

MODEL METHOD STATEMENT

Mental Health and Employment service (Individual Placement and Support)

This document is intended as a resource for commissioners to use in the procurement of Individual Placement and Support (IPS) services in their areas. It should be read in the context of relevant legislation, local and national procurement regulations, and other commissioning requirements.

This forms part of a suite of guidance documents, tools and templates developed by IPS Grow, a consortium that includes NHS England, the Work and Health Unit, the Centre for Mental Health, Social Finance, and a number of IPS Centres of Excellence, including Central North West London NHS Foundation Trust, South West London and St George's Mental Health NHS Trust, Northamptonshire Healthcare NHS Foundation Trust, and Southdown Housing .

This Briefing Note provides supporting guidance on the following template documents:

- Briefing Note for Commissioners and Procurement Teams: Individual Placement and Support Services
- IPS Grow Model Service Specification: Mental Health and Employment Service (Individual Placement and Support)
- IPS Grow Finance Model Template
- IPS Grow Outcomes Target Calculator

Guide to document:

- Text in **red** requires tailoring to the local area
- Text in **blue** is guidance for completion and should be deleted

Method Statement (Individual Placement and Support)

INSTRUCTIONS

1. The below comprises the evaluation criteria and method statements required to be provided by bidders. The evaluation criteria provides details of how tenders will be evaluated and the percentage of marks available for each criterion. The method statements refer to the sections in the Specification, which will enable the [commissioner] to perform a fair and easily measured tender evaluation process.
2. The tender evaluation criteria, the weightings and the scoring methodologies are described below. The tables in this schedule show summaries of the criteria to be used when evaluating bidders and how they are structured. There are six (6) quality criteria comprising 80% of the overall mark, with the tender price comprising 20%.
3. The scoring methodology for the quality criteria is detailed in Table 1 below. The quality evaluation criteria weighting summary is also given in Table 2.
4. The method statement questions are given at section three (3) of this schedule. Responses to the Method Statement questions must be structured in accordance with key elements of each method statement question and must demonstrate the required criteria contained within each of the corresponding sections and specification requirements. Bidders should consider the proportionality of the weighting applied and the relationship between each of the demonstrable criterion forming each section when structuring their responses.
5. Price evaluation criteria are given within Section 4 of this schedule. Price scoring methodology is shown in Table 3.

QUALITY EVALUATION CRITERIA

6. The table below shows the evaluation scoring mechanism to be employed for the evaluation of the qualitative elements of the tender.

Table 1: Quality Scoring Mechanism

Score 5	<p>COMPLETELY MEETS THE REQUIREMENT</p> <p>The bidder's proposal is comprehensive and demonstrates that they fully understand the requirement. They have supplied clear, detailed information and the evidence is unequivocal. The evaluation team is fully satisfied about the bidder's ability to meet the detailed criteria.</p>
Score 4	<p>ALMOST MEETS THE REQUIREMENT BUT NOT COMPLETELY</p> <p>The bidder has demonstrated a good understanding of the requirement. The evidence is clear and convincing with minor reservation(s) in one key area.</p>
Score 3	<p>MOSTLY MEETS THE REQUIREMENT BUT FAILS IN PARTS</p> <p>The bidder has shown a reasonable understanding of the requirement. The evidence is fairly clear and convincing with minor reservations in two or more key areas.</p>

Score 2	MOSTLY FAILS TO MEET THE REQUIREMENT BUT MEETS IN PARTS In the majority of the key areas the evidence is unclear and unconvincing but in others the evidence is clear and convincing. The overall response casts doubt on the bidder's ability to deliver the requirement.
Score 1	SIGNIFICANTLY FAILS TO MEET THE REQUIREMENT In virtually all key areas there is a lack of convincing evidence which casts serious doubt about the bidder's understanding of the requirement.
Score 0	TOTALLY FAILS TO MEET ANY OF THE REQUIREMENTS OR FAILS TO PROVIDE A RESPONSE No response provided or totally fails to address the method statement

QUALITY EVALUATION CRITERIA

7. *Note: Commissioners should review the following questions carefully and determine whether to make adjustments to ensure they are fit-for-purpose for the context in their local area.*
8. The tables below display a detailed breakdown of the quality criteria and sub-criteria weighting. The weighting allocated to each of the criteria and each respective sub-criteria has been proportionately allocated in accordance with the respective importance of each criterion. The quality questions carry 80% of the overall marks. This includes 5% of marks allocated on the basis of bidder presentations.
9. Bidders must score a minimum of 3 out of 5 for the Service Model (3.2.1) and Staffing Model (3.3) sections. Further notes are provided along with individual questions.

