

Cabinet – 20 March 2019

Re-commissioning Healthwatch Walsall

Portfolio: Councillor Martin – Adult Social Care

Related portfolios: Councillor Wilson – Children’s and Health and Wellbeing

Service: Adult Social Care

Wards: All

Key decision: No

Forward plan: No

1. Summary

- 1.1 Local authorities are required to commission a local Healthwatch organisation under the Health and Social Care Act 2012. Healthwatch acts as a consumer champion for users of health and social care services, making sure that people know where to go to raise concerns and obtain information about health and social care services, that people’s views and experiences are heard, improving scrutiny of health and social care services and helping people to influence commissioning decisions.
- 1.2 Healthwatch is a key part of the local health and social care landscape, it has a statutory place on the health and wellbeing board where it can share evidence and feedback on what people think about their health and social care services to system leaders to ensure that services meet the needs of communities and are shaped by local communities. It can also enter and view services such as care homes and hospitals and observe what is happening and report back to commissioners.
- 1.3 The local Healthwatch for Walsall is currently provided by Engaging Communities Staffordshire CIC and the contract is due to expire on the 31st May 2019. There are no further provisions for extension under the existing contractual arrangements.
- 1.4 In order to ensure continuity of service when the existing contract expires, this report seeks delegated authority for the Executive Director of Adult Social Care to accept tenders and award contracts. A delegation is required because to achieve a new contract start on 1 June 2019 the contract needs to be awarded prior to the next meeting of Cabinet as stated in the process timetable in 4.21.

2. Recommendations

- 2.1 That Cabinet delegates authority to accept tenders and award contract for the provision of a local Healthwatch, for a period of 3 years, with the option to extend on an annual basis for a further period of up to one year on two separate occasions, to the Executive Director of Adult Social Care, in consultation with the Portfolio Holder for Adult Social Care following the completion of the procurement process.
- 2.2. That Cabinet delegates authority to the Executive Director of Adult Social Care, to enter into contract for the provision of a local Healthwatch and to subsequently authorise the sealing of any deed and other related documents for the provision of such services.

3. Report detail

- 3.1 There is a statutory requirement under part 5 of the Health and Social Care Act 2012 (the '2012 Act') for all Local Authorities to commission a local Healthwatch and Complaints Advocacy Service from April 2013.

The 2012 Act requires the Council to:

- establish a local Healthwatch to act as the new consumer champion for publically funded health and social care; and
- take over responsibility for ensuring the provision of a Health Care Complaints and Advocacy service.

- 3.2 The aim of a local Healthwatch is to act as the consumer voice for health and social care. It aims to benefit patients, users of services, carers and the public by helping to get the best out of services, improving outcomes and helping services to be more responsive to what people want and need. There are seven statutory functions under the guidance from the Department of Health and Local Government Association (LGA), relating to Healthwatch and the complaints advocacy services as follows:

Function 1 Gathering views and understanding the experiences of people who use the services, carers and the wider community.

Function 2 Making people's views known;

Function 3 Promoting and supporting the involvement of people in the commissioning and provision of local care services and how they are scrutinised;

Function 4 Recommending investigation or special review of services via Healthwatch England or directly to the Care Quality Commission ("CQC");

Function 5 Providing advice and information about access to services and support for making informed choices;

Function 6 Making the views and experiences of people known to Healthwatch England and providing a steer to help it carry out its role as national champion.

Function 7 NHS Complaints Advocacy – this function has been commissioned by a separate process.

3.3 The local Healthwatch contract will cover functions 1 to 6. Function 7 is currently delivered through a separate contract and will not form part of the tendering process.

3.4. The 2012 Act also states that a local Healthwatch must be an independently constituted corporate body, which is a social enterprise, not for profit, able to carry out corporate functions, employ people and sub-contract where it chooses.

4. Procurement Strategy

Outline specification of the works, goods or services being procured.

4.1 The successful provider will provide a local Healthwatch for Walsall and will fulfil the following criteria;

- Provide information and advice to the public about accessing health and social care services and choice in relation to those services.
- Make the views and experiences of people known to Healthwatch England helping it to carry out its role as national champions.
- Make recommendations to Healthwatch England to advise the Care Quality Commission to carry out special reviews or investigations into areas of concern.
- Promote and support the involvement of people in the monitoring, commissioning and provision of local health and social care services.
- Obtain the views of people about their needs for and experience of local health and social care services and make those views known to those involved in the commissioning and scrutiny of care services.
- Make reports and make recommendations about how those services could or should be improved

Contract Value, including the value of any extension period

4.2 The current Healthwatch contract is funded from two sources, the Local Reform and Community Voices Grant (LRCV) and Adult Social Care budget allocation. The LRCV funding received for 2018/19 was £82,200, and over the 5 year period this would total £411,000. There has been no indication as yet from central government as to whether the LRCV grant will continue at its current level for 2019/2020, if there are further reductions this will represent a cost pressure to be managed within Adult Social Care budgets.

4.3 The Council has an indicative budget of £190,450 per annum for the provision of this service. Tenderers will therefore be required to submit prices up to £190,450 per annum.

