

Report of Head of Commissioning

Report to Director of Adult Social Services

Date: 8th October 2015

Subject: Extension of existing contract for Touchstone consortium's Healthwatch Leeds, Contract reference number: LCCW25311, for 1 x 12 month period under Contract Procedure Rule 21.1

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Summary of main issues

1. This report seeks approval for 1 x 12 month extension period for the Touchstone consortium's Healthwatch Leeds contract (LCCW225311). This optional extension period was built into the original contract for the service.
2. The current contract has been in place for 2 years from 1st April 2013 to 31st March 2015. Currently the contract is halfway through its first extension period. Throughout the duration of the contract satisfactory progress has been made in developing and maintaining the service in line with the service specification.
3. The original contract award was initially made for a 2 year period with the option to extend for a further 3 x 12 month periods.

Recommendations

4. The Director of Adult Social Services is recommended to approve the 1 x 12 month extension of the current contract with the Touchstone consortium for Healthwatch Leeds (reference LCCW225311). This extension will commence 1st April 2016 and run until 31st March 2017. The annual contract value is £416,000 and provisions are available to cover this within the Adult Social Care budget.
5. The Commissioning Officer will liaise with the Programmes, Projects and Procurement Unit (PPPU) to oversee the implementation of the extension of the existing arrangements before they expire on 31st March 2016.

1. Purpose of this report

- 1.1 To seek approval from the Director of Adult Social Services to action a 12-month extension in line with Contract Procedure Rule 21.1 to commence 1st April 2016 until 31st March 2017. This provision is within the existing Healthwatch Leeds contract (LCCW225311).

2. Background information

- 2.1 The Health and Social Care Act 2012 established the need for all 152 local authority areas to make provision for a local Healthwatch organisation. Authorities were to ensure that an efficient and effective local Healthwatch organisation was established in their area by the 1st April 2013.
- 2.2 Local Healthwatch organisations replaced Local Involvement Networks (LINKs), which ceased to operate on the 31st March 2013. The duties, roles and responsibilities of the LINKs transferred to Healthwatch Leeds along with new duties and responsibilities defined by the Act.
- 2.3 Healthwatch is the consumer champion for health and adult social care in England. Each local Healthwatch across the country provides a platform for making the NHS and local government accountable to their local communities. They empower service users and carers to have their voices heard at a local and national level. In addition, local Healthwatch organisations provide citizens with information, advice and signposting to enable them to exercise choice and control in relation to their health and social care needs.
- 2.4 Following a procurement exercise in 2012 a report was submitted to the Delegated Decision Panel seeking approval to award a contract to the Touchstone consortium for a period of two years to run 1st April 2013 to 31st March 2015. In addition the award included the option to extend for a further 3 x 12 month periods. The first of these 12-month extension periods was approved via delegated decision for the period 1st April 2015 to 31st March 2016 (D42092).

3. Main issues

- 3.1 Healthwatch Leeds is a statutory service. This has been competently delivered to date through the contract arrangement held with the Touchstone consortium.
- 3.2 The consortium continues to submit ongoing monitoring in line with the service specification and engages with contracting staff. Recent work covered through Healthwatch Leeds includes helping people to: engage with local Clinical Commissioning Groups; engage on issues relating to mental health, sexual health, addictions and homelessness, and; support improving technology that helps maintain and manage health. Engagement includes 'YouthWatch', which aims to gather views from the children and young people of Leeds.
- 3.3 Funding allocation for the contract is £416,000. The Department of Health provides Leeds City Council with £183,360 from the Local Reform and Community Grant towards paying for this. The balance of funding for Healthwatch comes from Adult Social Care via the Local Government Finance Settlement. Prior to the 2015-16 financial year the annual value of the contract stood at £461,000.

