

# Invitation to Tender

*An Impact Assessment of the Health Foundation's  
Finance, Efficiency and Productivity (FEP) research and  
analysis*

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**Prepared by**

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**1. Deadline date: Midday on Friday 5 April 2019**

**Attached documents include**

- Sample contract
- Annex 1 and 2

## **1.0 About the Health Foundation**

- 1.1 The Health Foundation is an independent charity committed to bringing about better health and health care for people in the UK.
- 1.2 Our aim is a healthier population, supported by high quality health care that can be equitably accessed. We learn what works to make people's lives healthier and improve the health care system. From giving grants to those working at the front line to carrying out research and policy analysis, we shine a light on how to make successful change happen.
- 1.3 We make links between the knowledge we gain from working with those delivering health and health care and our research and analysis. Our aspiration is to create a virtuous circle, using what we know works on the ground to inform effective policymaking and vice versa.
- 1.4 We believe good health and health care are key to a flourishing society. Through sharing what we learn, collaborating with others and building people's skills and knowledge, we aim to make a difference and contribute to a healthier population.

## **2.0 Context**

- 2.1 Since 2014, the Health Foundation has had a strategic interest in issues relating to the financing and funding of the NHS and social care. The following context gives an overview of the external context that has and continues to shape our Finance, Efficiency and Productivity (FEP) portfolio of activity.
- 2.2 The health service is a public priority. Since 1985, health has consistently been rated as the first priority of the public for extra government spending. Maintaining a publicly funded system, free at the point of use, accessed according to need rather than ability to pay is not just popular with the public, it has a strong economic and social welfare rationale. International evidence shows that a tax-funded, single payer model of paying for health care has substantial advantages in terms of universal coverage and overall efficiency.
- 2.3 To ensure the quality of NHS and social care in England and deliver value for money for taxpayers, the system needs predictable funding based on a realistic and robust assessment of demand and cost pressures, and a stretching but achievable productivity target. Current projections suggest this would require annual increases to the NHS budget of around 4% a year above inflation. NHS England has received funding increases of 3.4% a year for the next five years. However, funding increases for crucial areas of wider Department of Health and Social Care (DHSC) spending (workforce training, capital and public health) have not yet been confirmed, and the long-awaited green paper on social care has been delayed multiple times.
- 2.4 Increasing NHS and social care funding at the expense of other public services, many of which impact on people's health, would be a false economy. There needs to be a debate with the public about increases in tax to support the NHS and social care.

- 2.5 The NHS and social care have seen repeated cycles of boom and bust funding and staffing. A better approach is needed to ensure the services' long-term sustainability. A recent House of Lords committee on the long term sustainability of the NHS recommended the creation of a new independent body – modelled on the Office for Budget Responsibility (OBR) –to identify long-term health and social care demand and supply changes based on demography, risk factors and disease, new technology and innovation and public expectations. The body should also provide an independent assessment of the staffing and funding required, improving transparency and the accountability of politicians and policymakers who would still determine how much resourcing to provide. As it stands, government have rejected this recommendation.
- 2.6 In the absence of a government-established body with this role, the Health Foundation is establishing a **Health and Social Care Sustainability Research Centre**, to support NHS and social care strategic planning, and bring about a shift in focus towards longer-term system sustainability.
- 2.7 The health and care system in England needs a comprehensive and nationally-led workforce strategy, continuously refreshed and underpinned by robust data and analytics to ensure a detailed understanding of labour supply and demand. There must be a shift away from the short-termism and under-supply that has plagued workforce planning for too long, towards an explicit policy of over-supply - welcoming staff from other countries within the international ethical recruitment framework. The workforce implementation plan to be developed this year will be a crucial vehicle for addressing critical staff shortages and addressing the long-term supply of an adequate, skilled workforce.
- 2.8 There is a shortage of over 100,000 staff in the NHS. Action needs to focus on improving retention by making the NHS a more attractive place to work as well as additional recruitment and training.

