

## CABINET

17 October 2017

### FUTURE PROVISION OF HEALTHWATCH SERVICES

#### Report of the Director for People

Strategic Aim:	Meeting the health and wellbeing needs of the community	
Key Decision: Yes	Forward Plan Reference: FP/140717	
Cabinet Member(s) Responsible:	Mr R Clifton, Portfolio Holder for Health and Adult Social Care	
Contact Officer(s):	Karen Kibblewhite, Head of Commissioning	01572 758127 kkibblewhite@rutland.gov.uk
	Mark Andrews, Deputy Director for People	01572 758339 mandrews@rutland.gov.uk

#### DECISION RECOMMENDATIONS

That Cabinet:

1. Approves the recommended service model of Healthwatch provision for Rutland
2. Approves the recommendation for Healthwatch services from 1<sup>st</sup> April 2018 to be awarded via a procurement process.
3. Authorises the Director for People, in consultation with the Cabinet Member with portfolio for Health and Adult Social Care, to award the contract resulting from this procurement in line with the Award Criteria as set out in Appendix C.

## 1 PURPOSE OF THE REPORT

- 1.1 This report sets out the requirements for Healthwatch provision within Rutland, along with recommendations for: the service model of Healthwatch delivery for Rutland; a move from the current grant funding to a contract; and the procurement process for Healthwatch services to be delivered from April 2018.

## 2 BACKGROUND AND MAIN CONSIDERATIONS

- 2.1 Healthwatch services were established in April 2013 under the Health and Social Care Act 2012, as an independent consumer champion for health and social care. The aim is to provide communities with a voice to influence and challenge local health and social care provision, and of signposting people to information which enables them to make informed choices about health and social care services. The functions which Healthwatch are required to provide are set out within the

legislation and statutory guidance.

- 2.2 Each local authority area is required to have a Healthwatch service, in addition to Healthwatch England which operates at national level. Local Healthwatch are required to be independent organisations able to employ their own staff and involve volunteers.

### **3 CURRENT PROVISION OF HEALTHWATCH SERVICES**

- 3.1 Healthwatch Rutland currently provide the service for Rutland county. They are established as a Community Interest Company and have been grant-funded by RCC since their inception to meet the statutory requirements.
- 3.2 The current grant agreement runs to 31<sup>st</sup> March 2018, and so provision needs to be made for a service to start from 1<sup>st</sup> April 2018 in order to meet the Council's statutory requirements.

### **4 DEVELOPING THE MODEL OF FUTURE PROVISION**

- 4.1 In identifying an appropriate model of provision, officers considered a number of options and the risks and benefits of each. In addition to the consultation and engagement set out below, commissioners also sought the views of Healthwatch England and of commissioners in other local authority areas who had variously kept 'single authority' models or jointly commissioned to understand lessons learned.

#### **4.2 Stakeholder Engagement**

- 4.2.1 An engagement exercise was undertaken to consider options for the provision of Healthwatch services in Rutland, which was run jointly with Leicester City and Leicestershire councils who are also currently considering their future provision.
- 4.2.2 A six-week survey was undertaken from 1<sup>st</sup> August to 8<sup>th</sup> September 2017 to hear the views of local residents and stakeholders. The survey was undertaken online and, in Rutland, was available as hard copies in the county's libraries, GP surgeries and Council offices. In addition, a drop-in session was held at the Council offices to answer questions.
- 4.2.3 The survey was publicised via RCC and by the current Healthwatch service provider.
- 4.2.4 A total of 390 responses were received across Leicester, Leicestershire and Rutland, with 277 (71%) of these relating specifically to Rutland. The results of the survey have informed the proposed model. A summary of the responses received for Rutland is contained in Appendix A.

#### **4.3 Soft Market Testing**

- 4.3.1 In order to determine a feasible model for Rutland which would meet local needs and garner sufficient interest from providers, a Soft Market Testing (SMT) exercise was drawn up and undertaken in line with good practice. As with the consultation, this SMT was undertaken jointly with Leicester City and Leicestershire. The soft market test was advertised nationally on Contracts Finder during August 2017.