4. Corporate Considerations

4.1 Consultation and Engagement

- 4.1.1 During the procurement exercise for this service a range of Stakeholders were involved in the development and procurement of Healthwatch Leeds through their representation on the Project Team, the Evaluation Panel, the Project Board and the Steering Group. This included representatives from the Third Sector, NHS Commissioning and Provider organisations (Clinical Commissioning Groups, the former NHS Airedale, Bradford and Leeds, Leeds Community Healthcare, Leeds and York Partnership NHS Foundation Trust, Leeds Teaching Hospitals Trust), Leeds Metropolitan University, Children's Services and lay people.
- 4.1.2 The outcomes of the consultation and engagement activity informed the production of the service specification and the questions to be asked during the evaluation process. In addition, the successful tenderer, Touchstone consortium, were provided with details of the outcomes of the engagement activity to inform service delivery.
- 4.1.3 The Healthwatch Leeds contract is monitored by a nominated Contracts Officer who is satisfied that the service is meeting the expectations of the service specification and supports the organisation in developing ongoing initiatives.

4.2 Equality and Diversity / Cohesion and Integration

- 4.2.1 An Equality, Diversity, Cohesion and Integration Screening has been completed (Appendix 1) to cover the extension period. The screening toolkit demonstrates that the service meets the desired equality requirements.
- 4.2.2 The provider has appropriate policies and procedures in place.

4.3 Council policies and Best Council Plan

- 4.3.1 The commissioning of this service supports aims highlighted in the Leeds City Council Best Council plan 2015-2020. These aims fall under the objectives of 'Supporting communities and tackling poverty' and 'Delivering the Better Lives programme'. The Healthwatch Leeds service also reflects the outcomes and priorities identified in the Leeds Joint Health and Wellbeing Strategy 2013-15.
- 4.3.2 The Healthwatch Leeds service also supports the objective of 'Building a child-friendly city' by supporting young people to have a voice with regards health and social care services.

4.4 Resources and value for money

- 4.4.1 The total value of this contract extension is £416,000. This is partially funded from the Local Reform and Community Grant to the value of £183,360. The balance of funding for Healthwatch comes from Adult Social Care via the Local Government Finance Settlement.
- 4.4.2 There will be some resource implications in terms of monitoring and reviewing the contract in order to ensure the service continues to meet statutory requirements and

the necessary outcomes. These resources will be provided from within existing hours in the Adult Social Care commissioning and contracts team.

4.4.3 In 2014-15 an efficiency saving of £45,000 was successfully negotiated with the Touchstone consortium. This saving came in to effect for the 2015-16 financial year and will continue for the duration of the available extension periods. Prior to this a saving of £138,945.00 was made in 2013-14 against the Healthwatch Leeds cost centre.

4.4.4 The funding for this contract is held by Adult Social Care and has been approved by Adult Social Care Finance. This budget will be monitored throughout the year.

4.5 Legal Implications, Access to Information and Call In

4.5.1 The decision highlighted in this report will be taken by the Director of Adult Social Services in line with the officer delegation scheme as detailed in Part 3 of the Council's Constitution.

4.5.2 As the overall value of this decision exceeds £250,000 this is a key decision and is subject to call in.

4.5.3 The recommendation to approve a 1 x 12 month extension covered by this report has been included in the Forward Plan.

4.6 Risk Management

4.6.1 The previous procurement process and the first extension were both conducted in accordance with the Council's Contract Procedure Rules.

4.6.2 If the extension is not approved there is a risk that the existing services will cease and service users will no longer be able to access this service.

4.6.3 This is a statutory service and the Council has a duty to facilitate this provision.

5. Conclusions

5.1 By granting this extension period continuity in service provision will be maintained and statutory obligation adhered to.

5.2 The 12 month extension period is the second of three potential extension periods built into the contract and is in accordance with Contract Procedure Rule 21.1.

5.3 A Commissioning Officer will oversee implementation of the contract in conjunction with the Programmes, Projects and Procurement Unit (PPPU) and the service will be subject to robust contract monitoring and on-going review.

6. Recommendations

6.1 The Director of Adult Social Services is recommended to approve the 1 x 12 month extension of the current contract with the Touchstone consortium for Healthwatch Leeds (reference LCCW225311). This extension will commence 1st April 2016 and run until 31st March 2017. The annual contract value is £416,000 and provisions are available to cover this within the Adult Social Care budget.

6.2 The Commissioning Officer will liaise with PPPU to oversee the implementation of the extension before expiry of the existing arrangements on 31st March 2016.

7. Background documents¹

7.1 None

¹ The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.