



STAFF REPORT ACTION REQUIRED

Contract Award - Request for Proposal No. 0513-13-7010 for the Toronto Preschool Speech and Language Program

Date:	April 3, 2014
To:	Community Development and Recreation Committee
From:	Medical Officer of Health Acting Director, Purchasing and Materials Management Division
Wards:	All
Reference Number:	

SUMMARY

The purpose of this report is to obtain authority to enter into agreements with five recommended proponents based on the results of the Request for Proposal (RFP) No. 0513-13-7010, for Toronto Preschool Speech and Language Program service delivery on behalf of Toronto Public Health (TPH).

RECOMMENDATIONS

The Medical Officer of Health and the Acting Director of Purchasing and Materials Management recommend that:

1. City Council, in accordance with Section 195-15 of Toronto Municipal Code Chapter 195 (Purchasing By-Law), grant the Medical Officer of Health authority to negotiate and enter into service agreements in a form acceptable to the City Solicitor with the following five proponents being the highest scoring proponents per geographic service area and meeting the requirements of Request for Proposal No. 0513-13-7010, for a period of fifteen (15) months from January 1, 2015 to March 31, 2016 with the option to renew for four (4) additional one (1) year periods at the sole discretion of the Medical Officer of Health and subject to 100% Ministry of Children and Youth Services (MCYS) funding, based on the terms in the RFP for the potential costs as stated below.

Geographic Service Area	Proponent	Cost
West	The George Hull Centre for Children and Families	\$1,107,427.00
Northwest	Macaulay Child Development Centre	\$ 970,724.00
Northeast	Adventure Place	\$1,079,872.15
East	Aisling Discoveries Child and Family Centre	\$1,060,000.00
South	The Hanen Centre	\$1,145,503.00

- City Council grant the Medical Officer of Health authority to negotiate with Ministry of Children and Youth Services to secure additional funds to support transition costs, and to negotiate any necessary modifications to the terms of the service agreements to support the transition, subject to additional MCYS funding.

Financial impact

There is no financial impact to the Toronto Public Health's 2014 Approved Operating Budget, as the Preschool Speech and Language (PSL) service agreements are scheduled to start on January 1, 2015. The PSL is 100 per cent provincially-funded by MCYS. Contracts will be awarded within the funding allocation for community-based PSL services of \$5.600 million gross and \$0 net in ongoing operating costs and will be included for TPH's 2015 Operating Budget Submission and subsequent Operating Budget Submissions.

In addition, a total of \$0.413 million of one-time start up costs has been identified in the proposal responses. Recommended proponents were clearly informed in the RFP that payment for these one-time costs was not guaranteed, and would only be honoured dependent on funding from MCYS, posing no risk to the City for these costs. Start-up costs will be negotiated with the recommended proponents accordingly.

	January 2015 - March 2016	April 2016 - March 2017 Fiscal	April 2017 - March 2018 Fiscal	April 2018 - March 2019 Fiscal	April 2019 - March 2020 Fiscal
Annual Funding	\$7.000 million	\$5.600 million	\$5.600 million	\$5.600 million	\$5.600 million

The Deputy City Manager and City Financial Officer has reviewed this report and agrees with the financial impact information.

DECISION HISTORY

In August, 2000, the Council of the City of Toronto granted authority to the Medical Officer of Health to negotiate and enter in to purchase of service contracts for Preschool Speech and Language Services. In accordance with this delegation, the Medical Officer of Health reported annually on the status and amounts of the contracts.

<http://www.toronto.ca/legdocs/2000/minutes/council/cc000801.pdf>

At its July 10, 2013 meeting, the Board of Health adopted a report "Toronto Preschool Speech and Language Program Redesign" which provided a review of the PSL program and a recommended redesign. The report described the rationale for the redesign, the comprehensive redesign process and the proposed new service delivery model. It identified that in order to proceed with the redesign, a procurement process would be required to identify service partners for the new service delivery areas.

<http://www.toronto.ca/legdocs/mmis/2013/hl/bgrd/backgroundfile-59916.pdf>.

