in such a way should be allowed for in the delivery of digital services.

3. Objectives

3.1 The sourcing process and, in turn, the chosen option, must meet the following objectives:

- A. Deliver a seamless transition from existing arrangements to new ones, which will provide essential continuity of service for both clients and staff.
- B. Be completed in a timely manner, such that a) there is sufficient time to complete any required procurement activity and b) an adequate mobilisation period is allowed, which will support Objective 1.
- C. Provide high-quality services that assure and enable service delivery, continuity, development and improvement.
- D. Serve the needs of those who could benefit from the support of LiveWell Dorset, thus fulfilling Public Health Dorset's duty to provide appropriate public health services on behalf of both Dorset and BCP Councils.
- E. Be achievable within the available budget and offer value for money.
- F. Be capable of adapting to the evolution of the LiveWell Dorset service.
- G. Be legal, ethical, viable and feasible.

4. Options appraisal

4.1 Longlisting and shortlisting

4.1.1 The long-list of options (see Appendix) identified the range of possible sourcing models for the services in scope, including consideration of:

- Various configurations for dividing the services into different elements
- Options of in-sourcing and out-sourcing for each key element

4.1.2 Shortlisting was completed based pass/fail against the following criteria:

- **Viability:** It must be a viable and sustainable sourcing/commissioning model.
- **Timescales:** It must be possible to implement the chosen option in the relevant timeframe i.e. to be fully mobilised and live by 1st April 2021.
- **Business needs:** It must fulfil Public Health Dorset's duty to deliver value for money services that best meet the needs of the population on behalf of both Councils.

4.1.3 DC's ICT Operations and Digital Strategy & Design teams were consulted to gain an initial understanding of the in-house capabilities ahead of shortlisting. Based on these conversations, it was not possible to shortlist any options that would involve in-sourcing the digital platform and CRM, due to DC's own procurement process for a digital platform being unable to guarantee that a) the

platform would meet operational needs and b) that mobilisation to such a platform would be possible within the required timescales.

4.1.4 Other options were disregarded because they were simply not viable commissioning options.

4.1.5 In-sourcing of IT infrastructure remains a preferred possibility in the shortlist.

4.1.6 The full list of shortlisted options can be seen in the Appendix.

4.2 Full appraisal

4.2.1 A SWOT analysis will be completed for each shortlisted option in order to support the appraisal process. This will be supported by various stakeholder engagement activities:

- A soft market engagement exercise will be conducted to better understand the market conditions, appetite for and feasibility of the different procurement models.
- Further engagement with the DC ICT Operations team will be used to better understand how in-sourcing could meet the specific requirements.

4.2.2 Based on this SWOT analysis, the shortlisted options will be scored independently by a team of four appraisers on criteria that are driven by the sourcing objectives set out above and the specific requirements of the services. The team will moderate responses to identify a preferred option. This option will be worked up into a more detailed sourcing plan once the necessary approvals have been obtained.

5 Proposed next steps

5.1 Given that it was not possible to shortlist any options that involve the in-sourcing of the digital platform and CRM, a procurement exercise for these aspects is expected. It remains to be seen whether the IT infrastructure will be in-sourced or commissioned.

5.2 The precise budget and procurement model will be defined based on the chosen option, further market engagement and other strategic factors. The current annual spend can be used as an approximate indication of the expected annual budget.

5.3 Approval will be sought on the preferred option by the LWD Senior Leadership Team on 3rd September 2020 and by the PHD Senior Management Team shortly thereafter.

5.4 Approval is sought from the Board to progress with the preferred option, including any procurement activity this may require, once the above approvals have been made. The Board is asked to note the process outlined in this paper, the shortlisting decisions already made and the indicative budget implications and to give delegated authority to the PHD Senior Management Team to approve the selected procurement route.