### **3.0 Background to project**

- 3.1 In 2014 our Board of Trustees agreed to expand the aims of the Health Foundation. One of these aims involved making a contribution to improving public policy on issues related to finance, efficiency and productivity (FEP) in the NHS by developing arguments and evidence to support better policymaking. In doing so the Foundation aimed to become a respected independent centre for policy analysis on health care in the UK by 2018.
- 3.2 The three-year objectives for our 2014 FEP strategy were:
- to become a leading source of independent, authoritative information and analysis on NHS funding and financial performance across the UK;
  - to become the recognised experts on research into the funding of health systems internationally and specifically the UK;

- to have developed a significant body of research on the efficiency of the NHS (including allocative and technical efficiency);
- to be recognised by policy makers and commentators as a source of innovative analysis of the role of economic incentives and tools (e.g. market regulation) to improve the performance of the health system; and
- to be recognised by leading health economic academics and researchers as a research partner and funder of choice; a funder who offers excellent input to research and first-class support on dissemination and assessment of the policy implications of research.

3.3 To support these objectives the Health Foundation established an in-house economics team. The purpose of this team was to provide analysis and commentary on some of the pressing FEP challenges facing policy-makers and offer practical, timely and evidence-based solutions. This team also worked with the Health Foundation's research team to help them commission and manage our external research programmes on FEP and contribute to the knowledge mobilisation of findings, with the aim of increasing their impact.

3.4 Since 2014 the Health Foundation has been working to build the evidence and generate new knowledge on:

- the funding of health and social care;
- allocative efficiency;
- system reform and regulation; and
- technical efficiency.

3.5 This new knowledge was generated through:

- internally undertaken descriptive analysis on funding and financial performance – see Annex 1;
- internally conducted research on funding – see Annex 1;
- internal policy analysis of system reform and regulation – see Annex 1; and
- externally funded research on system efficiency and value for money – see Annex 2.

3.6 The new knowledge and evidence generated through the four approaches outlined above was then communicated and disseminated in a range of ways to bring about impact and influence the policy debates on the FEP of the NHS.

3.7 In addition to these planned proactive work programmes we also responded reactively to changes in the external policy environment. We sought to achieve our three year FEP objectives by contributing to the debate and building evidence in a reactive manner. The major consequence of our subsequent reactive contributions has been that our current FEP remit has broadened out significantly since 2014 and

now includes analysis of social care and the NHS and social care workforce – see Annex 1.

3.8 Our thinking, evidence building, and communication and dissemination activities in the FEP area have been dynamic and evolving ever since we entered into this area in 2014. Our latest communication and influencing strategy, developed in 2019, has refocused our efforts in this area. The strategic area previously known as FEP is now our Health and Social Care Sustainability Strategy. It aims to bring about a more sustainable health and social care system by:

- Influencing the debate with government, policymakers, commentators and media on health and social care sustainability, to ensure the debate is evidence-based, informed by high-quality analysis, and focused on the long term.
- Building the profile and reputation of the Health Foundation as experts on health and social care sustainability with policymakers, media, researchers, and system and health leaders.
- Providing thought-leadership, high quality independent research and analysis on finances, efficiency, productivity and workforce, specifically their contribution to economic sustainability.
- Engaging with policymakers and system leaders to influence policymaking and planning with the aim of ensuring these reflect Health Foundation analysis and evidence.
  - In particular, supplement direct engagement/involvement with the workforce implementation plan group with ongoing communications activity on workforce; and
  - provide strong evidence to influence decision-making in the 2019 Comprehensive Spending Review. Specifically, on the investment that might be needed in social care, workforce, capital and public health for the NHS's to deliver on the ambitions Long Term Plan ambitions and use resources well.