The Board of Health adopted the report with amendments that provided more specificity with respect to evaluation criteria for selection of PSL service providers and the requirement that the redesign proceed only if current service providers are held financially harmless for all one-time transition costs.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2013.HL23.2#>

ISSUE BACKGROUND

The City currently has contracts with four community-based local agencies to deliver PSL services. Two of these agencies have in turn subcontracted with a total of eight additional agencies. The program structure has created issues with respect to governance and accountability and has limited the ability to shift staffing resources to address the changing child demographic needs across the City leading to inequitable access to services for children and families.

Toronto PSL has experienced a slow erosion of services over the years due to flat-lined funding from MCYS based on 1998 population data and with no increase in base funding since 2007. Rising operating costs have consistently reduced service levels every year, as has been reported in Board of Health Reports over the years, recommending advocacy for sufficient and sustainable funding from MCYS to achieve service targets. To date, agency staff gapping and wait listing for services have been mitigation strategies to address the funding shortfall. In lieu of adjustments to base funding, MCYS has flowed several one-time end of year grants to Toronto Public Health to purchase additional services.

TPH has initiated and supported a number of reviews to determine solutions to mitigate these challenges during the fifteen years it has been in contract with MCYS to deliver PSL services. The 2013 redesign was informed by an external review process and extensive community stakeholder engagement, with the support and funding of MCYS.

The goals of the redesign were to improve equity of access to standardized PSL services across the City with improved service efficiencies and accountability. The key redesign elements included:

- A community-based service structure with identified service areas based on need
- A service model in which community-based service delivery agencies contract directly with Toronto Public Health
- Service agreements that establish well-defined and regularly monitored performance measures
- Clearly identified management roles for both Toronto Public Health and the community-based local agencies

- An infrastructure of inter-related groups/committees that supports strategic planning, operations management and evidence-based practice
- A consolidated funding model

COMMENTS

Request for Proposal Process

TPH program staff worked extensively with Purchasing and Materials Management Division (PMMD) and Legal Services to develop a Request for Proposal (RFP) that would select one (1) unique community-based local agency (proponent) to deliver Preschool Speech and Language services for each of the geographic service areas for a total of five (5) community-based local agencies (recommended proponents). A Fairness Monitor, JD Campbell & Associates was engaged by the City to oversee the procurement process.

RFP 0513-13-7010 was issued by PMMD on November 22, 2013 and was available for download in PDF format on the City's internet website. Thirty-six (36) community agencies and the Ontario Association of Speech and Language Pathologists were notified of the RFP when it was issued and available for purchase from the City. A voluntary information meeting was held on December 3, 2013 which eleven agencies attended. This resulted in a total of nine (9) submissions from seven (7) proponents being received on February 18, 2014. Proponents were permitted to submit one response per geographic service area and were to rank their preferred geographic service area. Submissions were as described below:

Geographic Service Area	Proponent
West	Saint Elizabeth Health Care The George Hull Centre for Children and Families
Northwest	Adventure Place Macaulay Child Development Centre
Northeast	Adventure Place Aisling Discoveries Child and Family Centre
East	Aisling Discoveries Child and Family Centre Rouge Valley Health System – Centenary Campus
South	The Hanen Centre

The RFP included the selection criteria to be used for evaluation. The Board of Health's recommendations were addressed in the design of the selection criteria. The selection committee was comprised of three (3) City staff, one (1) community member, and one (1) content knowledge expert. The selection committee proceeded with the evaluation stages of the RFP as required.

Stage 1: Mandatory Requirements

Proposals were required to meet all of mandatory requirements in order to move forward to Stage 2. All nine proposals met Stage 1 and continued onto Stage 2.

Stage 2: Detailed Evaluation of Technical Response

The criteria selected for the technical evaluation reflected the City's need for qualified community agencies to provide Preschool Speech and Language services in the geographic service areas and participate in local community and city wide planning to ensure the integration of PSL with other children's services. Proponents were expected to demonstrate a substantial capacity to deliver services to children with special needs, in particular speech and language, as well as evidence of partnerships and collaborative planning initiatives.