5.3 An update on the chosen option will be provided at the November Joint Public Health Board meeting.

Appendix

1. Options longlist:

1. Do nothing
2. Status quo
 - o This option would involve recommissioning under the current model; i.e.:
 - a. Single, lead-provider procurement for all IT infrastructure and support
 - b. Single, lead-provider procurement for web and CRM support & development
3. In-source everything
 - o This option would involve in-sourcing all services to DC
4. Commission everything to a single / lead provider
5. Procure each element under different lots
 - o This would involve a single procurement process which could result in multiple suppliers providing different services
 - o Splitting out of lots could be done in various ways
6. Procure each element separately
 - o This would involve running a number of separate procurement processes for different services/elements
 - o Splitting out of services could be done in various ways
7. Commission IT infrastructure & support; in-source DP/CRM
8. In-source IT infrastructure & support; commission DP/CRM
9. Another combination of in-sourcing and commissioning

A range of sub-options falls under this umbrella, including:

 - a. In-source bulk of services with specific items unable to be delivered by DC to be procured
 - b. In-source all operational requirements (inc. infra/support, DP/CRM hosting & management); commission development work
 - c. In-source infra/support; commission DP/CRM; split out specific elements to be procured separately depending on need
 - o For Options 7-9, the procurement activity could be delivered via a number of different models, including:
 - a. Single / lead provider
 - b. Framework / DPS
 - c. Lots

2. Shortlisting matrix:

Option		Gateway Criteria: Pass / Fail			Comment on Outcome	Shortlisted?
		1: Viability	2: Timescales	3: Business Needs		
1	Do nothing	Fail	N/A	Fail	Disregarded as contracts are coming to an end with no option to extend.	No
2	Status quo	Pass	Pass	Pass	This is a viable option should insourcing of some services not be possible / appropriate.	Yes
2	In-source everything	Pass	Fail	Fail	DC unable to guarantee mobilisation of DP in timescales; DP not yet procured to know whether it meets needs.	No
4	Commission everything to a single / lead provider	Pass	Pass	Pass	Not a sound commissioning model; single provider unlikely to meet all meet business needs.	Yes
5	Procure different elements under different lots	Pass	Pass	Pass	This is a viable option should insourcing not be possible / appropriate.	Yes
6	Procure every element separately	Fail	Fail	Pass	Not a viable or appropriate procurement model.	No
7	Commission IT infra & support; in-source DP/CRM	Pass	Fail	Fail	DC unable to guarantee mobilisation in timescales; DP not yet procured to know whether it meets needs.	No
8	In-source IT infra & support; commission DP/CRM	Pass	Pass	Pass	Initial conversations suggest insourcing of infra etc viable in required timescales.	Yes
9	Another combination of in-sourcing and commissioning	Pass	Pass	Pass	Some iteration of this could be a viable option to meet business needs depending on what is possible to in-source.	Yes
7-9 A	Single / lead provider	Pass	Pass	Pass	A lead provider model for those parts of the services that require procurement may be appropriate.	Yes
7-9 B	Framework / DPS	Fail	Fail	N/A	This is not a viable commissioning model for the value and nature of the services to be procured.	No
7-9 C	Lots	Pass	Pass	Pass	A lot-based procurement could be appropriate to meet business needs and is viable.	Yes

3. Shortlisted options:

1. Status quo: 3 x lead-provider procurements (1 for infra, one for DP, 1 for CRM)
2. Commission everything to a single / lead provider
 - a. Single provider
 - b. Lead provider
3. Procure different elements under lots in single procurement:
 - a. Sub-options to be developed
 - b. 'Elements' could include: Web development, CRM, User testing
4. In-source IT infra & support; commission DP/CRM
 - a. Lot-based model
 - b. Single/lead provider model
5. Another combination of in-sourcing and commissioning; e.g.:
 - a. Separate commissioning of user testing element
 - b. Separate commissioning of videoconferencing software for training delivery

Footnote:

Issues relating to financial, legal, environmental, economic and equalities implications have been considered and any information relevant to the decision is included within the report.