- 4.3.2 There were four responses to the SMT, including one from the current Rutland provider, with all four providers indicating that they would be willing and able to deliver a service in Rutland either a standalone service or as part of a wider service model.

#### **4.3.3 Other Consultation**

- 4.3.4 Views were sought from the Adults and Health Scrutiny Panel on 14<sup>th</sup> September 2017 on the future options for provision. The views of the Scrutiny Members are reflected in the proposed model below.

### **5 MODEL OF PROVISION**

- 5.1 The following sets out the recommended model for provision of Healthwatch services from 1<sup>st</sup> April 2018.

#### **5.2 Move from Grant funding to Contract**

- 5.2.1 There is requirement for Council to demonstrate a fair and transparent process of allocating funding, it is therefore proposed that a procurement is undertaken to provide a contract for the service, rather than to award a grant to the current provider. This will ensure an open opportunity for potential providers to bid and will ensure that the provider awarded the contract demonstrates value for money and sets out how their service would meet Rutland's needs. The current provider would be eligible to bid during a procurement.
- 5.2.2 The proposed contract length is three years, with the option to extend annually for a further three years to give stability to the service and to ensure that it is viable for the successful provider.
- 5.2.3 In particular, the Scrutiny Panel recommended a contract which was outcome focused. This reflects the direction of travel with commissioning in the Council.

#### **5.3 Proposed Model**

- 5.3.1 The proposed model is for a Rutland-specific Healthwatch service with a clear requirement to work in partnership with neighbouring Healthwatch services. This requirement would mitigate risks identified by officers of ensuring cross-boundary work both within the Sustainability and Transformation plan (STP) footprint, and with the other neighbouring areas where Rutland residents access health services. This is also in line with the feedback received during the stakeholder engagement.
- 5.3.2 It is recommended that the model includes the other three aspects proposed in, and supported by, the stakeholder engagement:
- a) Retention of a small proportion of funding (up to £10,000 per annum dependent on budget) with which to commission additional and specific investigations or focused additional consultations with service users. This would be agreed by the Council and Healthwatch through the Integration Executive Board and would be with the specific aim of addressing 'wicked issues' and/or areas where concerns have been identified. The Scrutiny Panel also recommended that this additionally commissioned work is

focused on joint working with neighbouring areas where there is cross-over with health services.

- b) Require a focus on the volunteering function to add value to the service by adding skills and capacity to the organisation, as well as by extending the network of individuals who are able to reach into local communities and represent people's views. This was supported by the stakeholder engagement, but Scrutiny Panel noted the level of 'volunteering fatigue' within Rutland, and the risk of using the same pool of volunteers. Officers would therefore work with the successful provider to mitigate this risk.
- c) Require engagement to be a significant activity within the service and specifically with a focus on ensuring the views of seldom-heard groups are heard through use of a range of tools and methods. This is especially important within Rutland given both the very rural nature of some communities and the level of vulnerable older people. The need to ensure engagement to provide representative views was an issue consistently raised during the consultation.

5.3.3 Within the remit of Healthwatch services, there is an option to deliver NHS Complaints Advocacy services (NCAS). This is not currently the case in Rutland - a separate provider is contracted to provide this. It is *not* proposed to include this within the new model. By contracting this with an organisation whose primary function is advocacy, Rutland benefits from a more resilient service and wider training opportunities, than would be achieved by placing this specialist support within a local Healthwatch service. There will be a requirement within the specification for the Healthwatch provider to work closely with the NCAS providers, both within Rutland and in neighbouring authorities to ensure that appropriate signposting and referral for those individuals who need advocacy is in place.

