

Report of Interim Deputy Director Integrated Commissioning

Report to Director of Adults and Health

Date: 10th May 2017

Subject: To seek approval to procure future Healthwatch Leeds (HWL) services during the 12 month extension period of the contract. HW Contract reference number: (LCCW25311L) 1st April 2017- 31st March 2018. To seek approval to waive Contracts Procedure Rule 15.2 to amend the quality threshold to 100% quality.

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|---|---|--|
| Are specific electoral wards affected? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| If yes, name(s) of ward(s): | | |
| 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? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| If relevant, access to information procedure rule number: | | |
| Appendix number: | | |

Summary of main issues

1. This report seeks approval to procure future HWL services during the 12 month extension period of the current Healthwatch contract which is delivered by HWL(contract reference number:LCCW25311L) 1st April 2017- 31st March 2018
2. The original contract award was for 3 years from 1st April 2013 to 31st March 2016 with 2 x optional 12 months extension periods. The contract is in the final year of the contracts extension periods.
3. The second extension period from April 2017 – March 2018 was agreed October 2016. DDN Reference number D43819.
4. The original annual contract value of £461,000 was reduced in 2015/16 to £416,000 to support Leeds City Council in meeting their efficiency targets. The contract price was further reduced in 2016/17 to £374,400.
5. No further reduction is in place for the final contract extension period.
6. As the price for the service will be set at £374,400, it is would be appropriate to evaluate tenders on 100% quality.

7. In April 2016, Touchstone in accordance with their tender submission changed the contracting arrangements to sub-contract with HWL as an independent CIC. Touchstone however, still remains legally responsible for the delivery of this contract.
8. A service review has been undertaken, the recommendations from which were supported at the Commissioning and Programme managers meeting. Part of the extension period will be used to define the future service model and therefore inform the procurement process.
9. A procurement exercise will take place during the final extension period to ensure appropriate local Healthwatch provision after April 2018.

Recommendations

10. The Director of Adults and Health is recommended to authorise Commissioning Officers to commence a re-procurement of a local Healthwatch services between 1st June 2017 and March 31st 2018 with the new contract starting on 1st April 2018, with an estimated annual budget of £374,400.
11. The Director of Adults and Health is recommended to approve to waive Contracts Procedure Rule 15.2 to amend the quality threshold to 100% quality.
12. The Commissioning Officers will liaise with PPPU regarding the procurement exercise to ensure CPRs, and due process, are adhered to.

1. Purpose of this report

- 1.1 To seek approval to procure future local Healthwatch services during the final 12 month extension period of the current contract that is delivered by HWL contract (LCCW25311L) 1st April 2013- 31st March 2018

2. Background information

- 2.1 The Government's health and social care reforms are centred on the principle that service users, carers, patients and the public must be at the heart of all health and social care service delivery.
- 2.2 The Health and Social Care Act 2012 amends the Local Government and Public Involvement in Health Act 2007 to make provisions about Healthwatch as the consumer champion for health and social care services.
- 2.3 Healthwatch is the consumer champion for health and adult social care in England. Healthwatch provides a platform for making the NHS and local government accountable to their local communities, people using care 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 services.
- 2.4 Healthwatch exists in two distinct forms – local Healthwatch at a local level (in Leeds known as Healthwatch Leeds (HWL), and Healthwatch England at a national level. Healthwatch England is a national body established in October 2012 and it provides leadership and support to local Healthwatch organisations.

- 2.5 The procurement of Healthwatch commenced 2012 and resulted in an award of contract to Touchstone Leeds. The tender was originally a consortia arrangement made up of Leeds Involving People, Touchstone, Inclusion North and Health Together. In April 2016, Touchstone in accordance with their tender submission changed the contracting arrangements to sub-contract with HWL as an independent CIC. Touchstone however, still remains legally responsible for the delivery of this contract.
- 2.6 A service review was undertaken in 2016 which looked at all aspects of the existing service and contractual arrangements. The review concluded with a number of recommendations – including one to re commission a local Healthwatch service beyond the existing contract.

3. Main issues

- 3.1 Under the Health and Social Care Act 2012 each local authority has a statutory duty to provide a local Healthwatch service.
- 3.2 Funding allocation for the contract is currently £374,400 pa. The original contract value for HWL was £461,000. As efficiency savings have already been made, no further funding reduction is required for the re-commissioning of the service.
- 3.3 A procurement exercise will take place during the final extension period of the current contract to ensure appropriate local Healthwatch provision from April 2018.

4. Corporate considerations

4.1 Consultation and engagement

- 4.1.1 Prior to the contract commencement for this service a range of stakeholders were involved in the development of a local Healthwatch and Services Contract.
- 4.1.2 The outcomes of this consultation and engagement activity informed the production of the service specification.
- 4.1.3 The 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.
- 4.1.4. A review was undertaken in 2016 which involved extensive consultation with service users, staff, volunteers and other stakeholders. Feedback about the current service was very positive and the review concluded that the service is highly valued by those consulted.

4.2 Equality and diversity / cohesion and integration

- 4.2.1 An Equality, Diversity, Cohesion and Integration Screening was completed (Appendix 1) during the extension period of the contract. 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 Local Healthwatch organisations replaced Local Involvement Networks, which ceased to operate on the 31st March 2013. The duties, roles and responsibilities of

the LINKs transferred to HWL which was given new duties and responsibilities under the Health and Social Care Act 2012.

- 4.3.2 The commissioning of this service supports aims highlighted in the Leeds City Council Best Council plan 2015-2020. In particular the objectives “Supporting communities and tackling poverty” and “Delivering the better lives programme”. See

4.4 Resources and value for money

- 4.4.1 The current value of this contract is £374,400 pa.
- 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 staffing in the Adults and Health commissioning and contracts team.
- 4.4.3 A full service review has been undertaken in 2016 which showed that the service was meeting its outcomes and providing value for money.

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 Adults and Health 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 and the impact of the decision will have a significant effect on all wards this decision is subject to call in.
- 4.5.3 The recommendation to approve the procurement covered by this report has been included in the Forward Plan. As this is a key decision, future decisions arising from this report i.e. decision to award a contract will be at most a significant operational decisions and therefore not be subject to Call In.

4.6 Risk management

- 4.6.1 The previous contracting process was conducted in accordance with the Council’s Contract Procedure Rules.
- 4.6.2 This contract incorporates statutory Healthwatch services and the Council has a duty to facilitate this provision. Should this procurement not be approved the Council may not fulfil its statutory requirements.

5. Conclusions

- 5.1 By granting authority to procure, continuity in service provision will be maintained and statutory obligation adhered to. Part of the extension period will be used to refine the service model prior to undertaking the procurement exercise to ensure appropriate provision, post April 2018.
- 5.2 The 12 month approved extension period is the second of two extension periods built into the contract and is in accordance with Contract Procedure Rule 21.1.
- 5.3 A Commissioning Officer will undertake the procurement exercise in conjunction with the Programmes Projects and Procurement Unit (PPPU) and the future commissioned service will be subject to robust contract monitoring and on-going review.

6. Recommendations

- 6.1 The Director of Adults and Health is recommended to authorise Commissioning Officers to commence a re-procurement of a local Healthwatch services between 1st June 2017 and March 31st 2018 with the new contract starting on 1st April 2018, with an estimated annual budget £374,400
- 6.2 The Director of Adults and Health is recommended to approve to waive Contracts Procedure Rule 15.2 to amend the quality threshold to 100% quality.
- 6.3 The Commissioning Officer will liaise with PPPU regarding the procurement exercise to ensure CPRs, and due process, are adhered to.

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.