Table 2: Quality evaluation criteria weighting summary

Award criteria section (total weighting)	Weighting by evaluation area	
	Tender Schedule Question	Weighting (%)
3.1 Implementation Plan	Mobilisation plan and milestones Communications plan Consortia agreement (if applicable) Staffing set up Risk table	15%
3.2 Service Model and Performance Management	3.2.1 Service Model	15%
	3.2.2 Outcomes framework and performance management	15%

3.3 Staffing Model	Set up of staffing model	15%
	Organisation chart	
	Staffing Breakdown for Pricing Schedule	
3.4 Partnership working and engagement	3.4.1 Partnership arrangements with secondary teams	5%
	3.4.2 Co-production with users and stakeholder engagement	5%
3.5 Delivery of social value	Social and environmental benefits	5%
3.6 Presentation	Knowledge, skills, experience, and values	5%
	TOTAL QUALITY SCORE	80%
	TOTAL PRICE SCORE	20%
	COMBINED TOTAL SCORE	100%

PRICE EVALUATION CRITERIA

10. Bidders are required to complete the Financial Model Template in accordance with the criteria set below and the guidance contained within the template.

Note: the following guidance depends on the commissioner's approach to the Price element of the selection criteria. This could either be a discount on the price for the contract or a bid for a higher outcomes target.

Option A. For tenders requiring a discount on price:

11. As part of completing the Financial Model Template, bidders are required to provide level of discounts they would offer against the set price. Bidders are also required to provide breakdowns of budget and costs, full staff breakdown, outcomes and caseloads.
12. Bidders are asked to indicate the level of discount they will offer. **Discounts range between 0% and 10%. This will mean the highest percentage discount a bidder can offer is 10% of the indicative budget and the lowest is 0%.** [Note: To avoid over-discounting, commissioners may choose to set a maximum discount].
13. Bidders are required to quote fixed percentage discount for both block and outcome- based elements of the price. This offer shall remain applicable for the entire contract duration.
14. The highest percentage discount will mean the lowest priced Total Contract Cost to be charged to the **[commissioner]**. A bidder that is offering the highest available discount will be awarded the maximum points available for price evaluation, subject to considerations on the viability of the bidder's budget (see paragraph 30 below). Further detail on scoring methodology is provided below.
15. The price quoted by the tenderer will be fixed and will not be allowed to vary throughout the duration of the contract without the prior approval of an authorised representative of the

[commissioner]. The [commissioner] does not intend to pay any inflationary increases for the duration of this contract.

Option B. For tenders requiring a bid on the outcomes target and tariff:

16. Bidders are asked to submit whether they can achieve outcomes over and above the specified minimum.
17. Bidders are invited to offer a target number of job starts between [minimum] and [maximum]. [Note: a maximum number of outcomes is included to prevent over-bidding. This could be 10-15% above the minimum]. Should a bidder submit a number outside of this range, their bid will be disqualified and not considered further.
18. The maximum outcomes payment available will be [XXX] irrespective of the target number of job starts submitted.
19. The payment per job start will be adjusted according to the following formula:

$$\text{Payment per job start} = \frac{\text{[maximum outcomes payment]}}{\text{Number of job starts targeted}}$$
20. This ensures that the maximum outcomes payment will only be achieved if the bidder achieves the outcomes target that it bids in the Financial Model Template.
21. The points received for the price evaluation will be determined by a formula according to the outcomes that the bidder commits to achieving. Further detail on this calculation is provided below.
22. The outcomes target bid, and the resultant payment per job start, will be fixed and will not be allowed to vary throughout the duration of the contract without prior approval of an authorised representative of the [commissioner].

ALL tenders:

23. All costs associated with the delivery of the service and which relate to the bidder's own costs shall be provided in accordance with the Specification and as per the instructions contained within the Financial Model Template.
24. The budget allocation for this service is detailed in the Service Specification. Bidders are requested to confirm the maximum percentage discount they can offer against the budget. The annual total cost submitted must not exceed the annual set budget. To exceed the budget will result in a bid being rejected under affordability.
25. Please note: we are unable to guarantee that the budget will remain constant as part of the price is outcomes-based.
26. All staff employed wholly or substantially in the delivery of the services under the contract are to be paid the London Living Wage as a minimum salary. Detail on the London Living Wage can be found at: <https://www.livingwage.org.uk>. Changes to the London Living Wage will not entitle the successful provider to increase its prices.
27. Bidders must list all supplies and services to be provided as part of your solution to meet the [commissioner]'s needs and must include detail of any other associated costs.
28. All information requested which will not form part of the evaluation is clearly marked 'INFORMATION ONLY'. Bidders should however remain aware that any such information provided at this stage may be included within the Contract Terms and Conditions and the Contractor shall be held accountable to such information.
29. Bidders are strongly advised that before submitting this Tender all arithmetical calculations be checked for accuracy, whilst also ensuring that forms have been fully completed and signed (by the authorised Officer) and all necessary information supplied. The Bidder will not be allowed to adjust their bid set out on the Form of Tender or Financial Model Template if that means an increase in the price offered.