## **5.4 Rejected Options**

5.4.1 The following possible models were considered by officers, but were discounted due both the potential risks identified and in light of the feedback from the stakeholder engagement:

### **5.4.2 Joint LLR Healthwatch**

The benefits of a joint LLR Healthwatch would be the potential reduction in duplication between the current three providers, alongside the potential for economies of scale within back-room functions. In addition, a single Healthwatch would allow a view of the broader system, particularly in the light of the STP.

Overwhelmingly the view of local people was that if Rutland joined with Leicester and Leicestershire to deliver Healthwatch, the focus on Rutland specific needs and issues would be diluted. Although there are means to mitigate the risks: requirements within the contract to maintain a presence within Rutland and to include locality specific issues for example; this still presents a very real risk and would need extremely careful monitoring.

There is also the issue of connectivity with Lincolnshire, Northamptonshire, and with Peterborough and Cambridgeshire in particular, given the extent to which Rutland residents access health services in these areas, rather than in Leicester-

based health services where the focus on an LLR Healthwatch would inevitably be.

For these reasons, this option was rejected.

#### 5.4.3 Joint Healthwatch with a neighbouring authority

This option carries the same benefits and risks as a jointly contracted LLR model.

In addition, whilst this was considered, no other neighbouring Healthwatch provision is currently due for procurement. It is therefore not viable at this time and this option was rejected.

#### 5.4.4 The rejection of commissioning as a joint model would not prevent a provider within a neighbouring authority from bidding for the provision and consequently achieving economies of scale through the join-up with a larger service, whilst retaining a specific service for and within Rutland.

#### 5.4.5 Joint procurement with separate contracts per authority

This would enable consistency with Leicester and Leicestershire in terms of the service provision commissioned, and would enable the specification to require joint work and representation of one Healthwatch provider on behalf of all at LLR-wide meetings. However, Rutland would be bound by a jointly agreed specification which may mean our specific key requirements may not have as high priority as we would want – our links to neighbouring authorities for example, or our focus on military communities; the contract award would need to be made on the same award criteria across all three local authorities; and the Council would be bound by a shared timetable for the procurement which carries an inherent risk of impact on all three authorities where there are delays for one.

## **6 PROCUREMENT PROCESS**

### 6.1.1 The procurement process will follow a single-stage open process in line with the Council's Contract Procedure Rules.

### 6.1.2 The value of the contract is below the EU thresholds, as it meets the criteria for the Light Touch Regime procurement process as set out in The Public Contracts Regulations 2015.

### 6.1.3 Should Cabinet agree the recommendation of following a procurement process rather than awarding a grant, Appendix A and B set out the indicative timetable and the proposed award criteria which would be used.

## **7 ALTERNATIVE OPTIONS**

### 7.1 The Council could continue to award a grant to the current provider for provision of the services. This does not offer an opportunity for other potential providers to deliver the services in Rutland, nor does this provide reassurance that the council is obtaining the best possible provider to meet the needs of Rutland residents or the best value for money. Additionally, the Soft Market Test indicated that there are other interested providers who may wish to bid for the Rutland Healthwatch

service, and therefore retaining a grant arrangement without a clear rationale for doing so would leave the Council open to potential challenge.

7.2 In terms of the procurement, under the Public Contract Regulations 2015, Award Criteria must be set prior to procurement starting. There is no alternative to setting these in advance.

7.3 The approval of award of the contract could be brought back to Cabinet for approval rather than delegated to the Portfolio Holder and Director for People, however the award will be made in line with the award criteria Cabinet approve and therefore the only alternative to not approving the award would be if there were reasonable grounds to not award at all.

## **8 FINANCIAL IMPLICATIONS**

8.1 The contract value is proposed at up to £66,500 per year, a total of £399,000 over the lifetime of the contract.

8.2 The proposed contract level is in line with the current grant. The service is funded from the main Council budget.

## **9 LEGAL AND GOVERNANCE CONSIDERATIONS**

9.1 The provision of Healthwatch services is a statutory requirement.

9.2 The procurement process has been drawn up by the Procurement and Contract Management Team, in line with the requirements of the Public Contracts Regulations 2015 and the Council's Contract Procedure Rules.