3.9 The Health Foundation regularly collect a number of measures and metrics that allow for an assessment of our impact. However, like many other Foundations with broad objectives and diverse activities, understanding the impact of our work is difficult. These challenges include (but are not limited to):

- having broad organisational objectives<sup>1</sup> that are influenced by many factors outside of our control
- understanding which elements of our work can be attributed to what changes
- understanding if these changes would have happened anyway, without our intervention
- assessing whether positive changes in one area of our work might have a negative impact in other areas not covered by our work (i.e. displacement)
- tracking impact when there is a long time-lag between activities and outcomes
- understanding how the benefits of different activities change over time.

3.10 As a result, our approach to measuring and understanding the impact of our activities at the Health Foundation is still evolving. This year – in addition to our ongoing work to collect data on potential impact – **we are seeking to appoint an external provider to work with us to produce a ‘deep dive’ assessment of impact in our FEP work since 2014.** This will bring together a range of impact measures, metrics and case studies to produce a coherent narrative about the impact of this programme of work over time, and any key lessons about what appears to have worked well and what has worked less well. This work will also contribute to our understanding of how we can better measure the impact of our work over time.

#### 4.0 Details of the work

4.1 The aim of this work is to provide an in-depth assessment of the impact that our portfolio of FEP activities has had in influencing debate, increasing our profile and informing policy development. This should be assessed against the objectives outlined in paragraph 3.2, and in line with specific communication objectives. These will be clarified and agreed with the successful provider in an Inception Meeting Workshop to be held at the Health Foundation’s London Office on 8 May 2019 between 1 and 3pm.

4.2 The work has the following objectives (additional objectives may be added at a later date):

- Design and facilitate a workshop with colleagues from the Health Foundation so that the provider gains a solid understanding of:

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<sup>1</sup> Although this ITT focuses on our FEP portfolio, which is now part of our Health and Social Care Sustainability priority area), however, the Health Foundation has three other strategic priority areas: A healthier UK population; Health care quality and data analytics; and Supporting health care improvement (<https://www.health.org.uk/what-we-do>)

- our FEP work portfolio for inclusion in this work
  - what we were attempting to achieve and how these objectives have changed since 2014
  - our theory of change for impact
  - our intended audiences
  - what measures and metrics of impact we hold internally<sup>2</sup>
  - what additional measures and metrics will be collected by the provider, and how
  - what criteria should be used to select in-depth case studies of impact and how many should be undertaken.
- Collect and synthesise internal and external measures and metrics of impact
  - Undertake an agreed number of deep-dive case studies to explore broader impact (e.g. whether in-house or commissioned research findings have found their way into policy or practice, whether our funding of external research has allowed researchers to leverage further funding, whether we have built capability and capacity within the research community etc.)
  - Complete a realistic assessment of impact achieved against what we set out to achieve highlighting where we have been successful or areas for improvement
  - Deliver a presentation (with an accompanying slide pack) summarising the key findings to an internal Health Foundation audience.
  - Deliver a short impact report that provides:
    - a coherent narrative on our FEP impact alongside supporting metrics and concrete examples of impact;
    - an analysis of what activity has achieved impact; this should be focused on helping us understand which parts of our FEP work had more or less impact (e.g. X seemed to have more directly observable impact than Y, based the data available and the findings from case studies); and
    - clear recommendations (if and where appropriate) on what could be done to improve and bring about greater impact within the context of how the Health Foundation operates.

4.3 The final deliverables or some version of them – i.e. the short report and presentation – will be shared with our Board of Governors at their July 2019 meeting to provide a snapshot of our impact.

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<sup>2</sup> This includes information on core and corporate Health Foundation events and speaking engagements, parliamentary and media mentions, publication downloads, blogs, social media engagement, annual award reports for externally awarded research etc.