30. Bidders must take care to ensure they provide a price for each item/element of the pricing schedule as specified. Failure to complete the pricing schedule in full may invalidate your submission.
31. Bidders should note that whilst some of this information is only required for information purposes and will not form part of the evaluation, should it be considered that any element of the rate(s), broken down or otherwise, are too low to be credible/sustainable and/or the volumes proposed unachievable, the [commissioner] reserves the right to exclude the bidder from further consideration.
32. Bidders should be aware that the [commissioner] has a duty to investigate submitted bidders where the price appears to be abnormally low. If the Bidder cannot provide substantial reasons for the low prices, then the [commissioner] may disqualify the submission.
33. Price carries 20% weighting. – this will mean price will account for 20% of the total available tender scores (which is 100% for combined quality and price).

Option A. For tenders requiring a discount on price:

Note: This assumes a maximum discount of 10% is applied.

34. Bidders' prices will be scored as follows: bidder's offered percentage discount will be divided by the highest possible percentage discount to be offered and the resulting ratio will be multiplied by the price weighting maximum score achievable (20) to give a price score for each Bidder. Detail examples of the price evaluation methods are given in Table 3 below.

Table 3: Price scoring methodology - examples

Bidder	Percentage discount offered out of 10%	Evaluation Method	Scores out of 20
A	10	$(10/10) = 1.0 \times 20 = 20$	20 points
B	9	$(9/10) = 0.9 \times 20 = 18$	18 points
C	7	$(7/10) = 0.7 \times 20 = 14$	14 points
D	5	$(5/10) = 0.5 \times 20 = 10$	10 points
E	3	$(3/10) = 0.3 \times 20 = 6$	6 points

35. In the examples, Bidder A that offers the highest percentage discount will receive the full 20 scores while Bidder E that offers the lowest percentage discount will receive 6 points out of 20.

Option B. For tenders requiring a bid on the outcomes target and tariff:

36. The bidder's score for the pricing element will be scored according to the following formula:

$$\frac{((\text{Number of job starts proposed} - \text{Minimum job starts target}) / (\text{Maximum job starts target allowed} - \text{Minimum job starts target}))}{1}$$

37. The resulting ratio will be multiplied by the price weighting maximum score achievable (20) to give a price score for each bidder. The score will be rounded to the nearest whole number. Detail examples of the price evaluation methods are given in Table 3 below.

Table 3: Price scoring methodology - examples

Note: Based on minimum job starts of 100 and maximum of 115

Bidder	Target job starts	Evaluation Method	Scores out of 20
A	115	$(115 - 100) / (115 - 100) \times 20 = 20$	20 points
B	105	$(105 - 100) / (115 - 100) \times 20 = 6.66$	7 points
C	100	$(100 - 100) / (115 - 100) \times 20 = 0$	0 points

METHOD STATEMENT QUESTIONS

38. The tender submissions will be evaluated against the following quality criteria outlined below. Further information about the award criteria are detailed in the Instruction to bidders section of the ITT.
39. Each Method Statement has been assigned a word or page limit which must be adhered to. Information provided over the word or page limit will not be evaluated.
40. For the avoidance of doubt, where the word or page limit for a section has been exceeded, the evaluator will only consider information within the word limit as part of the evaluation.
41. Responses must be provided within the response section of the document provided below. Any additional information must be provided in a separate clearly identifiable appendix which is labelled in accordance with the Method statement numbering below if requested. Non-requested additional documents will not be considered in the evaluation.
42. Any excel documents, relevant forms, tools or programmes that may be used will not be included in the word count for each question, but please only include relevant documents only if requested.

3.1 Implementation Plan (15%)

Please demonstrate through your implementation plan how you will mobilise the service to commence on 1 January 2018. This should include:

- How you will communicate with key stakeholders, with an outline of key stakeholders and tactics for each
- A detailed plan for a consortia/partnership/sub-contracting arrangement if you are proposing to deliver the service jointly with other organisations;
- Detailed proposals for having staff and/or volunteers in place to support the implementation of the service;
- A summary of potential risks you have identified for this process and how you intend to address them;

Please also attach a Project Mobilisation Plan (Excel Workbook) including key activities and milestones from the award of contract until 12 months after the service start date. This should include the names/titles and expected allocated time for the mobilisation team that will be expected to support mobilisation.