9.3 Legal advice on the process has been sought.

## **10 EQUALITY IMPACT ASSESSMENT**

10.1 The provision of Healthwatch services is key supporting health and social care services to identify and meet individuals' needs. The provision of the services set out in this paper supports all residents in Rutland, but will have a particular impact on those who are eligible for and require health and care services.

## **11 COMMUNITY SAFETY IMPLICATIONS**

11.1 The Council is required by Section 17 of the Crime & Disorder Act 1998 to take into account community safety implications. The procurement of quality Healthwatch services should contribute to the safety and reduction of risk to vulnerable people through effective signposting and information, and through supporting the planning and development of services to meet people's needs.

## **12 HEALTH AND WELLBEING IMPLICATIONS**

12.1 The primary aim of Healthwatch services is to improve people's health and wellbeing. An open procurement against quality standards will result in quality services which support this aim to be met for Rutland.

## **13 ORGANISATIONAL IMPLICATIONS**

- 13.1 TUPE (Transfer of Undertakings (Protection of Employment) Regulations 2006) and subsequent amendments will apply to the procurement. TUPE information has been sought from the current provider and will be made available to bidders via the Invitation to Tender.

## **14 SOCIAL VALUE IMPLICATIONS**

- 14.1 Under the provisions of the Public Services (Social Value) Act 2012 local authorities are required to consider how economic, social, and environmental well-being may be improved by services that are to be procured, and how procurement may secure those improvements.
- 14.2 The award criteria include specific reference to Social Value and require demonstration of the additional value gained by Rutland through the delivery of the contracts.

## **15 CONCLUSION AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS**

- 15.1 It is recommended that the proposed model is accepted and that this is procured via an open tender process. This will provide assurance of commissioning the most appropriate provider and of value for money. The risks and benefits of the various options have been weighed up and it is believed that this represents the model which will be best able to meet Rutland's needs whilst delivering an appropriate and effective service.
- 15.2 In order for the procurement process to commence the award criteria needs to be approved by Cabinet. The criteria have been carefully considered to ensure that the provider successful in the process is capable of meeting the requirements and can deliver appropriate quality services in Rutland.
- 15.3 It is recommended that once the award criteria are approved, approval of the award of contracts is delegated to the Director for People in consultation with the Portfolio Holder. Decisions will only be taken in line with Cabinet approved criteria.

## **16 BACKGROUND PAPERS**

- 16.1 Cabinet Report No. 137/2017 – Consultation on Future Healthwatch Provision (July 2017)

## **17 APPENDICES**

- 17.1 Appendix A – Summary of Consultation Responses
- 17.2 Appendix B – Procurement Timetable
- 17.3 Appendix C – Award Criteria

**A Large Print or Braille Version of this Report is available upon request – Contact 01572 722577.**

## Appendix A. Summary of Consultation Responses

A joint stakeholder engagement with commissioners from Leicester City and Leicestershire was undertaken for a period of six weeks between 1<sup>st</sup> August and 8<sup>th</sup> September. This asked for views on four separate proposals:

- A joint LLR Healthwatch;
- Retaining a proportion of the funding to commission additional specific work;
- Requiring a focus on volunteering;
- Requiring engagement with seldom heard groups.

The consultation was undertaken online via Survey Monkey, and in addition Rutland County Council provided hard copies which were distributed within the county at libraries and GP surgeries.

A total of 277 responses were received from Rutland residents (of 390 responses across LLR). 19 of these responses were hard copies.

The responses are set out below, with the percentages for people who stated they were responding in relation to all of LLR, to Rutland specifically, and the overall total responses including those who responded specifically to Leicester and to Leicestershire. For each proposal, the themes of any comments are also set out.

