

<b>Meeting:</b>	<b>Cabinet member health and adult wellbeing</b>
<b>Meeting date:</b>	<b>27 April 2020</b>
<b>Title of report:</b>	<b>Healthwatch Contract</b>
<b>Report by:</b>	<b>Head of care commissioning</b>

## **Classification**

Open

## **Decision type**

Key

This is a key decision because it is likely to result in the council incurring expenditure which is, or the making of savings which are, significant having regard to the council's budget for the service or function concerned. A threshold of £500,000 is regarded as significant.

Notice has been served in accordance with Part 3, Section 9 (Publicity in Connection with Key Decisions) of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.

## **Wards affected**

(All Wards);;

## **Purpose and summary**

The current Healthwatch contract will expire on the 30 September 2020, therefore approval is required to go out to tender to procure a Healthwatch service for Herefordshire.

This is a statutory service and a requirement under the Health and Social Care Act 2012, the council must ensure an independent Healthwatch service is available. The service can only be provided by the voluntary sector, independent of the council and partner organisation.

## **Recommendation(s)**

**That:**

- (a) the current healthwatch contract is re-procured through an open competitive tender and awarded to commence from 1 October 2020 for up to seven years with an approx. value of £980k subject to annual inflation.**
- (b) delegated authority is given to the Director to take all operational decision necessary to implement the reprocurement and award of contract.**

## **Alternative options**

- 1. To award a shorter contract. This is not recommended as a shorter contract would not offer the long term stability needed to encourage the successful bidder to make the strategic investment in staffing and resources that would to enable the effective delivery of this statutory service.
- 2. To directly award a contract through an annual Grant in Aid award used by a minority of local authorities. This is not recommended as with the alternative suggested above, the short term nature of this type of award would not encourage any long term planning by the successful bidder. Such an award could also be open to challenge as it could be seen as giving preferential treatment to a single bidder.

## **Key considerations**

- 3. The provision of a local Healthwatch service is a requirement of the Health and Social Care Act 2012. The council is required to ensure the provision of a local service, which is also represented on the local Health and Wellbeing Board. Councils are required to procure a Healthwatch service from a voluntary sector organisation, utilising funding from the Department of Health together with additional council funding.
- 4. The service acts as an independent consumer champion, giving the public, patients and users of health and social care services in Herefordshire a voice.
- 5. The current contract is with Herefordshire Healthwatch, a company set up specifically to the deliver the contract since March 2018. The current contract ends on September 30 2020, therefore a competitive tender process will need to commence from the beginning of May 2020.

Action	Timescales
Tender development	April 2020
Launch tender	May 2020
Evaluation	June 2020
Contract award	July 2020
Contract commencement	1st October 2020

6. There is a local Healthwatch in every local authority area in England. Their purpose is to find out what local people like about the health related services they receive and what could be done to improve them. Healthwatch also help people find the information they need about services in their local area.
7. In addition, Healthwatch has the power to make sure that those in charge of health and social care services hear people's voices. Without Healthwatch, residents may not feel supported to raise issues and do not have appropriate representation.
8. Healthwatch also encourage health and social care service providers to involve local people in the decisions that affect them.
9. Healthwatch also help people find the information they need about services in their area.
10. The successful bidder would be expected to play an active role in a number of local bodies, boards and are active in representing resident views in many groups across the county.
11. Tenders received through this bidding process will be assessed against a nationally set Quality Framework. This considers the following six domains; i) Leadership and decision making, to consider the strength of the local leadership; ii) People; looking at the quality and skills of both staff and volunteers; iii) Sustainability and resilience; testing the business model of the proposed service; iv) Collaboration; how will the service work with key partners; v) Engagement, involvement and reach; how will the service access the public, including hard to reach groups, so that their views are heard; and, vi) Influence and Impact assessing that difference the service will make.

## **Community impact**

12. This service will contribute to the county plan and in particular supports the ambition to strengthen communities to ensure everyone lives well and safely together and will support the development and implementation of the 'Talk Community' model.
13. It fundamentally supports all the county plan principles:
  - Partnership
  - Resilience
  - Integrity
  - Democracy
  - Engagements
14. Healthwatch supports and represents the views of both children, young people and adults and is fundamental in ensuring that health and social care services meet the needs of the residents across the county.
15. The service will hold stakeholders such for both social and health care to account for decisions ensuring they engage and support the needs of people with differing needs and ages across the county.

## Equality duty

16. Under section 149 of the Equality Act 2010, the 'general duty' on public authorities is set out as follows:

A public authority must, in the exercise of its functions, have due regard to the need to -

eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;

advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;

foster good relations between persons who share a relevant protected characteristic and persons who do not share it

17. The council is committed to equality and diversity using the Public Sector Equality Duty (Equality Act 2010) to eliminate unlawful discrimination, advance equality of opportunity and foster good relations.

18. The equality duty covers all of the groups with protected characteristics including age, disability, gender reassignment, marriage and civil partnerships, pregnancy and maternity, race, religion or belief and sexual orientation.

19. This decision does not have specific impacts for those that will use the service. The Healthwatch service within Herefordshire is a service that is available to all residents within the county to enable them to have a voice about local health and social care services.

20. Without a strong Healthwatch provision within the county there could be a detrimental impact on those with a protected characteristics as many people within these groups currently use, and benefit from the Healthwatch service who ensures their views are represented.

## Resource implications

21. The annual value of this contract is currently £140k, this will be subject to annual inflation reviews.

22. The Healthwatch service is partially funded by the Department of Health through the Local Reform and Community Voices grant. The amount of this grant that partially funds the Healthwatch service is currently just under £51k pa. This means that the actual cost to the council of this service is £89k pa. The amount paid by the Department of Health grant has not changed significantly in recent years and the provision of the grant is expected to continue for the foreseeable future.

## Legal implications

23. There is a requirement in the Health and Social Care Act 2012 for the council to have a local Healthwatch to provide activities set out in s221 of the Local Government and Public Involvement in Health Act 2007 as amended.

24. Given the value of the contract, the council is required to conduct a procurement exercise which will need to comply with both the Public Contracts Regulations 2015 and the council's own Contract Procedure Rules.
25. The council will also fully comply with the legal obligations of the EU treaty principle of equal treatment, transparency, non-discrimination and proportionality.
26. It is permissible for the director to be given express authority to award this contract which the director will take following a successful procurement and recorded in a record of officer decision.

## **Risk management**

27. If the recommendations in the report are not agreed, the council would be failing in its statutory responsibilities under the Health and Social Care Act 2012.
28. There is a potential risk that the Department of Health grant funding received for the contract could be withdrawn. This is thought to be a highly unlikely outcome, but if it were to happen, the directorate would underwrite this budget pressure.
29. The statutory function of this role could be withdrawn during the lifetime of the contract. If this scenario occurred, a decision would need to be agreed and potential early termination of the contract could be enacted if deemed appropriate.

## **Consultees**

30. Joint Commissioning Board have agreed the decision to procure the service, no further consultation have been done as it's a statutory function.
31. The political groups were consulted.

## **32. Appendices**

None

## **Background papers**

None identified

**Please include a glossary of terms, abbreviations and acronyms used in this report.**