The evaluation of proposals was completed in accordance with the parameters set out in the RFP. The following lists the key criteria against which each response was evaluated:

- Agency Profile
- Experience and Qualifications
- Service Delivery Model
 - Preschool Speech and Language Services
 - Program Resources and Infrastructure Support
 - System Participation
 - Community Integration
- Implementation Plan

No minimum threshold was established in Stage 2.

Stage 3: Interviews

All proponents were interviewed by the selection committee using preset questions. Consensus scoring was conducted after each interview.

Stage 4: Costs of Services

Proponents provided their costs for delivering services in the geographic service area based on a staffing model provided in the RFP and the requirement of a minimum of four service delivery sites within the geographic service area. The cost of services table listed both staffing and operational costs. The proponent that proposed the lowest costs for a particular geographic service area was awarded full points, with the other recommended proponents' relative score calculated by the formula provided in the RFP.

In addition, one-time start-up costs were identified. The proponent that proposed the lowest costs was awarded full points, with the other recommended proponents' relative score calculated by the formula provided in the RFP.

The technical scores, interview scores and the total cost scores were summed to obtain a total overall score.

Proponents' scores by criteria, interview responses, cost comparison and a staff analysis of the evaluation results can be provided in an in-camera presentation if requested by Committee Members.

The Fair Wage Office has reported that the recommended agencies have indicated that they have reviewed and understand the Fair Wage Policy and Labour Trades requirements and have agreed to comply fully.

Fairness Monitor

The firm of JD Campbell & Associates was retained through a competitive bidding process to act as Fairness Monitor for this RFP. The Fairness Monitor's scope of work included the following:

- addressing any concerns relating to accountability/fairness (monitoring the level of openness, transparency and competitiveness of the procurement process);
- independent assurance of integrity of the procurement process with a signed attest statement for the RFP;
- preparing a Final Attest Report for the City that may be provided to Community Development and Recreation Committee;
- presenting report findings to committee members, if required.

The Fairness Monitor concluded that the RFP process satisfied the principles of openness, fairness, consistency and transparency. The Attestation Report from the Fairness Monitor on the RFP Evaluation Process is included as Attachment 1.

Board of Health Recommendations

The July 10, 2013 Board of Health recommendations related to the PSL redesign have been addressed as follows:

1. Speech and language services are provided by community agencies.

All recommended proponent agencies are community-based provider agencies.

2. Service delivery continuity; service coordination and integration with other children's services; client access to service sites and; service staff continuity are included in the competitive process.

As identified above, each of these conditions were included in the RFP selection criteria and proponents were evaluated accordingly.

TPH plans to work extensively with exiting and recommended proponent agencies in leading a system's approach to collaborative planning regarding the transition of services. Transition planning will involve the adoption of a common vision, the establishment of shared goals, activities and timelines along with a comprehensive and consistent communication strategy.

All of the recommended proponent agencies provide one or more of the following programs in a minimum of four community locations: mental health, infant development, special needs resourcing, parent training and Healthy Babies Healthy Children's home visiting. Service integration will enable coordination of services for families and reduce duplication and waste in the system.

The funding allocation for service of \$5.6M will not change as a result of the redesign. The funding allocation to each of the five recommended proponents is based on their capacity to meet the needs in their geographic service area. While it is anticipated that there will be minor service reductions, these are consistent with previous years due to the flat-lined funding. The recommended proponents have supplied robust waitlist management plans and service delivery strategies leveraging the use of staff from other related programs within their organization aimed to minimize the impact of flat-lined funding. In addition, the increased staffing ratio of administrative support to clinicians should improve the efficiency of clinical service by reducing the administrative activities associated with their current clinical positions which include: booking appointments, photocopying, records management, and materials management. The addition of one manager position will improve supervision of service delivery staff, quality and consistency of care, integrated service planning and program accountability.

TPH acknowledges the significant impact that this redesign may have on staff in some service delivery agencies. The recommended proponents have stated that they would work with exiting agencies with respect to acquiring their experienced clinicians. This will support both service staff continuity and service continuity.