### Proposal 1: A joint LLR Healthwatch

	<b>LLR</b>	<b>Rutland</b>	<b>All responses</b>
Agree	50.0%	25.3%	35.9%
Don't agree	34.8%	65.3%	54.4%
Don't know	13.0%	7.9%	8.2%
Not answered	2.2%	1.4%	1.5%

- Rutland specific demographics would need to be represented.
- Due to the different levels of funding being input into a joint commissioned service Rutland may lose its voice due to the lower funding input.
- Previously tried this way which people have felt was unsuccessful and did not fully take into consideration the needs of Rutland residents.
- Use of other areas: Rutland residents also use health care services in neighbouring authorities such as Lincolnshire and Cambridgeshire therefore this would not be considered through a joint commissioned service with LLR.
- Rutland could lose its identity and the opportunity to influence services due to being overshadowed by larger authorities - local people need local services



## **Proposal 2: Retaining a proportion of the funding to commission additional specific work**

	<b>LLR</b>	<b>Rutland</b>	<b>All responses</b>
Agree	58.7%	54.2%	35.9%
Don't agree	17.4%	30.0%	54.4%
Don't know	17.4%	15.5%	8.2%
Not answered	6.5%	0.4%	1.5%

- Would need to make sure the money is spent where it is needed.
- Various concerns raised over who decides how the funding will be spent: some feel this should be down to the Council to decide, other feel this should be down to Healthwatch, and others feel the public should decide how the funding is allocated and spent.
- Through a joint approach there would be different priorities in each area which could affect the funding and priorities in the other areas.

## **Proposal 3: Requiring a focus on volunteering**

	<b>LLR</b>	<b>Rutland</b>	<b>All responses</b>
Agree	56.5%	53.1%	53.3%
Don't agree	26.1%	23.8%	24.4%
Don't know	13.0%	22.0%	20.8%
Not answered	4.3%	1.1%	1.5%

- Training and support needs to be in place for volunteers
- There are already a large number of volunteers working within local communities but there are further people whose experience and skills can be better utilised.
- Good way to improve and develop community engagement
- Concerns that over utilising volunteers is a money saving technique
- A whole service cannot be managed purely on volunteers alone and where there is inappropriate training or support to ensure they are able to work effectively and safely.

## **Proposal 4: Requiring engagement with seldom heard groups**

	<b>LLR</b>	<b>Rutland</b>	<b>All responses</b>
Agree	87.0%	71.1%	74.4%
Don't agree	8.7%	17.7%	14.9%
Don't know	2.2%	9.7%	8.7%
Not answered	2.2%	1.4%	2.1%

- There are still a significant amount of people that do not use or have access to social media meaning that they are less likely to be able to share their views on services.
- Suitable engagement work is required, not only through social media but through events, open meetings, using current community facilities and in an accessible format for all.
- What works in one area may not work in another
- When engagement events take place they need to be accessible across the county to ensure people have the opportunity to attend and publicising of this needs to be prioritised.
- Minority groups may not be heard as well as the majority groups

- Could take up a lot of time and money, and may create further concerns which otherwise did not exist

### Respondent breakdown:

In what role are you responding?	Rutland	All respondents
Member of the public	226	305
Healthwatch member	21	40
Health or social care commissioner	1	5
Health or social care provider	13	18
Other organisation	13	17
Not answered	3	5
	<b>277</b>	<b>390</b>

Have you used Healthwatch?	Rutland	All respondents
Yes	95	153
No	178	230
Not Answered	4	7
	<b>277</b>	<b>390</b>

### Demographics:

Sex	Rutland	All respondents
Female	54.9%	55.9%
Male	36.8%	35.4%
Prefer not to say/not answered	8.3%	8.8%

Age	Rutland	All respondents
under 18	0.36%	0.3%
18 - 25	0.4%	0.5%
26 - 35	2.2%	2.8%
36 - 45	4.3%	7.4%
46 - 55	11.9%	13.8%
56 - 65	19.1%	19.0%
66+	53.8%	48.2%
Prefer not to say/not answered	8%	8%

<b>Disability</b>	<b>Rutland</b>	<b>All respondents</b>
Yes	12.6%	15.6%
No	76.9%	73.8%
Prefer not to say/not answered	10.5%	10.5%