- 4.4 The role of the successful provider is to design and undertake a rigorous and appropriately designed methodological research approach that, within the timeframe outlined in section 10 of this ITT, that fully achieve the aims and objectives outlined above in the form of the two final deliverables.
- 4.5 This work will be managed by a Health Foundation Assistant Research Manager to ensure that the final deliverables are of the highest quality and submitted in a timely manner. The work will also have senior level stewardship from the Director of Research and Economics, the Assistant Director of Strategy and Policy, and the Deputy Director of Communications.
- 4.6 The Assistant Research Manager will also ensure that all internal supporting documentation, data and individual connections is provided in a timely manner and will also provide logistical support for the workshop. Progress will be monitored through a number of formal meetings with successful provider.

## **5.0 Deliverables**

5.1 There are **five** key deliverables for this work:

- A workshop (which will double as an inception meeting) to be held at the Health Foundation offices on **8 May 2019** between 1 and 3pm
- An internal presentation and slide pack summarising the interim findings at the Health Foundation offices on **28 May 2019** between 3 and 4:30pm
- An interim report to be delivered no later than **7 June 2019**
- An internal presentation and slide pack summarising the draft final findings at the Health Foundation offices on **16 September 2019** between 1 and 3pm
- A final report to be delivered no later than **1 October 2019**

## **6.0 Costs**

6.1 Responses to this invitation should include accurate pricing, inclusive of expenses and VAT. It is emphasized that assessment of responses to this tender invitation will be on perceived quality of service and demonstrable ability to meet the brief, rather than lowest cost, but value for money is a selection criterion.

6.2 Based on previous experience we would anticipate that the maximum budget to undertake this work is **£50,000 including VAT and all expenses**.

## **7.0 Tender response requirements**

7.1 Providers are requested to complete a tender response form on the AIMS system in presenting their response.

7.2 Detailed provider information such as:

- organisation name, address, registered address (if different) and website address
- description of the organisation's activities or services,
- history and ownership
- organisational governance and management structure
- most recent company accounts.

7.3 Information in response to the tender, such as:

- summary of your proposed approach
- summary of the experience of the key personnel who will be involved in the project
- costs, including a summary of the day rates and required days of those employed on the project, inclusive of VAT and expenses
- project and risk management
- any other relevant information the Foundation should take into account
- primary contact name and contact details
- client references, including information on comparable organisations to which you have supplied a similar service and a brief project description for each.

7.4 A statement of your willingness to reach a contractual agreement that is fair and reasonable to both parties. Please find attached a copy of our standard contract and outline any disagreements you may have with these.

## **8.0 Instructions for tender responses**

8.1 The Foundation reserves the right to adjust or change the selection criteria at its discretion. The Foundation also reserves the right to accept or reject any and all responses at its discretion, and to negotiate the terms of any subsequent agreement.

8.2 This work specification/invitation to tender (ITT) is not an offer to enter into an agreement with the Foundation, it is a request to receive proposals from third parties interested in providing the deliverables outlined. Such proposals will be considered and treated by the Foundation as offers to enter into an agreement. The Foundation may reject all proposals, in whole or in part, and/or enter into negotiations with any other party to provide such services whether it responds to this ITT or not.

8.3 The Foundation will not be responsible for any costs incurred by you in responding to this ITT and will not be under any obligation to you with regard to the subject matter of this ITT.

8.4 The Foundation is not obliged to disclose anything about the successful bidders, but will endeavour to provide feedback, if possible, to unsuccessful bidders.

8.5 Your bid is to remain open for a minimum of 180 days from the proposal response date.

8.6 You may, without prejudice to yourself, modify your proposal by written request, provided the request is received by the Foundation prior to the proposal response

date. Following withdrawal of your proposal, you may submit a new proposal, provided delivery is effected prior to the established proposal response date.

8.7 Please note that any proposals received which fail to meet the specified criteria contained in it will not be considered for this project.