- 4.4 The cost of the contract over the 5 year contract period is anticipated to be £952,250.

Duration of the Contract, including options for extension.

- 4.5 Healthwatch Walsall will be procured in the first instance for a period of 3 years with a further 2 options to extend by up to 12 months dependent on satisfactory performance in line with the specification and available funding.
- 4.6 There will be a 3 month termination clause for either party to serve notice. This should allow sufficient safeguards for the Council and the provider as a result of unforeseen circumstances.

Procurement procedure

- 4.7 The route for this service is the open procurement procedure for the award of a 3 year contract from 1st June 2019 to 1st June 2022 with 2 further options to extend by up to 12 months. This service is procured under the Public Contracts Regulations 2015 Light Touch Regime (LTR). The overall contract value of £952,250 is above the LTR threshold and therefore means the Council is required to follow a light-touch set of procurement rules. The mandatory requirements include; OJEU advertising, the publication of a contract award notice, compliance with the treaty principles, reasonable and proportionate imposed time limits and conformance with the information provided in the OJEU notice.
- 4.8 The Council will negotiate and issue the contract in line with the Council's standard terms and conditions for the provision of the service with a break and variation clauses. The contract will include service specification requirements and expected outcomes.

The contract delivery methodology and documentation to be adopted.

- 4.9 The Council's standard terms and conditions will be used for these contracts.
- 4.10 The provider will deliver against the terms of the contract, with objectives, outcomes and performance indicators set out in the service specification and agreed with the provider.
- 4.11 Performance management of the service will be undertaken by Walsall Council by a named monitoring officer.

Outcomes, savings and efficiencies expected as a consequence of awarding the proposed contract.

- 4.12 Walsall Council will fulfil its statutory obligations to commission a local Healthwatch organisation, while the activities of Healthwatch will support the delivery of duties outlined in the 2012 Act and the Care Act 2014 and the borough's Health and Wellbeing Strategy.
- 4.13 The provider will provide information and advice to the public about accessing health and social care services, support the involvement of people in the monitoring, commissioning and provision of local health and social care services,

make reports and recommendations about how those services could or should be improved and champion the local voice.

4.14 The provider will make a positive contribution to the successful local achievement of outcomes set out in national and local frameworks for the NHS Trust, Adult Social Care, Walsall Clinical Commissioning Group and Walsall Together Board

4.15 Particular attention will be paid to the following operational outcomes:

Outcome 1: Health and Social Care Services in Walsall are improved and influenced by the impact of the public, patient and carer voice – as a direct result of Healthwatch Walsall intervention.

Outcome 2: Service user, carers and wider community in Walsall have easy access to the support, advice and information they need when making health and social care choices. The advice received is appropriate, helpful and accessible.

Outcome 3: Individuals, groups and communities know about Healthwatch Walsall, and feel that Healthwatch Walsall has accurately reflected their views.

Outcome 4: Healthwatch Walsall works positively and effectively at a strategic level, particularly through its place on the Walsall Health and Wellbeing Board. All health and social care stakeholders report that Healthwatch Walsall carries out its role and activities effectively.

Outcome 5: The local Healthwatch is well managed inclusive organisation with clear lines of governance, structure and communication. The running of the Healthwatch is open and transparent

Key performance indicators have been assigned to each outcome to ensure a consistency in the quality of service delivered. This will be monitored and tracked at Contract Monitoring Meetings.

4.16 The contract for Healthwatch Walsall will be a fixed price and bidders will be evaluated on the best quality service provided within the fixed price budget thereby providing the best value for money.

4.17 During the lifetime of the contract, the successful provider is expected to continually seek ongoing improvement and identify efficiencies and savings related to the delivery of this contract, whether relating to streamlining ways of working, making better use of technology, income generation or other innovations.

4.18 The successful provider is expected to provide an update at Contract Management meetings as to how this is being achieved and delivered.

4.19 Whilst the service will be funded by Government grants sourced from tax-payer money and Adult Social Care budget, the Provider, as a social enterprise will be

expected to generate income and reinvest profits for the sustainability of the service and for the benefit of the community.

Criteria against which the tenderers are to be selected and contract is to be awarded.

4.20 The criteria and weightings on which the tenderers are to be selected are 20% price and 80% quality/service delivery.

4.21 An indicative timetable for the tender is set out in Table A below:

Table A

Target Date	Activity
22 February 2019	Tender Publication date
26 March 2019	Tender Return Date
19 April 2019	Intention to award letters issued and standstill period begins
01 May 2019	Contract Award
01 May 2019 – 01 June 2019	Contract Mobilisation
01 June 2019	Contract Commencement

How the procurement will address and implement the Council's Social Value policies.

4.22 Healthwatch Walsall supports residents to challenge health and social care services locally which potentially enables residents to access improved services locally. In addition, it will facilitate volunteering opportunities and involve residents at a board and implementation level.

4.23 As part of the quality/service delivery criteria 5% is allocated to a social value question which will capture the awarded providers response as part of the overall service delivery.