The word limit for 3.1 is 1,000 words. We will only evaluate the first 1,000 words and the Project Mobilisation Plan.

3.2 Service model and Performance Management (30%)

Bidders must score 3 out of 5 for question 3.2.1 (service model)

1. Service model (15%)

With reference to the specification, please set out your model to deliver a high-fidelity IPS service integrated into secondary mental health care, including how it will be experienced by people with mental health needs. In your response, please consider the below points:

- Referral pathways
- Demand, capacity, and flow through the service
- Retention

- Staff structure
- Ensuring the service works with the most complex clients (e.g., people on the Care Programme Approach)
- Employer engagement
- Fidelity to the IPS model and how you will work towards becoming an IPS Centre of Excellence

The word limit for 3.2.1 is 2,500 words. We will only evaluate the first 2,500 words.

2. Outcomes framework and performance management (15%)

Please indicate your ability to monitor and manage performance including:

- An outcomes framework that corresponds to the specification, demonstrating the key outcomes and operational metrics. You may wish to do this by providing the reporting template that you will use for monitoring the service. Where you have identified performance targets (either from the specification or in developing your model) please include these;
- Details of your quality systems, information and performance management systems you will use to support this service. Please include a clear evidence based reporting structure;
- Demonstrate how you intend to use ongoing evaluation to ensure that the aims and objectives of the service are achieved through continuous improvement. Please make reference to examples of prior experience and an outline of organisational capability for managing set-backs and turning around service performance.

The word limit for 3.2.2 is 600 words. We will only evaluate the first 600 words.

3.3 Staffing Model (15%)

Bidders must score a minimum of 3 out of 5 this section.

- In line with the specification please describe how the staff team will work, including the structure; leadership and management arrangements; professional development; flexibility; caseloads; roles and responsibilities. Please include details of any volunteer support staff.
- **Please confirm that you will pay London Living Wage.**
- Please include a diagram demonstrating the full operational staffing model as envisaged when the service reaches capacity.
- Please attach an organisational chart to show how this service will fit within your wider organisation. Please highlight key leadership support roles and the amount of time they will dedicate to the service.
- Please complete the Full Staff Breakdown and Outcomes and caseloads sections of the Pricing Schedule, which will be used when assessing your response to this question.

The word limit for 3.3 is 1,500 words. We will only evaluate the first 1,500 words.

3. Partnership Working and Engagement (10%)

3.1. Partnership arrangements with secondary teams (5%)

In line with the service specification please outline how you will develop and maintain strong partnerships, in particular with secondary mental health teams in [area]. Please include:

- How you will ensure the service is fully integrated into secondary mental health teams
- Your plans for co-locating team members in clinical teams
- Any other partnership arrangements you will develop with the Mental Health Trust at the corporate and team levels

3.2. Co-production with users and stakeholder engagement (5%)

- Please tell us how you work in a collaborative way to build partnerships with other organisations and how you intend to build relationships with the [commissioner] and others to achieve service outcomes, including with advice partners, housing and third sector organisations.
- Please describe how you will engage with employers to develop employment networks and build partnerships with the local business community.
- Please describe how you will apply co-production principles to the service and ensure the full engagement and involvement of service users.

The word limit for 3.4 is 1,000 words. We will only evaluate the first 1,000 words.

4. Delivery of Social Value (5%)

Please describe how you will deliver additional social value as part of this contract. This should include:

- How this service will add social and environmental value in line with the Social Value Act
- Engagement with neighbours, local residents and local businesses
- Engagement with universal services
- Additional support for service users

Please include activity and outcome targets wherever feasible in your answer to this section.

The word limit for this section is 500 words. We will only evaluate the first 500 words.

3.6 Presentation (5%)

Bidders that meet the Contract Specific Selection Criteria will be invited to deliver a presentation to the evaluation panel. The presentation should be a maximum of 10 slides in a format that can be read with Microsoft PowerPoint and should be submitted with your bid. The presentation should address the question: "Given the type of service being procured, what knowledge, skills, experience and values will you bring to deliver successfully?"

Presentations should not offer new information that is not included in your bid. They are instead an opportunity to better understand your proposal. You will be allocated 45 minutes. Bidders should deliver their presentation in under 25 minutes to allow for questions from the panel.

Notes for bidders:

- Please note the panel will include service users who needed support to get employment and who will contribute to the scoring of the presentation;
- Please refer to the tender timetable for date and time of the presentation.