## 9.0 Selection criteria

9.1 Responses will be evaluated by the Foundation using the following criteria in no particular order:

- Ability to deliver on all required services or outputs
- The quality and clarity of the proposal, products or services
- Evidence of proven success of similar projects / evidence of adaptability of any existing products to be used
- Expertise of the team
- Responsiveness and flexibility
- Transparency and accountability
- Value for money
- Financial stability and long-term viability of the organisation (Due diligence will be undertaken on all shortlisted organisations)

9.2 It is important to the Foundation that the chosen provider is able to demonstrate that the right calibre of staff will be assigned to the project; therefore, the project leader who will be responsible for the project should be present during the panel interviews if you are selected.

## 10.0 Selection process

10.1 Please complete the online tender response form on the AIMS system by **midday on Friday 5 April 2019**. Please read the AIMS user guide before starting to complete the form. This is available on our website and via the online form on the AIMS system.

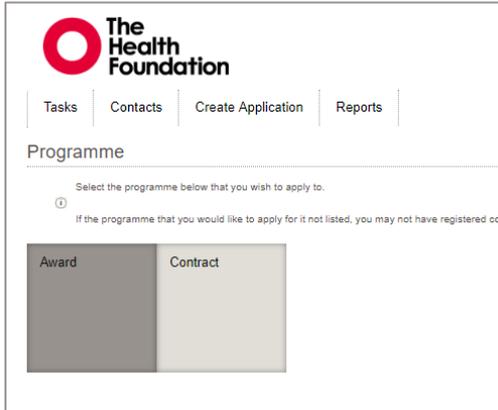
### **AIMS quick start**

Once you have registered with AIMS and activated your profile via the verification email, you can start a tender response. If you are applying on behalf of a team or organisation, register with the organisation via the 'Contacts' tab before doing so.

Then click on '*Create Application*' and select to apply on behalf of the organisation you have just registered with.

## Open tender instructions

Select the 'Contract' programme, as shown below.



The screenshot shows the 'The Health Foundation' logo at the top left. Below it are navigation tabs: 'Tasks', 'Contacts', 'Create Application', and 'Reports'. The main heading is 'Programme'. Below the heading, there is a text prompt: 'Select the programme below that you wish to apply to.' followed by a small icon and the text: 'If the programme that you would like to apply for it not listed, you may not have registered con'. At the bottom, there are two buttons: 'Award' (dark grey) and 'Contract' (light grey).

On the next screen, click into the drop down menu and select the **Impact Assessment** in the drop down for 'Programme call', as shown below.



The screenshot shows the 'The Health Foundation' logo at the top left. Below it are navigation tabs: 'Tasks - Test', 'Contacts', 'Create Application', and 'Reports'. The main heading is 'Programme Call'. Below the heading, there is a text prompt: 'Programme Call: \*'. To the right, there is a dropdown menu with the text '\*Select the relevant call\*' and a downward arrow. Below the dropdown menu, there is an 'OK' button. At the bottom left, there is a red asterisk and the text '\* required'.

- 10.2 A response to your application will be made by midday **17 April 2019**.
- 10.3 Interviews will be held on **23 April 2019 (between 12 and 4pm – please ensure you can attend on that day)**.
- 10.4 Final decision will be communicated by **30 April 2019**. Start date to be **8 May 2019 (or as soon after we have notified the successful provider)**.
- 11.0 Confidentiality**
- 11.1 By reading/responding to this document you accept that your organisation and staff will treat information as confidential and will not disclose to any third party without prior written permission being obtained from the Foundation.
- 11.2 Providers may be requested to complete a non-disclosure agreement

## **12.0 Conflicts of interest**

- 12.1 The Foundation's conflicts of interest policy describes how it will deal with any conflicts which arise as a result of the work which the charity undertakes. All external applicants intending to submit tenders to the Foundation should familiarise themselves with the contents of the conflicts of interest policy as part of the tendering process and declare any interests that are relevant to the nature of the work they are bidding for. The policy can be found and downloaded from the Foundation's website at the following location: <https://www.health.org.uk/COI>