<b>Ethnicity</b>	<b>Rutland</b>	<b>All respondents</b>
Asian or Asian British: Indian	0.4%	2.1%
Black or Black British: Caribbean	0.0%	0.3%
Chinese	0.4%	0.3%
Dual/Multiple Heritage: Any other heritage background	0.8%	0.6%
Other ethnic group: Any other ethnic group	0.4%	0.3%
White: Any other White background	0.4%	0.8%
White: British	84.8%	79.2%
White: European	2.2%	2.8%
White: Irish	0.0%	0.5%
Prefer not to say/not answered	10.9%	13.3%

<b>Postcode</b>	<b>Rutland</b>
LE15	92.8%
LE2	0.4%
LE7	0.4%
NG31	0.4%
PE9	5.1%

## Appendix B. Procurement Timetable

The following table sets out the indicative timetable for the procurement.

Action	By When
Cabinet Approval for Award Criteria	17 <sup>th</sup> October
Invitation to Tender published	23 <sup>rd</sup> October
Deadline for questions from bidders	3 <sup>rd</sup> November
Deadline for responses to questions	13 <sup>th</sup> November
Tender submissions deadline	29 <sup>th</sup> November
Evaluation of Tenders	Completed by 15 <sup>th</sup> December
Clarification meetings if required	Completed by 12 <sup>th</sup> January
Approval of Contract Awards	By 25 <sup>th</sup> January
Notification of award/start of standstill	29 <sup>th</sup> January
End of standstill	8 <sup>th</sup> February
Contract award	12 <sup>th</sup> February
Contract start date	1 <sup>st</sup> April 2018

## Appendix C. Proposed Award Criteria

### 1. Suitability Questionnaire

Pass/fail basis

#### 1.1 Service specific requirement:

The service must have a visible base within Rutland County Council boundaries with easy to access for service users, their families and other professionals who may need/wish to engage with them.

Pass/fail

### 2. Technical Criteria

Criteria	Weighting
1. Outline your experience of delivering these types of services and how that will translate into the delivery of an effective service within Rutland, demonstrating your understanding of Rutland's communities and its health and social care issues.	8%
2. Outline your planned delivery model for the service, including: <ul style="list-style-type: none"><li>• Staffing,</li><li>• Capacity,</li><li>• Organisational structure inc governance arrangements</li><li>• Visibility within the county</li><li>• Implementation by 1<sup>st</sup> April</li><li>•</li></ul>	14%
3. How will you ensure representative engagement from Rutland's different communities, both within your governance and as part of service delivery.	11%
4. How will you ensure that your staff and volunteers have appropriate levels of knowledge, understanding and experience of services and policy to deliver effective services? What action will you take to ensure that staff and volunteers are trained and upskilled as the health and care landscape develops?	8%
5. How will you ensure partnership working with other Healthwatch providers and with health and care services to best meet the interests of those accessing services in: <ul style="list-style-type: none"><li>- Leicester and Leicestershire</li><li>- Other neighbouring authorities</li></ul>	11%
6. How will you actively influence local and sub-regional policy, strategy and planning of health and care services, working both collaboratively and as a 'critical friend' with commissioners and providers? What do you consider to be Healthwatch's key role within this?	11%
7. How do you intend to provide effective information and signposting for Rutland residents, ensuring that this is accessible across a wide range of individuals and communities?	11%

8. Outline the steps you would take on receiving allegations of poor practice within a health or care organisation in Rutland.	11%
9. Explain how you would ensure you will meet the outcomes set out in the service specification. You should include what you will measure to demonstrate this, and how.	11%
10. Detail the social value your service will deliver across at least two of the three areas of: supporting the local economy; reducing demand for public services; and looking after the local environment. This should be additional value above and beyond the specified service and at no additional cost.	4%

### **3. Price Criteria**

Bidders will be expected to agree to meet the price stated in the tender.