One strategy to advance service continuity is the overlap of old and new contracts. TPH has been in conversation with MCYS regarding one-time grants to fund this strategy. The staging of implementation and therefore, the exact start date of the proposed service agreements prior to January 1, 2015 will be based on the timing and amounts of these grants.

3. Current service providers are held financially harmless for all one-time transition costs

The result of this RFP process will be that a number of contracts and sub-contracts with current service partners will not be renewed in January, 2015. As per the current PSL service agreement, the City is not required to provide *additional* funds or provincial funds to support wind down costs. However, TPH is committed to working exiting service delivery agencies to facilitate their transition.

In anticipation of the redesign of PSL, current contracts run from April 1 to December 31, 2014. As such, service agencies that chose not to respond to the RFP will have had twelve months notice of the end of their contract. Agencies that are unsuccessful through the RFP process will have eight months notice. It is the City's intention that providing such notice will reduce the exiting agencies' financial liability.

As described above, TPH will advocate for one time funding grants from MCYS. This would allow for the new contracts to commence in the fall, 2014 and would allow exiting contract agencies to retain some of their operational dollars for wind down costs while not impacting service delivery levels to families.

Through a fair and transparent RFP process that has identified five community-based service delivery agencies and planned advocacy for MCYS funding, TPH has addressed the Board of Health recommendations and is now well positioned to proceed with the PSL redesign.

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SIGNATURE

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ATTACHMENT

Attachment 1: Fairness Monitor Attestation Report

Attachment 1

JD Campbell & Associates

April 2, 2014

1.0 Attest Statement

City of Toronto, Preschool Speech and Language RFP, Fairness Monitor's Statement

JD Campbell & Associates was engaged by the City of Toronto as Fairness Monitor to provide independent oversight throughout the procurement process to select service providers for the provision of Preschool Speech and Language Services. We participated in the validation of the procurement process and provided oversight throughout.

The intent of the RFP was to select five service providers (one each for five geographic areas) for the provision of Preschool Speech and Language Services.

The following chart summarizes our involvement and findings:

Stage	Task	Supported Fairness (Yes/No)
1	Review of Request for Proposals (RFP) documentation	Yes
2	Ensure that the procurement process, communication with the City and basis for selection were clearly stated in the RFP	Yes
3	Review draft Q&A responses and confirm publication	Yes
4	Review draft addenda and confirm publication	Yes
5	Ensure that Proponents were notified of Proponents' meetings with adequate notice	Yes
6	Attend Proponents' meetings to confirm proper conduct	Yes
7	Review of the evaluation criteria;	Yes
8	Ensure that Selection Committee members (evaluators) were briefed concerning best practice.	Yes
9	Obtain confirmation that mandatory requirements check was performed	Yes
10	Attend Selection Committee consensus evaluation sessions	Yes
11	Attend Interviews and ensure appropriate consensus scoring	Yes
12	Monitoring and reporting of any deviations from planned practice	Yes
13	Ensure pricing information submitted and evaluated appropriately	Yes

The City of Toronto's Purchasing and Materials Management Division (PMMD), and program staff managed the RFP. They prepared the draft and final RFP documentation and addenda, responded to proponent questions, conducted a Proponents' information meeting and consulted with the Fairness Monitor on fairness issues. In accordance with the RFP, all communications with the City during the open period were conducted in writing by email with the RFP's Official Point of Contact and a deadline for questions was established. Responses were provided by way of addenda to the RFP.

Outcome

- Seven Proponents submitted Proposals for a total of nine submissions to the RFP;
- All Proponents met the mandatory submission requirements;
- All Proponents were further evaluated according to the RFP for the written rated portion, the interviews and pricing;
- The highest scored Proponents meeting the requirements of the RFP for each of the five districts have been identified as Successful Proponents and have been recommended to move forward to negotiations, pending Council approval.

Conclusion

As the Fairness Monitor for Request for Proposal No. 0513-13-7010, we certify that the RFP procurement process was, in our opinion, fair, open and transparent and that Proponents received consistent treatment. Furthermore, we are not aware of any issues that would impair the fairness of this procurement.

See Background Report for substantiation.

Yours truly,
JD Campbell & Associates



John Campbell