5. Council Corporate Plan priorities

5.1 The re-commissioning of Healthwatch Walsall links to Walsall Council's corporate priorities;

- People: have increased independence, improved health and can positively contribute to their communities.
- Enhancing quality of life for people with care and support needs and those with long term conditions.
- Improve health outcomes & reduce inequalities; and
- Communities: are prospering and resilient with all housing needs met in safe and healthy places that build a strong sense of belonging and Cohesion.

6. Risk management

- 6.1 The 2012 Act placed new responsibilities on local authorities to establish a local Healthwatch to act as a consumer champion for publically funded health and social care. If the funding allocated to meet these responsibilities is not adequate, there is an ongoing risk to Council's finances.
- 6.2 There has been no indication as yet from central government as to whether the Local Reform and Community Voices Grant will continue as its current level for 2019/2020, if there are further reductions this will represent a cost pressure to be managed within Adult Social Care budgets.

7. Financial implications

- 7.1 The total value of this contract is anticipated at £952,250 over 5 years (i.e. the initial 3-year term plus the options to extend up to a further 2 years). The Local Reform and Community Voices Grant funding received for 2018/19 was £82,200, and if the funding remains at the same level over the 5 year period will equate to £411,000. This is the total cost pressure that would have to be managed within Adult Social Care budgets if the grant was no longer received.
- 7.2 The 2012 Act requires each Local Healthwatch to be a body corporate carrying out statutory functions and to be a social enterprise. The 'social enterprise' definition includes a requirement for the social enterprises to re-invest at least 50% of any operating surpluses.

8. Legal implications

- 8.1 A Local Healthwatch function is a statutory duty under the 2012 Act and the Council is required to commission an independent Local Healthwatch.
- 8.2 In order to ensure that the most appropriate and compliant contracting arrangements are put in place, Adult Social Care has consulted with Legal Services about a suitable form of contract and the Directorate will continue to consult with Legal Services in order to ensure that contract completion and any subsequent extensions or variations are achieved using the most appropriate methods.

9. Procurement implications/Social Value

- 9.1 The procurement process is being conducted via the Council's e-procurement portal, In-tend, in accordance with the Public Contract Regulations 2015, the Council's Contract Rules and Social Value Policy. A Contract Notice advertising the contract was published in the Official Journal of the European Union on 27 February 2019.
- 9.2 Steps will be taken to minimise procurement-related risk. However, there will always remain an inherent risk of legal challenge associated with any procurement undertaken by the Council.

9.3 Input has and will continue to be sought from Procurement and Legal Services, as required to ensure the conduct of compliant procurement process.

9.4 Social value is included within the service specification and will form part of the evaluation process.

10. Property implications

10.1 There are no property implications for the Council. The successful provider will negotiate tenancy agreements directly with their landlord.

11. Health and wellbeing implications

11.1 The Local Healthwatch service will assist in achieving a number of the key objectives of the Marmot Review, as follows:

- Ensure a healthy standard of living for all
- Create and develop healthy and sustainable communities
- Strengthen the role and impact of ill-health prevention

11.2 The Local Healthwatch service aligns with Walsall Clinical Commissioning Group's priorities:

- Restore quality of services with a focus on improving urgent and emergency care services
- Improving health outcomes for our population

11.3 The Local Healthwatch service will assist in achieving a number of the key objectives by:

- Improving the quality of health and social care services by forming an effective working relationship with The Walsall Together Board and the Health and Wellbeing Board.
- By influencing the quality of health and social care

11.4 The Local Healthwatch service will work in collaboration with Walsall Together to achieve the following aims:

- Improving health and wellbeing outcomes for the Walsall population
- Improving care and quality standards in the provision of care

12. Staffing implications

12.1 This service is currently provided by an external contractor and there are no implications for Council staff arising from retendering the contract. TUPE may apply to some of the staff of the existing provider. Tenderers have been provided with information relating to the terms of employment of the staff.

13. Reducing inequalities

- 13.1 Healthwatch Walsall will be representative of Walsall's diverse community, including the nine groups with characteristics protected under the Equality Act 2010. Through the requirements set out in the service specification and ongoing contract monitoring arrangements, the council will make provisions to ensure that these groups are represented equally by Local Healthwatch and that any additional provisions that may be required are put in place.
- 13.2 There is a requirement within the specification that the local Healthwatch service will have a large membership that represents the demographics of the area and all sections of the local community and ensures their voices are heard. This membership will have a direct influence over the policy, plans and priorities of Healthwatch Walsall. This will ensure that the service is fully inclusive of the nine protected groups and that the health needs and inequalities that these groups may be experiencing are articulated through the service and subsequently replayed to local health stakeholders.
- 13.3 An equality impact assessment is not required. This service is set out in national legislation under the Care Act to meet the needs of specific groups of people who would routinely have protected characteristics.

14. Consultation

- 14.1 Healthwatch England was consulted to clarify any significant changes to The 2012 Act which specifies which functions are to be commissioned. There has not been any changes to the service delivery model specified by the Department of Health.
- 14.2 Legal Services, Public Health, Finance and Procurement have been consulted on the content of this report.

Background papers

None

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